

PENGAD-Bayonne, N.J.
**PLAINTIFF'S
EXHIBIT
3**

JAY PEAK
VERMONT



New All Suite Hotel

Private Offering Memorandum

(including Limited Partnership Agreement)

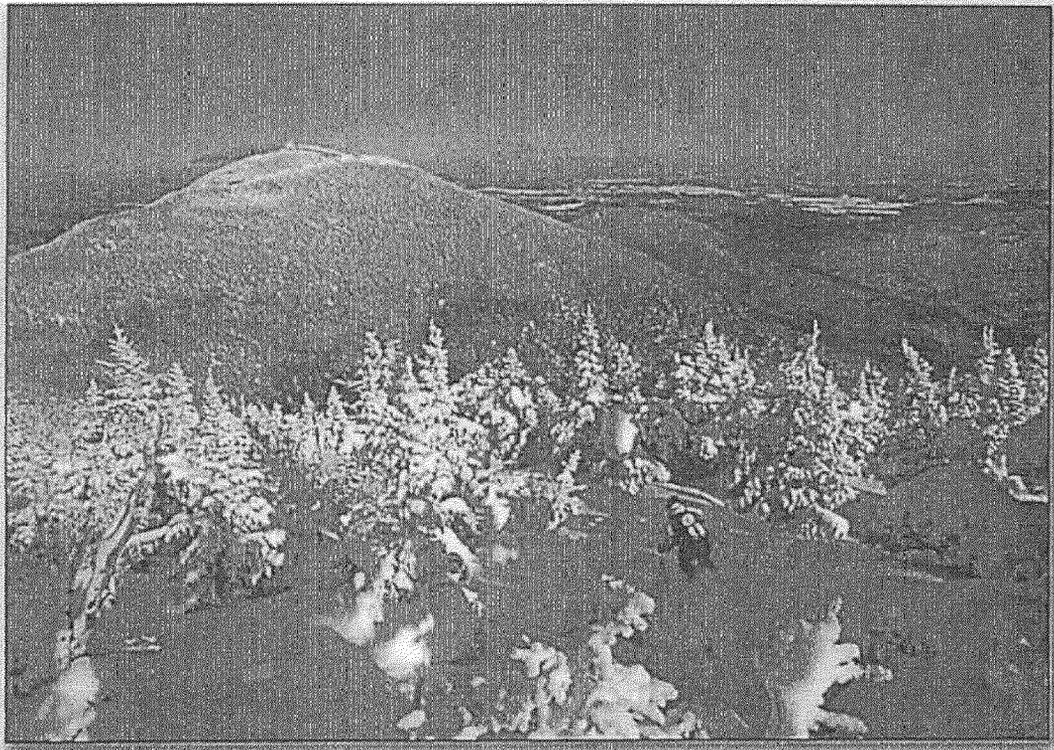
An EB-5 Visa Investment opportunity structured to assist foreign investors to become eligible for admission to the United States of America as Lawful Permanent Residents



JAY PEAK

V E R M O N T

Move up. jaypeakresort.com.



**Jay Peak Hotel Suites L.P.
Offering Memorandum
December 22, 2006**

JAY PEAK HOTEL SUITES L.P.
A Limited Partnership Chartered In the State Of Vermont

CONFIDENTIALITY AGREEMENT AND COPYRIGHT ACKNOWLEDGEMENT

A prospective investor into Jay Peak Hotel Suites L.P. (the "Partnership"), by accepting receipt in what ever manner or form, of this Private Offering Memorandum (the "Memorandum"), agrees not to duplicate, disseminate or to furnish copies of the Memorandum or any part thereof in any form whatsoever, including but not limited to electronic means, or to divulge information garnered from this Memorandum to persons other than such investor's investment and tax advisors, accountants and legal counsel instructed solely to assist the investor in the evaluation, and such advisors, accountants and legal counsel together with the prospective investors and any other persons to which this Memorandum comes into their possession (i) are prohibited from duplicating, disseminating or using the Memorandum and any information contained herein in any manner other than to determine whether the investor wants to invest into the Partnership, (ii) acknowledge the copyright of the authors in the Memorandum, and that copyright violators may be prosecuted and (iii) acknowledge that written translation of this Memorandum, or any part thereof, into any other language is not authorized. The agreements made herein shall survive if the investor withdraws from the Jay Peak Hotel Suites project for whatever reason, whenever said withdrawal should occur, and shall continue in full force and effect regardless of the eventual result of any application for lawful permanent residence in the United States of America made in conjunction with investment in this project. If the investor withdraws from the project for whatever reason the investor shall immediately return to the General Partner of the Partnership his or her copy of this Private Offering Memorandum, together with any copies furnished by the investor to such investor's advisors or counsel.

IMPORTANT NOTICE - No legal advice

The contents of this Memorandum are not intended as an interpretation of immigration law or legal advice for any purpose, and any prospective investor should not consider anything in this Memorandum as such advice or as a legal opinion or investment advice on any matters, and should seek independent professional advice.

JPI 001513

Table of Contents

SECTION 1	4
THE OFFERING	4
Important Information.....	6
Investor Suitability Standards	10
Immigration "As An Alien Entrepreneur EB-5 Visa".....	12
Summary Of The Offering	13
Introduction	13
Securities Being Offered	13
Purchase Terms.....	13
Exemption from Registration.....	13
The Limited Partnership.....	14
Jay Peak Resort.....	14
The General Partner	15
Project Summary.....	15
Jay Peak Market Review.....	15
Use of Proceeds	16
Land Acquisition.....	16
The Condominium Association.....	17
Completion of Project.....	17
Offering Memorandum only available in US English Language.....	17
Federal Tax Considerations	17
Transfer Restrictions.....	17
Escrow Accounts	18
Escrow Agent.....	18
Summary of Master Escrow Agreement	18
Summary of Investor Escrow Agreement.....	18
Summary of Investor Administration Fee Escrow Agreement.....	18
Immigration Matters	19
Overview	19
Amount of Investment	19
Counting Jobs Created	19
The State Of Vermont - A Regional Center.....	20
The I-526 Petition Process.....	20
The I-526 Petition Approval Not Guaranteed	21
Consular Processing or Adjustment Of Status.....	21
Consular Processing.....	22
Travel to US After the I-526, Immigrant Petition by Alien Entrepreneur is Filed	22
Visa Issuance Not Guaranteed.....	23
Admission After CLPR Visa Issued Not Guaranteed	23
Adjustment of Status.....	23
Travel During Adjustment Of Status Processing.....	24
Employment During The Adjustment Of Status Processing.....	24
Adjustment Of Status Cannot Be Guaranteed	25
Removal of Conditions.....	25
Removal Of Conditions Not Guaranteed.....	26
Exit Strategies	26
Risk Factors.....	26
Immigration Risk Factors.....	29
SECTION 2	37
THE LIMITED PARTNERSHIP	37

JPI 1001514

SECTION 3.....	38
JAY PEAK HOTEL L.P. SUBSCRIPTION DOCUMENTS	38
Subscription Agreement	39
Purchaser Investor Questionnaire	43
Master Escrow Agreement	48
Investor Escrow Agreement.....	53
Investor Administration Fee Escrow Agreement.....	56
Purchaser Representative Questionnaire.....	59
Acknowledgment of Use of Purchaser Representative.....	61
Consent to Limited Partnership Agreement.....	62
SECTION 4.....	63
BUSINESS PLAN AND FINANCIAL DATA	63
Executive Summary.....	63
The Project.....	63
Jay Peak Resort.....	63
The Financial Transaction.....	64
Jay Peak Management Team	65
Sales Strategy.....	65
The State Of Vermont - A Regional Center.....	65
Capitalization	65
Source and Use Of Investor Funds	66
Costs of Project Construction.....	67
Developer Fee - Note 4.....	67
Contingency Fees and Pre-Opening Working Capital Note 5.....	68
Land Purchase Note 6	68
Development Of The Project	68
Development Permits.....	68
Developer and Construction.....	68
Development Phases.....	69
Summary of Build Phases and Job Creation Points.....	70
Investor Funds Source And Application Summary Report	72
Hotel Operations.....	74
Management.....	74
Income Statements.....	74
10 Year Income Projection.....	75
Projected Revenues - First Two Years Of Hotel Operations.....	76
Sales Chart - By Month First Year.....	77
Sales Chart - Five Years Projection	77
Income Statement And Cash Flow - First Year Of Hotel Operation.....	78
Projected Net Income - Monthly First Year Of Operations	79
Projected Net Income - 5 Years Of Operations.....	79
General Assumptions: Summary	80
General Assumptions: Detail.....	82
General Partner	83
Fees to General Partner and affiliated entities.....	83
Limitation of Liability of General Partner.....	83
Transactions with Related Parties	83
Management Agreement	84
Distributions to Investors	84
Job Creation	84
Exit Strategies	84

SECTION 586

SCHEDULE OF EXHIBITS86

NOTE: SUBSCRIPTION DOCUMENTS EXHIBITS A THROUGH H ARE CONTAINED IN SECTION 2 OF THE OFFERING MEMORANDUM.

Exhibit K
Purchase and Sale Agreement

Exhibit L
Preliminary Site Survey

Exhibit M
Conceptual: Hotel Exterior and Interior

Exhibit N
Regional Center Designation

Exhibit P
Economic Model – Extract

Exhibit Q
Letters: State of Vermont, United States Senate

Exhibit R
Proposed Management Agreement

Exhibit T
Proposed Grant of Easement and Maintenance Agreement

Exhibit V
Jay Peak Hotel Suites Limited Partnership Agreement

Exhibit W
Certificate of Limited Partnership

Exhibit X
Certificate and Articles of Incorporation of General Partner

Exhibit Y
CIS form I-526

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JPI 001516

Section 1

JAY PEAK HOTEL SUITES L.P.
(A Vermont Limited Partnership)
4850 VT Route 242 Jay, Vermont 05859

35 LIMITED PARTNERSHIP INTERESTS

All of the 35 limited partnership interests are being offered by Jay Peak Hotel Suites L.P., the Issuer. There is no public market for these interests. See *Risk Factors*, p. 26

The Offering

US\$19,250,000; comprising 35 Limited Partnership Interests of \$550,000 per "Unit" (each Unit comprising \$500,000 investment funds and a \$50,000 administration fee)

JAY PEAK HOTEL SUITES L.P., will within the strategic center of Jay Peak Resort, a Ski Resort established for over 50 years, located in Jay Vermont, acquire land to develop and construct a six-floor building to incorporate a new hotel comprising a mix of 57 (fifty-seven) one, two and three bedroom hotel suites which will be owned and operated by JAY PEAK HOTEL SUITES L.P. The hotel will provide ski-on and ski-off access, a much-desired facility in ski resorts. Hotel accommodations for visitors to Jay Peak Resort are limited at present and the demand for additional luxury suite hotel-type facilities is substantial. Within the six-floor building, Saint Sauveur Valley Resorts, Inc., the parent company of Jay Peak, Inc. which operates Jay Peak Resort, will own and build-out a Commercial Unit and a Service Unit to provide additional guest services, food and beverage, and recreation facilities. The Hotel, Commercial Unit and a Service Unit will comprise a three-unit condominium association.

Although JAY PEAK HOTEL SUITES L.P. (sometimes referred to herein as the "Partnership" or "Limited Partnership") is a newly formed entity, Jay Peak Resort has been a successful, largely winter resort for 50 years and is one of the leading ski resorts in North America. The resort has just completed construction of a new championship golf course which opened in July 2006, and with the completion of the proposed Hotel, the resort will be expanding into summer operations offering summer recreation in one of the most beautiful parts of America, Northern Vermont. By creating this hotel project, and aiding the expansion into summer operations JAY PEAK HOTEL SUITES L.P., will create many new permanent jobs both at the resort, in the greater Jay Peak region, and within the State of Vermont.

Under this Offering, the Limited Partnership is offering a total of 35 Limited Partnership Units at an offering price of \$550,000 per Unit. All Units are payable in full upon subscription (the "Offering"). There is no minimum sale requirement. Except for \$25,000 of the investor's contribution towards administrative fees, and any interest on said amount, which shall be released to Jay Peak, Inc. when the investor's I-526 petition is filed with the United States Citizenship and Immigration Service (CIS), the funds for each investor will be held in escrow until the investor's I-526 petition has been approved by CIS and as further set forth in the Limited Partnership Agreement. (See *Offering of Interests, Immigration Matters and The Limited Partnership and its Business* et al.). The Offering will terminate on June 30, 2008, (or to such later date as may be designated by the General Partner in its sole discretion,) but will be extended thereafter for 120 days to any prospective investor who has paid a part of the subscription funds into the escrow account pursuant to the Investor Escrow Agreement (see exhibit D.). This Offering supersedes in its entirety all prior offerings if any.

JPI 001517

This investment offering has been structured so that investors may meet the requirements under 8 U.S.C. § 1153 (b)(5)(A) - (D); INA § 203 (b)(5)(A) - (D) of the Immigration & Nationality Act (the "Act") and qualify under this program (the "Program") to become eligible for admission to the United States of America as lawful permanent residents with their spouses and unmarried, minor children.

YOU SHOULD DEPEND SOLELY ON THE INFORMATION CONTAINED IN THIS PRIVATE PLACEMENT MEMORANDUM. IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED OR APPROVED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THESE AUTHORITIES HAVE NOT PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE U.S. SECURITIES AND EXCHANGE COMMISSION DOES NOT PASS UPON THE MERITS OF ANY SECURITIES OFFERED OR THE TERMS OF THE OFFERING, NOR DOES IT PASS UPON THE ACCURACY OR COMPLETENESS OF ANY OFFERING CIRCULAR OR SELLING LITERATURE. THESE SECURITIES ARE OFFERED UNDER ONE OR MORE EXEMPTIONS FROM REGISTRATION; HOWEVER, THE COMMISSION HAS NOT MADE AN INDEPENDENT DETERMINATION THAT THESE SECURITIES ARE EXEMPT FROM REGISTRATION.

INVESTMENT IN SMALL BUSINESSES INVOLVES A HIGH DEGREE OF RISK, AND INVESTORS SHOULD NOT INVEST ANY FUNDS IN THIS OFFERING UNLESS THEY CAN AFFORD TO LOSE THEIR ENTIRE INVESTMENT. SEE THE "RISK FACTORS" SECTION OF THE "SUMMARY OF THE OFFERING" AND THE "RISK FACTORS" SECTION OF THE FINANCIAL DATA FOR THE RISK FACTORS THAT MANAGEMENT BELIEVES PRESENT THE MOST SUBSTANTIAL RISKS TO AN INVESTOR IN THIS OFFERING. THERE IS CURRENTLY NO PUBLIC MARKET FOR THE UNITS AND TRANSFERABILITY OF THE UNITS WILL BE LIMITED.

	Price to Investors	Administration Fees (to Jay Peak Administration Fee Escrow Agent)	Proceeds to Limited Partnership
Per L.P. Unit	\$ 550,000.00	\$ 50,000.00	\$ 500,000.00
Total Offerings ¹	\$19,250,000.00	\$ 1,750,000.00 ²	\$17,500,000.00

All invested funds are stated and payable in US Dollars

Note:

1. See "Risk Factors." Possible acquisition of Units by Saint Sauveur Valley Resorts, Inc.

2. Jay Peak, Inc. will receive the Administration Fee, and be responsible for the costs of the conceptual design, legal, accounting, administration and all other costs relating to the presentation and offering costs of the limited partnership interests. Investors remain responsible for the payment of any costs they incur in connection with a review of the project and for the payment of legal fees, out-of-pocket expenses and government filing fees concerning immigration matters and processing.

The Date of this Offering Memorandum is December 22, 2006.

This Memorandum # _____ has been provided to _____

JPI 001518

Important Information

REVIEW ALL INFORMATION — A POTENTIAL INVESTOR SHOULD CAREFULLY REVIEW ALL THE INFORMATION AND EXHIBITS CONTAINED IN THIS MEMORANDUM INCLUDING THE LIMITED PARTNERSHIP AGREEMENT, THE FINANCIAL AND OPERATING DATA OF THE PARTNERSHIP ATTACHED HERETO, WHICH IS INCORPORATED HEREIN BY REFERENCE, AND THE SUBSCRIPTION AGREEMENT IN MAKING AN INVESTMENT DECISION. INVESTORS MUST RELY ON SUCH INVESTOR'S OWN EXAMINATION OF THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. EACH PROSPECTIVE INVESTOR IS INVITED TO ASK QUESTIONS OF, AND UPON REQUEST MAY OBTAIN ADDITIONAL INFORMATION FROM THE GENERAL PARTNER CONCERNING THE LIMITED PARTNERSHIP, ITS CONTEMPLATED BUSINESS, THE TERMS AND CONDITIONS OF SUCH OFFERING AND ANY OTHER RELEVANT MATTERS TO THE EXTENT THE GENERAL PARTNER POSSESSES SUCH INFORMATION OR CAN ACQUIRE IT WITHOUT UNREASONABLE EFFORT OR EXPENSE.

SOURCES OF INFORMATION — THE INFORMATION CONTAINED HEREIN HAS BEEN OBTAINED FROM THE LIMITED PARTNERSHIP. NO REPRESENTATION OR WARRANTY, EXPRESSED OR IMPLIED, IS MADE AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION AND NOTHING CONTAINED IN THIS MEMORANDUM IS OR SHALL BE RELIED ON AS A PROMISE OR REPRESENTATION AS TO THE PAST OR FUTURE. THIS MEMORANDUM IS PROVIDED SUBJECT TO AMENDMENT AND SUPPLEMENTATION, AND THE TRANSACTION CONTEMPLATED HEREIN MAY BE MODIFIED OR WITHDRAWN AT ANY TIME PRIOR TO CLOSING. THE OBLIGATIONS OF THE PARTIES TO THIS TRANSACTION WILL BE SET FORTH AND GOVERNED BY THE DOCUMENTS REFERRED TO IN THIS MEMORANDUM.

AUTHORIZED STATEMENTS — THIS OFFERING MEMORANDUM CONTAINS ALL OF THE REPRESENTATIONS BY THE PARTNERSHIP CONCERNING THIS OFFERING, AND NO PERSON SHALL MAKE DIFFERENT OR BROADER STATEMENTS THAN THOSE CONTAINED HEREIN. INVESTORS ARE CAUTIONED NOT TO RELY UPON ANY INFORMATION NOT EXPRESSLY SET FORTH IN THIS MEMORANDUM.

MEMORANDUM NOT LEGAL ADVICE — PROSPECTIVE INVESTORS SHOULD NOT CONSTRUE THE CONTENTS OF THIS MEMORANDUM OR ANY PRIOR OR SUBSEQUENT COMMUNICATIONS FROM THE PARTNERSHIP AS LEGAL OR TAX ADVICE. EACH INVESTOR MUST RELY SOLELY UPON HIS OR HER OWN REPRESENTATIVES (INCLUDING HIS OR HER LEGAL COUNSEL, ACCOUNTANT AND OTHER PERSONAL ADVISORS) AS TO LEGAL, TAX, IMMIGRATION, BUSINESS AND RELATED MATTERS CONCERNING A PROSPECTIVE INVESTMENT IN THE PARTNERSHIP.

PRIVATE MEMORANDUM — THIS MEMORANDUM HAS BEEN PREPARED SOLELY FOR THE INFORMATION OF PERSONS INTERESTED IN THE PRIVATE PLACEMENT OF THE UNITS OFFERED HEREBY AND MAY NOT BE REPRODUCED OR USED FOR ANY OTHER PURPOSE. ANY REPRODUCTION OR DISTRIBUTION OF THIS MEMORANDUM, IN WHOLE OR IN PART, WITHOUT THE PRIOR WRITTEN CONSENT OF THE PARTNERSHIP IS PROHIBITED. BY ACCEPTING THIS MEMORANDUM, PROSPECTIVE INVESTORS AGREE THAT THEY WILL NOT DISCLOSE ITS CONTENTS TO ANYONE OTHER THAN THEIR PROFESSIONAL ADVISERS, OR REPRODUCE IT, IN WHOLE OR IN PART, WITHOUT THE PRIOR WRITTEN CONSENT OF THE PARTNERSHIP.

DETERMINATION OF OFFERING PRICE — THE PRICE OF THE UNITS WAS DETERMINED BY THE PARTNERSHIP SO THAT INVESTORS MAY MEET THE REQUIREMENTS UNDER 8 U.S.C. § 1153 (B)(5)(A) - (D); INA § 203 (B)(5)(A) - (D) OF THE IMMIGRATION & NATIONALITY ACT (THE "ACT") AND QUALIFY UNDER THIS PROGRAM (THE "PROGRAM") TO BECOME ELIGIBLE FOR ADMISSION TO THE UNITED STATES OF AMERICA AS LAWFUL PERMANENT RESIDENTS.

BEST EFFORTS OFFERING — THE UNITS ARE OFFERED BY THE PARTNERSHIP ON A "BEST EFFORTS" NON-MINIMUM BASIS. THERE IS NO ASSURANCE THAT ALL OR ANY SPECIFIED NUMBER OF UNITS WILL BE SOLD AND THE DESIRED CAPITAL RAISED THROUGH THE OFFERING. THE OFFERING HAS NO MINIMUM AMOUNT AND THE PARTNERSHIP WILL UTILIZE PROCEEDS AS THEY ARE RECEIVED AS RELEASED FROM ESCROW, See Page 21 COMPLETION OF PROJECT.

JPI 001519

LIQUIDITY AND CAPITAL RESOURCES — THE PARTNERSHIP'S LIQUIDITY NEEDS TO DATE HAVE BEEN SATISFIED BY SUPPORT FROM RELATED PARTIES (SEE "TRANSACTIONS WITH RELATED PARTIES-FINANCIAL DATA"). MANAGEMENT BELIEVES THAT THE MAXIMUM PROCEEDS OF THIS OFFERING WILL GENERATE SUFFICIENT CAPITAL TO CONDUCT THE BUSINESS OF THE PARTNERSHIP UNTIL THE PLANNED OPENING OF THE HOTEL.

MISCELLANEOUS — THE DESCRIPTION IN THIS MEMORANDUM OF ANY AGREEMENT, DOCUMENT, STATUTE, RULE, REGULATION, OR PROPOSED LEGISLATION IS NOT DESIGNED TO BE COMPLETE AND IS, THEREFORE, QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE RESPECTIVE AGREEMENT, DOCUMENT, STATUTE, RULE, REGULATION OR PROPOSED LEGISLATION.

FORWARD-LOOKING STATEMENTS AND PROJECTIONS — THIS OFFERING MEMORANDUM CONTAINS FORWARD-LOOKING STATEMENTS AND PROJECTIONS THAT MAY ADDRESS, AMONG OTHER THINGS, HOTEL AND SKI RESORT DEVELOPMENT STRATEGY, PROJECTED CONSTRUCTION TIMES, EXPANSION STRATEGY, DEVELOPMENT OF SERVICES, USE OF PROCEEDS, PROJECTED REVENUE AND CAPITAL EXPENDITURES, OPERATING COSTS, LIQUIDITY, DEVELOPMENT OF ADDITIONAL REVENUE SOURCES, DEVELOPMENT AND MAINTENANCE OF PROFITABLE MARKETING AND MANAGEMENT AND MAINTENANCE ALLIANCES, ABILITY TO DEVELOP "RESORT" IDENTIFICATION, AND NATIONAL AND INTERNATIONAL EXPANSION. THESE STATEMENTS MAY BE FOUND IN THE SECTIONS OF THIS PRIVATE PLACEMENT MEMORANDUM ENTITLED "SUMMARY OF OFFERING," "RISK FACTORS," "USE OF PROCEEDS," "THE PARTNERSHIP'S BUSINESS PLAN" AND IN THIS PRIVATE PLACEMENT MEMORANDUM GENERALLY. ACTUAL RESULTS COULD DIFFER MATERIALLY FROM THOSE ANTICIPATED IN THESE FORWARD-LOOKING STATEMENTS AND PROJECTIONS AS A RESULT OF VARIOUS FACTORS, INCLUDING ALL THE RISKS DISCUSSED IN "RISK FACTORS" AND ELSEWHERE IN THIS PRIVATE PLACEMENT MEMORANDUM.

SPECULATIVE OFFERING AND RISK — THE UNITS OFFERED HEREBY SHOULD BE CONSIDERED ONLY BY PERSONS WHO CAN AFFORD TO SUSTAIN A LOSS OF THEIR ENTIRE INVESTMENT. INVESTORS WILL BE REQUIRED TO REPRESENT THAT THEY ARE FAMILIAR WITH AND UNDERSTAND THE TERMS OF THIS OFFERING, AND THAT THEY OR THEIR PURCHASER REPRESENTATIVES HAVE SUCH KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS THAT THEY ARE CAPABLE OF EVALUATING THE MERITS AND RISKS OF THIS INVESTMENT. INVESTORS SHOULD BE AWARE THAT UNLESS THE LIMITED PARTNERSHIP IS ABLE TO COMPLETE AN EVENTUAL SALE OF THE HOTEL SUITES AS CONDOMINIUM UNITS, FRACTIONAL SHARES OR AS AN ONGOING ENTITY, OR THE PARTNERSHIP IS ABLE TO BE SOLD FOR CASH OR MERGED WITH ANOTHER PARTNERSHIP THAT THEIR INVESTMENT IN THE LIMITED PARTNERSHIP MAY BE ILLIQUID INDEFINITELY.

RESTRICTIONS ON TRANSFERS — NO UNITS MAY BE RESOLD OR OTHERWISE DISPOSED OF BY AN INVESTOR UNLESS, IN THE OPINION OF COUNSEL SATISFACTORY TO THE PARTNERSHIP, REGISTRATION UNDER THE APPLICABLE FEDERAL OR STATE SECURITIES LAWS IS NOT REQUIRED OR COMPLIANCE IS MADE WITH SUCH REGISTRATION REQUIREMENTS. RESTRICTIONS MAY ALSO ARISE FROM THE REQUIREMENTS OF AND COMPLIANCE WITH IMMIGRATION LAWS AND REGULATIONS (SEE LIMITED PARTNERSHIP AGREEMENT).

LIMITS ON DISCLOSURE — THE OFFERING MATERIALS ARE SUBMITTED IN CONNECTION WITH THE PRIVATE OFFERING OF THE UNITS AND DO NOT CONSTITUTE AN OFFER OR SOLICITATION BY ANYONE IN ANY JURISDICTION IN WHICH SUCH AN OFFER OR SOLICITATION IS NOT AUTHORIZED. ANY REPRODUCTION OR DISTRIBUTION OF THE OFFERING MATERIALS IN WHOLE OR IN PART, OR THE DIVULGENCE OF ANY OF THEIR CONTENTS, WITHOUT THE PRIOR WRITTEN CONSENT OF THE PARTNERSHIP IS PROHIBITED. ANY PERSON ACTING CONTRARY TO THE FOREGOING RESTRICTIONS MAY PLACE HIMSELF AND THE PARTNERSHIP IN VIOLATION OF FEDERAL OR STATE SECURITIES LAWS.

VOIDABILITY OF SALES — THE UNITS OFFERED HEREIN WILL BE SOLD TO AND ACQUIRED BY A PURCHASER IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER FEDERAL AND CERTAIN STATES SECURITIES LAWS AND REGULATIONS, AND MAY NOT BE OFFERED FOR SALE OR RESOLD EXCEPT IN A TRANSACTION EXEMPT FROM SAID SECURITIES LAWS AND REGULATIONS, OR PURSUANT TO AN EFFECTIVE

JPI 001520

REGISTRATION STATEMENT HEREUNDER. SALES MADE PURSUANT TO EXEMPTIONS FROM FEDERAL AND STATE SECURITIES LAWS ARE VOIDABLE BY EACH SUBSCRIBER UPON NOTICE TO THE GENERAL PARTNER GIVEN WITHIN THREE DAYS FOLLOWING THE LATER OF RECEIPT BY THE SUBSCRIBER OF THIS MEMORANDUM OR THE RECEIPT AND ACCEPTANCE BY THE GENERAL PARTNER OF THE SUBSCRIBER'S EXECUTED SUBSCRIPTION AGREEMENT. THE LIMITED PARTNERSHIP WILL OFFER SUCH RESCISSION RIGHT TO EACH SUBSCRIBER, IRRESPECTIVE OF THE SUBSCRIBER'S STATE OR COUNTRY OF RESIDENCY, NOTWITHSTANDING THE LACK OF SUCH REQUIREMENTS UNDER FEDERAL OR STATE SECURITIES LAWS.

OFFERING BEING MADE PURSUANT TO CERTAIN STATES SECURITIES LAW REGISTRATION EXCEPTIONS —
(ANY AND ALL NOTICES UNDER THIS SECTION SHOULD BE SENT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE LIMITED PARTNERSHIP IN CARE OF WILLIAM STENGER, 4850 VT ROUTE 24 JAY, VERMONT 05859).

RESTRICTIVE INFORMATION:

UNITS WILL BE OFFERED WITHOUT REGISTRATION UNDER THE SECURITIES ACT OR STATE SECURITIES ACTS, AS SUMMARIZED BELOW, AND MORE SPECIFICALLY DETAILED HEREUNDER:

- WITHIN THE UNITED STATES, IN RELIANCE UPON RULE 506 OF REGULATION "D" PROMULGATED BY THE SEC, ONLY TO PERSONS WHO ARE "ACCREDITED INVESTORS" WITHIN THE MEANING OF RULE 501 PROMULGATED BY THE SEC; AND,
- OUTSIDE THE UNITED STATES, IN RELIANCE UPON REGULATION "S" PROMULGATED BY THE SEC ONLY TO PERSONS WHO ARE NOT "U.S. PERSONS" WITHIN THE MEANING OF SUCH REGULATIONS.

FOR THE PURPOSES OF THIS MEMORANDUM, "U.S. PERSON" MEANS ANY NATURAL PERSON RESIDENT IN THE UNITED STATES.

THE INCLUSION OF INFORMATION FOR EACH STATE IN THIS MEMORANDUM IS NOT INTENDED TO IMPLY THAT THE UNITS COVERED BY THIS MEMORANDUM ARE TO BE OFFERED FOR SALE IN EVERY STATE, BUT IS MERELY A PRECAUTION IN THE EVENT THIS MEMORANDUM MAY BE TRANSMITTED INTO ANY STATE OTHER THAN BY THE ISSUER.

FOR RESIDENTS IN ALL STATES:

THE SECURITIES OFFERED HEREBY HAVE NEITHER BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, (THE ACT), NOR PURSUANT TO THE SECURITIES LAWS OF ANY STATE, AND ARE THEREFORE BEING OFFERED AND WILL BE SOLD TO AND ACQUIRED BY PURCHASERS IN TRANSACTIONS WHICH THE PARTNERSHIP BELIEVES TO BE EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE ACT PURSUANT TO §§3(B) AND 4(2) THEREOF, AND OF THE SECURITIES LAWS OF THE STATES IN WHICH THE UNITS MAY BE OFFERED FOR SALE (PURSUANT TO THE EXEMPTIONS IDENTIFIED BELOW). ONCE PURCHASED BY A SUBSCRIBER, THESE SECURITIES MAY NOT BE RE-OFFERED FOR SALE OR RE-SOLD OTHER THAN BY AN EFFECTIVE REGISTRATION STATEMENT OR IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE APPLICABLE LAW. THE SECURITIES HAVE NEITHER BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES REGULATORY AUTHORITY, NOR HAS THAT COMMISSION OR ANY SUCH AUTHORITY PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

FOR VERMONT RESIDENTS ONLY:

THE SALE OF LIMITED PARTNERSHIP UNITS OFFERED AND DESCRIBED IN THIS MEMORANDUM WILL ONLY BE SOLD TO AND ACQUIRED BY INVESTORS IN A TRANSACTION EXEMPT FROM REGISTRATION OF SECURITIES WITH THE VERMONT DEPARTMENT OF BANKING, INSURANCE, SECURITIES AND HEALTH CARE ADMINISTRATION UNDER SECTION 5202(13)(C) OF THE VERMONT UNIFORM SECURITIES ACT (2002) (THE "VERMONT ACT"). AS SUCH, THE LIMITED PARTNERSHIP UNITS HAVE NOT BEEN REGISTERED AS SECURITIES UNDER THE VERMONT ACT. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

JPI 001521

FOR CALIFORNIA RESIDENTS ONLY:

THE SALE OF THE UNITS DESCRIBED IN THIS MEMORANDUM HAVE NOT BEEN QUALIFIED WITH THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF SUCH UNITS OR THE PAYMENT OR THE RECEIPT OF CONSIDERATION THEREFORE PRIOR TO SUCH QUALIFICATION IS UNLAWFUL, UNLESS THE SALE THEREOF IS EXEMPT UNDER APPLICABLE LAW. THE PARTNERSHIP IS RELYING ON THE EXEMPTION FROM SUCH QUALIFICATION PROVIDED BY SECTION 25102(f) OF THE CALIFORNIA CORPORATIONS CODE.

FOR FLORIDA RESIDENTS ONLY:

THE UNITS OFFERED HEREIN WILL BE SOLD TO AND ACQUIRED BY INVESTORS IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER SECTION 517.061 OF THE FLORIDA SECURITIES ACT (THE "FLORIDA ACT"). THE UNITS HAVE NOT BEEN REGISTERED UNDER THE FLORIDA ACT. IN ADDITION, IF SALES ARE MADE TO FIVE OR MORE PERSONS IN FLORIDA, ALL PURCHASERS WHO ARE RESIDENTS OF FLORIDA HAVE THE PRIVILEGE OF VOIDING A PURCHASE OF UNITS WITHIN THREE DAYS AFTER THE FIRST TENDER OF CONSIDERATION IS MADE BY THE PURCHASER TO THE ISSUER, AN AGENT OF THE ISSUER, OR AN ESCROW AGENT, OR WITHIN THREE DAYS AFTER THE AVAILABILITY OF THIS PRIVILEGE IS COMMUNICATED TO THE PURCHASER, WHICHEVER OCCURS LATER. THIS SALE IS BEING MADE IN FLORIDA.

FOR PERSONS RESIDENT OUTSIDE THE UNITED STATES OF AMERICA ONLY:

THE UNITS ARE BEING OFFERED IN ACCORDANCE WITH REGULATION "S" PROMULGATED BY THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO THE SECURITIES ACT OF 1933. THIS OFFERING MEMORANDUM DOES NOT CONSTITUTE AN OFFER OR SOLICITATION IN THE UNITED STATES OF AMERICA OR ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS NOT PERMITTED UNDER APPLICABLE LAW OR TO ANY U.S. PERSON OR INDIVIDUAL WHO DOES NOT POSSESS THE QUALIFICATIONS DESCRIBED IN THIS MEMORANDUM.

UNITS WILL NOT BE OFFERED TO ANY PERSON EXCEPT AS SET FORTH ABOVE. ANY PERSON WISHING TO BUY A UNIT WILL BE REQUIRED TO DEMONSTRATE THAT HE OR SHE IS AN ELIGIBLE INVESTOR IN ACCORDANCE WITH THE FOREGOING. THIS MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL TO, OR A SOLICITATION OF AN OFFER TO BUY FROM, ANY PERSON IN ANY JURISDICTION TO WHOM SUCH AN OFFER OR SOLICITATION WOULD BE UNLAWFUL.

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Investor Suitability Standards

A purchase of UNITS in this Offering involves a high degree of risk and is not a suitable investment for all potential investors. See "Risk Factors." Accordingly, the PARTNERSHIP will offer and sell UNITS only to investors who are "ACCREDITED INVESTORS" as that term is defined in Regulation D or Regulation S as promulgated under the 1933 Securities Act. Any person wishing to buy a Unit will be required to demonstrate that he or she is an eligible investor in accordance with the foregoing. The PARTNERSHIP has the unconditional right to reject any subscription.

This Memorandum does not constitute an offer to sell to, or a solicitation of an offer to buy from, any person in any jurisdiction to whom such an offer or solicitation would be unlawful. In addition to restrictions on transfer imposed by the PARTNERSHIP, an investor seeking to transfer his UNITS subsequent to his initial investment will be subject to the provisions of the federal and state securities laws and the transfer restrictions which may be imposed pursuant to said laws.

The offer and sale of UNITS are exempt from the registration and prospectus delivery requirements of the 1933 Securities Act and applicable state securities laws pursuant to exemptions therein. Investment in the UNITS is suitable only for those who have adequate means of providing for their current needs and personal contingencies and have no need for liquidity in an investment of this type. Prior to the purchase of the UNITS, each prospective purchaser will be required to represent that he meets each of the following requirements: (a) he has the requisite knowledge or has relied upon the advice of his own professional advisor with regard to the tax and other considerations involved in making such an investment and (b) he is acquiring the UNITS for investment and not with a view to resale or distribution thereof.

Prior to a purchase of UNITS, each prospective purchaser will be required to represent that he is an "ACCREDITED INVESTOR" as defined in Regulation D or Regulation S. Among other categories, an "ACCREDITED INVESTOR" is an investor who, at the time of purchase of the UNITS, meets one of the following requirements:

- (i) Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of the purchase exceeds \$ 1,000,000;
- (ii) Any natural person who had an individual income in excess of \$200,000 each of the two most recent years or joint income with that person's spouse in excess of \$300,000 in each of the two most recent years and who reasonably expects to reach the same income level in the current year; or
- (iii) Any entity in which all of the equity owners are accredited investors.

If, in the opinion of the Limited Partnership, a prospective purchaser lacks the knowledge and experience in financial and business matters so that he is not capable of evaluating the merits and risks involved in the purchase and ownership of the limited partnership interest, the Limited Partnership may require the prospective purchaser to use the services of a Purchaser Representative to serve the investor in evaluating the merits and risks of the prospective investment. (See Exhibit F.)

Prior to purchase, an Investor Questionnaire (Exhibit B) and a Subscription Agreement (Exhibit A) must be signed and delivered by a prospective purchaser to the Partnership.

IF THE PARTNERSHIP IS INCORRECT IN ITS ASSUMPTION AS TO THE CIRCUMSTANCES OF A PARTICULAR PROSPECTIVE INVESTOR, THEN THE DELIVERY OF THIS MEMORANDUM TO SUCH

PROSPECTIVE INVESTOR SHALL NOT BE DEEMED TO BE AN OFFER AND THIS MEMORANDUM SHALL BE RETURNED TO THE PARTNERSHIP IMMEDIATELY.

THE SUITABILITY STANDARDS DEFINED ABOVE REPRESENT SUITABILITY STANDARDS FOR PROSPECTIVE INVESTORS. EACH PROSPECTIVE INVESTOR SHOULD DETERMINE WHETHER AN INVESTMENT IN THE PARTNERSHIP IS APPROPRIATE IN VIEW OF HIS OR HER PARTICULAR CIRCUMSTANCES.

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Immigration "As An Alien Entrepreneur EB-5 Visa"

Overview

The EB-5, fifth employment-based visa preference, is intended to encourage the flow of capital into the U.S. economy and to promote employment of U.S. workers. To accomplish these goals and so that foreign investors may obtain immigration benefits for having made an investment, the program mandates the minimum capital that foreign investors must contribute and it mandates that 10 full-time jobs must be created on account of each investment. In addition to the return that investors hope to achieve on their investment, foreign investors and their qualifying family members are offered the prospect, but not the guarantee, of lawful permanent residence in the United States.

The Jay Peak project has been structured so that investors may meet the requirements of the EB-5 program [8 U.S.C. § 1153 (b)(5)(A) - (D); INA § 203(b)(5)(A) - (D) of the Immigration & Nationality Act (the "Act")] and qualify under this project (the "Project") to become eligible for admission to the United States of America as lawful permanent residents with their spouses and unmarried, minor children.

The Project has been designed to qualify under provisions in the law that permit a reduced investment and permit a broader analysis of jobs created than would otherwise be permitted. With respect to the minimum investment required, the Project utilizes the provisions of the Act concerning a Targeted Employment Area. To meet employment creation requirements, the Project relies upon the fact that Jay Peak is within a Regional Center authorized by the Act created under a Pilot Program (See *Immigration Risk Factors*, Page 29)

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Summary Of The Offering

Introduction

THIS SUMMARY HIGHLIGHTS AND OUTLINES CERTAIN INFORMATION REGARDING THE OFFERING AND MAY NOT CONTAIN ALL THE INFORMATION THAT IS IMPORTANT TO YOU. THE SUMMARY IS QUALIFIED IN ITS ENTIRETY BY THE INFORMATION APPEARING IN THE LIMITED PARTNERSHIP AGREEMENT, AND ELSEWHERE IN THIS MEMORANDUM, INCLUDING THE EXHIBITS AND THE FINANCIAL DATA OF THE LIMITED PARTNERSHIP ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE (THE "FINANCIAL DATA") WHICH CONTAINS MORE DETAILED INFORMATION WITH RESPECT TO EACH OF THE MATTERS SUMMARIZED HEREIN AS WELL AS OTHER MATTERS NOT COVERED BY THIS SUMMARY. PROSPECTIVE INVESTORS SHOULD READ THE MEMORANDUM AND THE FINANCIAL DATA IN THEIR ENTIRETY, ALONG WITH THE LIMITED PARTNERSHIP AGREEMENT, THE SUBSCRIPTION AGREEMENT AND ACCOMPANYING DOCUMENTS AND EXHIBITS.

Securities Being Offered

Investors are being offered the opportunity to purchase one limited partnership unit (a "UNIT"). The Offering shall remain open until 5:00 p.m., June 30, 2008. In the event that the Offering for Limited Partnership Units for the Jay Peak Hotel Suites L.P. is not fully subscribed by June 30, 2008, the General Partner will extend the Offering by 120 days to any prospective investor who has paid a part of the subscription funds into the escrow account pursuant to the Investor Escrow Agreement. (See exhibit D.) Upon expiry of any extension to the Offering (as may be extended by the General Partner) in the event that any units are unsubscribed, Saint Sauveur Valley Resorts, Inc. will take responsibility to complete the Project, and acquire the outstanding UNITS.

Purchase Terms

The minimum purchase is \$550,000 for one Unit. The subscription price is payable in cash and in full upon subscription. The Limited Partnership reserves the right to reject any subscription in whole or in part, in its sole discretion.

Exemption from Registration

The Limited Partnership is claiming exemption from registration requirements under Section 4(2) of the Securities Act of 1933, as amended, and Rule 506 of Regulation D promulgated there under, and for persons outside the United States under Regulation S promulgated by the SEC only to persons who are not "US Persons" within the meaning of the Regulations. Accordingly, no Registration Statement will be filed with the SEC in connection with this Offering and sale of the UNITS pursuant to this Memorandum. In addition, this Offering is being made without registration under the securities laws of any state or any other jurisdiction.

Prospective investors are invited to make an independent examination of the books, records and other documents of the Limited Partnership, and may question the appropriate officers and directors to the extent that such investors deem it necessary in their sole discretion to analyze the risks involved with this investment. Prospective investors should not rely on the Limited Partnership, or any of its employees or agents, with respect to the judgments relating to their investment in the Limited Partnership. Prospective investors should retain their own professional advisors to review and evaluate the economic, tax and other consequences of an investment in the Limited Partnership. The Limited Partnership will make available, upon

JPI 001526

reasonable notice, but shall not incur any unreasonable expenses, to provide any other documents or information available to the Limited Partnership concerning the affairs of the Limited Partnership which a prospective investor requests, subject to receipt of reasonable assurances that such matters will be maintained in confidence between the investor and its professional advisors.

The Limited Partnership

Jay Peak Hotel Suites L.P. is a newly formed Vermont Limited Partnership with its principal place of business in Jay, Vermont. The Limited Partnership was organized for the purpose of acquiring title to a parcel of real estate at the Jay Peak Resort in Jay, Vermont (the "Land"), constructing a six-floor building on the Land and submitting the building and Land to condominium ownership. The Limited Partnership will retain ownership of one condominium unit in the building and operate the unit as a hotel to be known as Jay Peak Hotel Suites. The general partner of the Limited Partnership is a Vermont corporation known as Jay Peak Management Inc. The initial limited partner will also be Jay Peak Management Inc., which interest will be terminated upon the first purchase of a limited partnership interest by a qualified investor.

Jay Peak Resort

Jay Peak Resort is located in the central portion of Northern Vermont, approximately 65 miles northeast of Burlington, Vermont and approximately 90 miles southeast of Montreal, Quebec. The resort is situated on property owned largely by Saint Sauveur Valley Resorts, Inc. (sometimes referred to herein as the "Resort Owner") (the resort is partially located on lands owned by the State of Vermont and leased to the Resort Owner), and is operated by an affiliate of the Resort Owner, Jay Peak, Inc. The resort is located in the town of Jay, Vermont in Orleans County, two air miles from the Canadian border. The resort (founded in 1955) has evolved as a winter alpine ski resort over the past 50 years. In recent years, Jay Peak management has been working toward the creation of a year-round resort so that economic viability is strengthened and the region prospers from this 4-season economic structure.

Building on a Successful Foundation

The resort has enjoyed over 50 years of successful ski operations, and is known to be one of the most attractive resorts in Eastern North America in terms of the following key variables:

Snowfall - with 344 inches of average annual snowfall, Jay Peak typically offers the heaviest natural snowfall of any ski resort in the East, thus providing an especially long ski season.

Vertical Drop - with a mountain height of almost 4,000 feet, the resort offers a vertical drop of 2,150 feet, one of the largest in Eastern North America.

Ski Trails - Jay Peak has 75 trails, glades and chutes covering approximately 450 acres, divided approximately 50% for intermediate skiers (appealing to the majority of skiers), 25% for expert skiers and 25% for beginning skiers. The trail and lift system allows for a substantial increase in skier visits and permits a comfortable level of utilization, with lower than average lift lines compared to other major ski resorts in Vermont.

Ski Lifts and Snowmaking Equipment - Jay Peak has invested millions of dollars in modern lifts and snowmaking equipment. Most recently a \$5 million lift and snowmaking improvement program was implemented. Highlighted by the construction of the *Green Mountain Flyer*, Eastern North America's longest high-speed quadruple chairlift and replacement of both 60-passenger Aerial Tramway cars, this expansion has spurred attendance upward by over 20%. In the last two years Jay Peak has added two new novice lifts making Jay Peak one of North America's best ski resorts for learning. In addition to these new improvements Jay Peak also has two fixed-grip quadruple chairlifts, one triple chairlift, two double chairlifts and one T-bar surface lift. The snowmaking system covers approximately 85% of the skiing terrain, and is supported by a 15 million gallon water reservoir. Over 100 million gallons of water are converted to snow each winter. Jay Peak offers one of the most breathtaking settings available, with a view of four states and Canada from its summit.

JPI 001527

Development Potential Jay Peak consists of approximately 2,679 owned acres and about 1,319 acres of property leased on a long-term basis from the State of Vermont, for a total of approximately 4,000 acres. Abundant water is available to the property and a modern \$7 million central sewage treatment facility has been completed by the Towns of Jay and Troy. The lack of adequate sewage facilities constrained development in the past, but has also left the area unspoiled from an environmental perspective. A unique opportunity now exists for a first class development of the mountainside resort, which will emphasize environmental controls and sensitivity. This sewage plant is expected to be expanded in another two years.

Management Team Jay Peak is led by Bill Stenger who is a resort industry leader in Vermont and nationally. Mr. Stenger has been President of Jay Peak since 1987 and has been leader of the resort since 1985. Mr. Stenger is aided by other key quality corporate managers: Steve Wright - Director of Marketing and Sales; Jake Webster - Vice President, Director of Development & Construction; Howard Johnson - Food & Beverage Manager; Greg McCullough - Operations Director; Howard Nosek - Director of Golf Maintenance; Jaime Stenger - Retail and Golf Operations Director; and, Ms. Beaurice Hébert - Human Resources Director.

The General Partner

Jay Peak Management Inc. is a newly formed Vermont corporation with its principal place of business in Jay, Vermont (the "General Partner"). The General Partner is a wholly owned subsidiary of Jay Peak, Inc., and will be responsible for soliciting limited partners, for the day to day decisions on behalf of the Limited Partnership and for managing the construction of the new building and any other necessary improvements, including applying for and obtaining any required development and construction permits. In addition, the General Partner will be responsible for operating Jay Peak Hotel Suites either directly or through a contracted designee.

Project Summary

All quality resort facilities have a central commercial zone at their core. From this nucleus, varying amenities and recreational facilities emanate. At Jay Peak Ski Resort, the construction of a suite hotel of 57 units will serve as the initial core of the Jay Peak Village. One, two and three bedroom suites will make up the Suite Hotel mix. Each room or suite will have a view of the mountain or the valley. Since connection with the environment is so important to the Jay Peak theme, the guest must visually be able to see the setting that they are visiting. Because the Hotel is located at the base of the Aerial Tram in the center of the resort, occupancy is expected to be very high. The hotel facility will also include commercial resources to be owned and operated by the resort owner and its affiliates. The commercial core will consist of a restaurant, retail shops and guest services, and will cater to the needs of hotel suite guests and the many other guests at Jay Peak who are staying in other accommodations on property. The hotel will attract additional guests during the non-ski season, as well as broaden the activities for the ski clientele. A hotel suite configuration is especially family friendly and business compatible.

Jay Peak Market Review

The Provinces of Ontario and Quebec, as well as upstate New York, Vermont and New Hampshire are all regional markets for expansion.

Because of Jay Peak's unique, unspoiled natural setting, other recreation seekers, both skiers and golfers, make for an exciting growth area from these further regions, and will be a focus in the marketing efforts.

With Jay Peak's developmental philosophy cornerstoned on an environmental framework, future market development will be enhanced as Jay's positioning and physical characteristics provide substantial advantages over older, less environmentally sensitive facilities. Winter business will continue to focus on skiing and the ski vacation product. Family ski vacations, ski club outings and individual and couples' business will provide the framework for winter business development. Accentuating the two and three day weekend stay, and the three, five, and seven-day ski week experience will be the primary focus of the resort's winter marketing efforts. The resort's markets for winter activity and hotel utilization will be Eastern Canada, all of New England and the Mid-Atlantic states of the United States. Further destination markets such as the mid-South and Florida are viable through airline connections into the Burlington, Vermont airport and the Pierre Elliot Trudeau (Dorval) Airport serving Montréal, Québec, Canada. Summer business development will largely focus on family vacations involving active, outdoor and environmentally balanced experiences. With such a unique and unspoiled setting, Jay Peak can provide its vacationing public an opportunity to hike, bike, fish, sail and sightsee in or near the resort in a setting that is truly undeveloped. Nature trails along pristine mountain streams will provide the most natural of settings for family outings. Golf, tennis and other typical recreation enjoyed in summer will also be on the resort premises, but everything from signage to lighting to program design will emit an environmental sensitivity that will, once again, differentiate Jay Peak from other resorts that have largely been built on a legacy of rapid expansion in the 1970's and 1980's.

Use of Proceeds

The net proceeds from the sale of the limited partnership interests will be applied to the expenses of this offering, to costs of land acquisition, planning and obtaining permits for and construction of a six-floor building which will comprise a three-unit condominium association to incorporate in part a new hotel comprising a mix of 57 (fifty-seven) one, two and three bedroom hotel suites which will be owned and operated by JAY PEAK HOTEL SUITES L.P. Any funds not required for these purposes will become working capital for the Limited Partnership's operations and activities.

Within the six-floor building the Limited Partnership will convey the two remaining condominium units in shell form to the Resort Owner, who will own and will build-out at its own cost, the remaining two condominium units comprising a Commercial Unit and a Service Unit to provide additional guest services, retail units, food and beverage, and recreation facilities.

Land Acquisition

The Limited Partnership will purchase the Land from the Resort Owner at Jay Peak Resort in Jay, Vermont. The Owner will grant the Limited Partnership a warranty deed to the Land, warranting marketable title free from all liens or encumbrances other than permitted encumbrances such as certain cross-easements that benefit and burden the Land, which encumbrances shall not impair the Limited Partnership's ability to construct the six-story building and any additional necessary improvements and operate the hotel. Certain mortgages encumbering the Land will need to be partially discharged in connection with the purchase of the Land. At the sole option of the Owner, the sale of the Land may be structured as an installment sale or under some other arrangement satisfactory to Owner that does not delay the ability of the Limited Partnership to construct the building that will house the hotel. In addition, the sale of the Land may require the issuance of local and state subdivision or other permits, to be applied for and obtained by the Owner.

The Condominium Association

The Limited Partnership, in its role as the declarant of the condominium regime to be known as Jay Peak Hotel SUITES will form a Vermont nonprofit corporation to be known as Jay Peak Hotel Suites Owners Association Inc. (the "COA"). The COA will be made up of the Limited Partnership, as the owner of the hotel unit, and the Resort Owner, which will own the other condominium units in the building. The COA will enter into a management agreement with Jay Peak, Inc. or an affiliated company to manage the COA.

Completion of Project

Notwithstanding anything herein to the contrary, in the event that the Resort Owner or an affiliate invests funds or makes financial commitments to complete the Project, the Resort Owner or its affiliate will be issued the remaining unsold Interests in the Partnership for no additional consideration and thereafter hold its Interest(s) subject to the terms of this Agreement.

Offering Memorandum only available in US English Language

In the event the prospective purchaser is unfamiliar with the English language, or is unable to fully comprehend all documents and exhibits related to this Offering, it is the prospective purchaser's sole responsibility and cost to obtain all assistance required with translation of this Offering Memorandum and exhibits thereto.

Federal Tax Considerations

THE RULES GOVERNING THE UNITED STATES INCOME TAXATION OF LAWFUL PERMANENT RESIDENTS ARE COMPLEX. AN INVESTOR SHOULD CONSULT WITH U.S. AND OVERSEAS TAX ADVISORS WITH REGARD TO THE TAX CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF THE LIMITED PARTNERSHIP UNITS DESCRIBED IN THIS OFFERING MEMORANDUM, AS WELL AS THE TAX CONSEQUENCES OF BECOMING A LAWFUL PERMANENT RESIDENT OF THE UNITED STATES.

Transfer Restrictions

The offering of the limited partnership interests has not been registered with the Securities and Exchange Commission pursuant to the Securities Act of 1933 or any applicable state securities law agency. The offering is restricted to a limited number of individuals who are not US Citizens or U.S. Lawful Permanent Residents, each of whom, unless already resident and living in the United States in valid nonimmigrant status, thereby causing Regulation D of the Act to apply in connection with a purchase, must represent to the Limited Partnership that he or she is not resident in the United States at the time of the offer, will not be resident in the United States at the time of the sale; and is not acquiring the limited partnership interest for the benefit of a United States person, as that term is defined in Regulation S. The investor understands that he or she may not offer to sell, or sell, a limited partnership interest unless it is registered under the Securities Act of 1933 or an exemption is available from the registration requirements; and that the investor's wealth or income qualify him or her as a suitable purchaser.

To preserve the exemptions from registration of federal and state securities laws pursuant to which exemption purchase of the limited partnership interests are being offered, subsequent sale of the limited partnership interests are restricted to buyers who qualify as "accredited investors," as described in Rule 501 of the Securities and Exchange Commission or whose purchase otherwise will not require registration of the

JPI 001530

limited partnership interests. There are additional matters concerning transfer restrictions under the terms of the Limited Partnership Agreement, and all purchasers should review Article 10 of the said Agreement for specific restrictions. Certificates evidencing the limited partnership interests will bear a legend describing the transfer restrictions.

Escrow Accounts

Escrow Agent

All the subscriptions to this Offering will be held in escrow and managed by the Chittenden Trust Company, Two Burlington Square, Burlington, Vermont (the "Escrow Agent") pursuant to the terms of the Master Escrow Agreement (Exhibit C), the Investor Escrow Agreement (Exhibit D) and the Investor Administration Fee Escrow Agreement (Exhibit E). The Chittenden Trust Company is Vermont's largest commercial bank and has a correspondent bank relationship with Bank of America.

Summary of Master Escrow Agreement

The purpose of the Master Escrow Agreement is to retain the Escrow Agent on behalf of the Limited Partnership to hold on deposit all subscription monies ("Escrow Funds") as being applied to the investment under the I-526 petition received from the investors in connection with the Project in interest-bearing accounts on the terms and conditions set forth in the Master Escrow Agreement. All Escrow Funds (including interest earned thereon) will be released by the Escrow Agent from escrow and paid to either (i) the Limited Partnership at the time the designated investor has received notice from CIS that their I-526 Immigrant Petition by Alien Entrepreneur has been approved, or (ii) the designated investor within 30 days after the time that notice has been received indicating the designated investor's I-526 petition has been denied. The refund, less any administrative costs relating to the refund or any withholding taxes required shall be payable in US Dollars only.

Summary of Investor Escrow Agreement

The purpose of the Investor Escrow Agreement is to set forth the relationship between the investor and the Escrow Agent. The Escrow Agent by its signature thereto acknowledges receipt of the investor's funds as being applied to the investment under the I-526 petition and agrees to manage and hold said funds pursuant to the Master Escrow Agreement.

Summary of Investor Administration Fee Escrow Agreement

The purpose of the Investor Administration Fee Escrow Agreement is to retain the Escrow Agent on behalf of the investors to hold on deposit all administration fees received from investors in connection with the Project, and to hold and disperse those funds pursuant to such Agreement. The Escrow Agent by its signature thereto acknowledges receipt of the investor's funds for the administrative fee and agrees to manage and hold said funds pursuant to said Agreement. Such fees will be released by the Escrow Agent from escrow and paid as follows: (i) upon submission of a completed I-526 Petition by the investor to CIS, one half of the administration fee, being \$25,000, will be irrevocably released to the project administrator, Jay Peak, Inc.; (ii) upon approval of the investor's I-526 petition by CIS, the balance of the administration fee of \$25,000 will be released to the project administrator, Jay Peak, Inc.; (iii) if the investor's I-526 Petition to CIS is denied, then the balance of the administration fee of \$25,000 shall be returned to the investor, without interest, and less any administrative costs relating to the refund within 30 days of said denial unless the denial is for fraud or misrepresentation, in which case no refund will apply. The refund, less any administrative costs relating to the refund or any withholding taxes required shall be payable in US Dollars only.

JPI 001531

Immigration Matters

Overview

The EB-5, fifth employment-based visa preference is intended to encourage the flow of capital into the U.S. economy and to promote employment of U.S. workers. To accomplish these goals and so that foreign investors may obtain immigration benefits for having made an investment, the program mandates the minimum capital that foreign investors must contribute and it mandates that 10 full-time jobs must be created on account of each investment. In addition to the return that investors hope to achieve on their investment, foreign investors and their qualifying family members are offered the prospect, but not the guarantee, of lawful permanent residence in the United States.

The Jay Peak project has been structured so that investors may meet the requirements of the EB-5 program [8 U.S.C. § 1153 (b)(5)(A) - (D); INA § 203 (b)(5)(A) - (D) of the Immigration & Nationality Act (the "Act")] and qualify under this project (the "Project") to become eligible for admission to the United States of America as lawful permanent residents with their spouses and unmarried, minor children.

The Project has been designed to qualify under provisions in the law that permit a reduced investment and permit a broader analysis of jobs created than would otherwise be permitted. With respect to the minimum investment required, the Project utilizes the provisions of the Act concerning a Targeted Employment Area. To meet employment creation requirements, the Project relies upon the fact that Jay Peak is within a Regional Center authorized by the Act created under a Pilot Program.

Amount of Investment

As a general rule, the EB-5 program calls for a minimum investment of \$1,000,000 USD. This sum may be reduced to \$500,000 USD if the enterprise that receives the investment is situated in a Targeted Employment Area (TEA). TEAs must meet one of two criteria: the first, concerning population, and the second, concerning the rate of unemployment.

The Project relies on the fact that the Jay Peak Hotel Suites are situated in Jay, Vermont, a town whose population is 426 according to the 2000 census. If an investment is made in a town or city whose population is less than 20,000, the investment is deemed to have been made in a TEA.

The second criteria to qualify a city or town as a TEA concerns high rates of unemployment in a city or town whose population equals or exceeds 20,000. This criterion is not relevant to the Program. In consequence of the Program being situated in a TEA (based upon the population criterion), each investor is expected to invest only \$500,000 USD directly to the enterprises operations. Administrative and other costs borne by the investor may not be paid from this sum. In this Project, \$50,000.00 Administrative Fees are payable by each investor in addition to the required \$500,000 minimum investment.

Counting Jobs Created

To qualify as an EB-5 investor, each investor must demonstrate that 10 full-time, year-around jobs will be created on account of the investment. This requirement is not affected by the location of the Project in a TEA (which is relevant only to the minimum sum of the investment).

These jobs must be for U.S. citizens, lawful permanent residents and those lawfully admitted to the United

States, such as asylees, refugees, conditional residents and some others. Non-immigrant (temporary) workers are not included in the count. Also excluded are the investor, the investor's spouse and the investor's children.

A full-time job means one that requires at least 35 hours each week to fulfill. Job sharing is permitted so long as the total weekly-hours requirement is met. But, the EB-5 program does not permit the combination of part-time jobs in an effort to create a full-time position.

Normally, under the EB-5 regime, a job is deemed created when the employee provides services or labor to the new commercial enterprise and is remunerated directly by the new enterprise. Independent contractors are excluded from the job creation count.

Payment or other remuneration does not have to come directly from the new enterprise if it is located within a Regional Center created under a Pilot Program first enacted in 1993.

The State Of Vermont - A Regional Center

In further support of the EB-5 visa preference program the U.S. Congress created a Pilot Program that provided for the authorization of Regional Centers by the U.S. Department of Justice, Immigration and Naturalization Service. Enterprises located within a Regional Center are not required to employ 10 workers for each EB-5 qualifying investment. It suffices if the investor demonstrates that at least 10 qualifying jobs will be created directly or indirectly on account of the investment.

In June 1997, the State of Vermont, Agency of Commerce and Community Development (ACCD), was granted a designation as an approved Regional Center under this Pilot Program [Exhibit N]. An investment in a commercial enterprise situated within the Regional Center, the State of Vermont, that fosters economic expansion through increased exports, greater regional productivity, job creation or additional domestic capital investment qualifies for the broader view of job creation.

The Jay Peak Program has conducted an economic and statistical analysis to determine the number of jobs expected to be created as a result of thirty-five foreign investors each contributing \$500,000 USD to the Program. This analysis was conducted using the Regional Dynamics Economic Analysis Model (REDYN).

The current analysis focused on the Jay Peak Hotel Suites project as a source of job creation, so that it is more specific than the analysis that supported the Regional Center designation for the greater State of Vermont. This analysis demonstrates that 379 jobs are anticipated from the Jay Peak Program as of the date that the hotel suites are scheduled to open, a number in excess of the 350 jobs required under EB-5 law and regulations if all Limited Partnership interests are sold to foreign investors using the EB-5 program.

The I-526 Petition Process

For investors seeking lawful permanent residence, the first step in the process is to file an I-526, Petition for Entrepreneur, together with accompanying evidence in support of the program's requirements. CIS adjudicates I-526 petitions by reviewing these criteria, among others:

- **New Commercial Enterprise:** There must be evidence that shows that enterprise is new, and authorized to transact business.
- **Investment Capital:** The petition must be supported by evidence that the petitioner has invested (or is actively in the process of investing) the minimum required capital. CIS expects these funds to be "at risk", connoting an irrevocable commitment to the enterprise. The funds must be used by the enterprise exclusively to create employment. Funds used to pay administrative costs or other

obligations undertaken to promote the investment in the enterprise are not deemed "at risk".

- **Source of Capital:** Evidence must support the legal acquisition of capital. Funds earned or obtained in the United States while the investor was in unlawful immigration status are not deemed to be lawfully acquired. If funds are not lawfully acquired, they may not be deemed "at risk".
- **Managerial Role:** The investor is expected to participate in the management of the new enterprise by assisting in the formulation of the enterprise's business policy, by participating in one or more of the activities permitted in section 3423(b) of the Vermont Revised Uniform Limited Partnership Act ("VRULPA"), and as otherwise set forth in the Limited Partnership Agreement. Limited partner investors in an EB-5 enterprise must have all the rights and duties usually accorded to limited partners by the Uniform Limited Partnership Act (ULPA), as adopted in Vermont as VRULPA. There may be a conflict for investors seeking to maintain the limited liability protections accorded to limited partners under VRULPA if such investors are too actively involved in the business of the enterprise and the immigration law requirement that EB-5 investors must be involved in management. Each investor should seek competent counsel to assess this risk.
- **Amount of the Investment:** The petition must be supported by evidence that the required minimum sum has been invested. This sum may be reduced from \$1,000,000 to \$500,000 if the enterprise is located in a TEA. See the earlier discussion on Targeted Employment Areas (TEA's).
- **Employment Creation:** There must be evidence that 10 jobs will be created on account of each EB-5 investment. See the earlier discussion about qualifying jobs and investment in a Regional Center, which may permit counting employment created outside the qualifying enterprise.

The I-526, Petition for Entrepreneur will be approved only if CIS is satisfied that the foregoing criteria have been met. The determination of whether these criteria have been established is within the discretion of CIS. It is also within the power, if not the discretionary authority, of CIS to seek information about other aspects of the investment and the relationship of the investor to the enterprise. CIS frequently reinterprets the meaning of qualifying criteria. There can be no certainty that compliance with the foregoing criteria, supported by appropriate documentation, will lead to the approval of an I-526.

The I-526 Petition Approval Not Guaranteed

The I-526, Petition for Entrepreneur will be approved only if CIS is satisfied that the foregoing criteria have been met. The determination of whether these criteria have been established is within the discretion of CIS. It is also within the power, if not the discretionary authority, of CIS to seek information about other aspects of the investment and the relationship of the investor to the enterprise. CIS frequently reinterprets the meaning of qualifying criteria. There can be no certainty that compliance with the foregoing criteria, supported by appropriate documentation, will lead to the approval of an I-526.

In the event that CIS denies the I-526, Petition, the investor may not proceed with the next step in the immigration process, consular processing or adjustment of status. Instead, the investor must decide whether to appeal the denial of the I-526, Petition (which will require the consent of the General Partner of the Project) or abandon the prospect of investing in the Project and obtaining lawful permanent resident status.

Consular Processing or Adjustment Of Status

Approval of the I-526, Petition means that the alien and the alien's spouse and children under the age of 21 years may apply for admission as conditional lawful permanent residents (CLPR). Approval of the I-526 Petition does not mean that the investor has been granted admission to the United States as a lawful permanent resident. Approval of an I-526 means that the investment documented by the I-526, Petition has qualified the investor as an alien entrepreneur.

The application for admission is a separate and subsequent process that concerns issues common to all aliens who wish to live in the United States permanently. Admission as a CLPR may be sought using one of two methods: consular processing or adjustment of status.

Consular Processing

Consular processing is designed for aliens who are living outside of the United States, who prefer to process at a consulate for strategic reasons or as a matter of convenience or are ineligible to adjust status. Typically, the consular post, which is chosen at the time the I-526, Petition is filed, is in the country of last residence, i.e., the last principal actual dwelling place. In very limited instances, usually involving a recognized hardship, a different consular post may process for lawful permanent residence.

Before issuing an immigrant visa, the consular post must determine if each alien is admissible to the U.S. Approval of the I-526, Petition does not by itself establish admissibility. An alien is admissible who proves that no grounds of inadmissibility exist and the alien has proper travel documents. (See the discussion on Immigration Risk Factors, below, for a list of the grounds of inadmissibility). Waivers are available for certain of the many grounds of inadmissibility, but the grant of a waiver is in the discretion of the government and aliens seeking waivers experience lengthy delays in adjudication of waiver applications. Investors should consult with immigration counsel to determine if any grounds of inadmissibility may affect the investor's admission or the admission of the investor's spouse or children to the United States.

If the consular post finds that the investor is admissible, it will issue a CLPR visa to the investor. The consular post will also determine if the spouse and the qualifying children of the investor are admissible. A determination of admissibility must be made as to each visa applicant. There is no guarantee that all members of the investor's family will be granted a CLPR visa. If the investor is denied a CLPR visa, applications by the spouse and children of the investor for such a visa will be denied.

Notably, consular posts are administered by the U.S. Department of State (DOS), an agency unrelated to the Department of Homeland Security (DHS) and its sub-agency, U.S. Citizenship and Immigration Services (CIS). Consular processing subjects both the visa applicant and the I-526, Petition to the scrutiny of a second government agency whose decisions are not appealable. If the consular officer, based upon information not available to CIS in its adjudications process, suspects fraud or misrepresentation in the I-526, Petition process or if the consul doubts the eligibility for lawful permanent resident status, the consul may return the case to CIS for re-adjudication of the I-526, Petition. If CIS reaffirms its approval, the consul is expected to issue a CLPR visa, assuming there are no other grounds of inadmissibility.

Consular processing begins when CIS transmits the approved alien's petition to the National Visa Center (NVC) in New Hampshire. At appropriate intervals, the NVC issues instructions and appointment packages and requests required documents and information. In time, the alien will be instructed to obtain fingerprints and a physical examination and to report to a consular interview. CLPR visas usually are issued shortly after the interview unless the consul detects problems in the visa application, the underlying I-526, Petition or during the interview process. Visa applicants should allow about twelve months to complete consular processing, although times for processing vary greatly among consular posts.

Travel to US After the I-526, Immigrant Petition by Alien Entrepreneur is Filed

The filing of the I-526, Immigrant Petition by Alien Entrepreneur may affect the ability of the alien investor and investor's family to obtain a visa for temporary admission to the U.S. or to gain admission at a port of entry during the pendency of the I-526 petition and subsequent immigration or consular processing. Investors should consult with immigration counsel to review this matter before subscribing to this project and at any time thereafter that they or members of their family wish to enter the United States.

Visa Issuance Not Guaranteed

Decisions by consuls are discretionary and unreviewable. CIS and DOS report recent efforts to communicate more efficiently regarding their respective roles in determining the eligibility of EB-5 investors for CLPR visas. There cannot be any assurance that improved communications will occur generally or with respect to a particular investor or the investor's spouse or minor children. Neither may it be assured that improved communications will result in the issuance of a visa. Other factors that a consul may, with unreviewable discretion, elect to consider could result in the denial of a visa.

Visa applicants should not change any living, employment, schooling or other lifestyle arrangements in their country of residence before they are issued a CLPR visa based upon an approved I-526, Petition.

Admission After CLPR Visa Issued Not Guaranteed

After issuance, CLPR visas remain valid for six months. During this period, the holder of the visa must use it to apply for admission to the United States at a designated port of entry. The port of entry is frequently in an international airport. When the alien arrives at the port of entry, he or she will present the CLPR visa to a Customs and Border Protection (CBP) officer who has the authority to admit the investor to the United States as a CLPR. This process is known as inspection. Generally, possession of a valid immigrant visa will result in an admission unless the inspecting officer suspects fraud, the alien's travel documents are not in order or the alien has become inadmissible in the time between the date of visa issuance and the date admission is sought. Possession of a CLPR visa does not guarantee admission to the United States.

Adjustment of Status

The Adjustment of Status (AOS) procedure is designed to permit aliens who have been admitted to the United States as nonimmigrants or who have been paroled into the country to apply for admission as permanent residents without leaving the country. These nonimmigrants must establish that they are admissible permanently, meeting the same standards as aliens who use consular processing to obtain a permanent resident visa. (See the discussion, above, on Consular Processing and see the section on Immigration Risk Factors Aliens, below).

Aliens seeking AOS must also comply with requirements peculiar to the AOS process. Aliens who do not meet these additional requirements will be required to use consular processing to obtain a CLPR visa, which will necessitate a departure from the United States. Aliens admitted in certain non-immigrant statuses may encounter more difficulties (and may not be successful) adjusting status than aliens admitted in other non-immigrant statuses. Investors should consult with immigration counsel regarding these issues before the I-526, Petition is filed.

An alien investor or the investor's spouse or children who are eligible for CLPR may not be eligible for AOS if they: (1) were employed in the U.S. without authorization; (2) were not in lawful status on the date their AOS application was filed or if they failed to maintain lawful status thereafter; (3) were ever out of status during earlier admissions to the U.S.; (4) are admitted in certain non-immigrant statuses, such as "A", "G", "E" or "J" (unless the two-year foreign residency requirement does not apply or a waiver of the requirement has been obtained); (5) have been in removal proceedings in the ten years prior to seeking AOS; (6) were admitted under the visa waiver program at the time AOS is sought; or, (7) obtained CLPR as the spouse of a U.S. citizen or as the son or daughter of a spouse of a U.S. citizen and have not abandoned this CLPR prior to seeking AOS.

There may be additional reasons why an alien may not adjust status, which is a benefit granted in the discretion of CIS. There is no appeal from a denial of AOS; the only relief available is a request to re-open or re-consider the AOS application. Investors should consult with immigration counsel to determine if they, their spouse and their children are eligible for AOS.

During AOS processing, the applicant will be required to submit a medical examination and will receive instructions from CIS regarding biometric data collection and an interview. The interview may be waived by CIS, but the waiver should not be expected. CIS uses profiling information to determine who will be interviewed and it also interviews some AOS applicants to maintain the integrity of its screening process. There is no formal process to request the waiver of an interview. If the investor is interviewed, the spouse and children of the investor will be required to attend the interview.

The CIS Texas Service Center currently has jurisdiction of the AOS process for investors in the Project. It will schedule the interview of investors in the Project. The Texas Service Center is currently reporting a six month processing time for AOS applications. The interview follows this processing and is conducted at a CIS office near the investor's residence. CIS uses the interview to update information about AOS applicants that may have changed subsequent to the filing of the AOS application and to explore any issue that CIS believes is relevant to deciding the AOS case. Typically, CLPR is conferred on the AOS applicants at the conclusion of the interview.

Travel During Adjustment Of Status Processing

An alien investor who leaves the United States without advance permission while an AOS application is pending is deemed to have abandoned that application unless the applicant has been admitted in and continues to hold valid H or L non-immigrant status pending adjudication of the AOS application.

Advance permission to depart the U.S. is issued routinely if the alien articulates a *bona fide* need to travel. It is not necessary to demonstrate an emergent need to travel; any purpose not contrary to law is usually deemed sufficient. Advance permission, known as Advance Parole, is usually granted for multiple entries during the time required to complete the AOS process, but not longer than one year. It may be necessary to re-apply for Advance Parole if the AOS process is not complete within a year.

Advance Parole is not available to aliens who are outside the U.S. It is important for AOS applicants who wish the right to travel to make application for Advance Parole while they are in the U.S. They must remain in the U.S. until Advance Parole is granted to avoid abandonment of the AOS application. Advance Parole applications may take about 60-90 days to be granted. Processing times may be longer if an applicant is subjected to extended background checking. In demonstrated emergent circumstances, an AOS applicant may receive expedited Advance Parole.

Alien investors admitted to the United States in any non-immigrant status who have obtained Advance Parole during the AOS process should consult with immigration counsel before traveling. Re-admission to the U.S. using the Advance Parole document may jeopardize the non-immigrant status of the alien's family members who did not travel. The consequences, if any, of this situation should be examined prior to travel.

Employment During The Adjustment Of Status Processing

Applicants for AOS who wish to work in the United States must obtain employment authorization unless they have been admitted to the U.S. in a non-immigrant status that confers employment authorization does not end before AOS is granted. Self-employment requires employment authorization.

Employment authorization applications currently take 60-90 days to be adjudicated. Processing times may be longer if an applicant is subjected to extended background checking. Employment authorization is usually granted during the time required to complete the AOS process, but not longer than one year. It may be necessary to re-apply for employment authorization if the AOS process is not complete within a year. To avoid a lapse in employment authorization re-applications should be made sufficiently in advance of the expiry of existing authorization. Employment without authorization at any time in the U.S. is a violation of immigration status and may jeopardize the right to adjust status.

Adjustment Of Status Cannot Be Guaranteed

AOS is granted in the discretion of CIS. Its decision is unreviewable. An alien whose AOS application has been denied may request that the case to be re-opened or re-considered by the same office that denied AOS. If the request to re-open or re-consider the case is denied, or, if, after such a review, the alien fails to convince this office to reverse its original decision, the alien is without further recourse.

Aliens admitted in unexpired non-immigrant status who are denied AOS to CLPR are usually entitled to remain in the U.S. in that status and may seek an extension of that non-immigrant status or seek a change to a different non-immigrant status for which they are qualified. At such time as the alien's non-immigrant status expires, the alien is expected to depart the U.S. If at the time of the denial of AOS, the alien's non-immigrant status was expired, the alien is expected to depart the U.S. Failure to depart timely is a violation of U.S. immigration law and regulation which may effect the ability of the alien to qualify for future immigration benefits.

If an alien investor is admitted to the U.S. in a non-immigrant status (pending AOS), the spouse and children of the alien investor are frequently admitted for a time coincident with the authorization of the investor to remain in the U.S. If AOS is not granted to the alien investor and the investor's non-immigrant status expires, the status of the spouse and children will be deemed to have expired at the same time. They, too, will be expected to depart the U.S. at that time.

AOS applicants should not make any permanent connections to the United States or change any permanent living, employment, schooling or other lifestyle arrangements in their country of residence before they are issued AOS based upon an approved I-526. Petition.

Removal of Conditions

Approval of an AOS application or the grant of an EB-5 visa followed by entry into the U.S. in EB-5 status means that the investor and the spouse and qualified children of the investor have been granted Conditional Lawful Permanent Residence (CLPR) for two years. The "conditions" must be removed so that the aliens may reside in the U.S. indefinitely. Failure to remove the conditions results in the termination of CLPR status and will likely result in the commencement of removal proceedings.

Removal of conditions is sought by the filing of a petition in the 90-day period immediately preceding the second anniversary of the grant of CLPR status. In support of the petition, the alien investor must demonstrate full investment in the enterprise and compliance with the requirement that 10 jobs have been created as a result of the investment. The investor must also demonstrate maintenance of the investment continuously since becoming a CLPR. The General Partner will provide documentation upon request by investor as reasonably necessary and available in support of investors application for Removal of Conditions.

The Texas Service Center currently has jurisdiction to decide a petition to remove conditions. It is authorized to approve a petition, seek additional written information before deciding the petition, refer the petition to a local office where information will be elicited in an interview, or, it may deny the petition. If the petition is referred for an interview, the local office of CIS will decide the petition after the interview.

During the pendency of the petition, aliens admitted in CLPR status remain in valid status even if the petition is not decided before the expiry of the two-year period of admission. CLPR is extended in one-year increments or until the petition to remove conditions is adjudicated. Unfortunately, some CIS offices have been reluctant to extend CLPR status, presumably in ignorance of the law. Aliens have also experienced difficulty obtaining advance permission to travel during this period. This difficulty is not experienced in all instances and it may abate as local CIS offices become more familiar with the law. Delays and improper denials of documents evidencing extended CLPR status and Advance Parole cannot be ruled out. Denial of such documents does not end the lawful status granted by statute.

Removal Of Conditions Not Guaranteed

In the history of the EB-5 program, INS (now CIS) modified the requirements for removal of conditions after the time that some investors were granted CLPR. As a result of this action, some of those investors were unable to comply with the new requirements, creating the possibility that they would be removed from the United States. Some of these investors contested the change in rules after their investments were made. Their position was supported in litigation that resulted in INS being ordered to reconsider their applications to remove conditions by applying the original rules.

There cannot be any assurance that CIS will not change the requirements for removal of conditions after investors are granted CLPR status through investment in the Project. There cannot be any assurance that an investor will be able to demonstrate to the satisfaction of CIS that the Project is operating within its business plan, that it has created the requisite jobs at the time required by CIS or that any other requirements for the removal of conditions have been met.

Exit Strategies

The Jay Peak Hotel Suites project will, from commencement of construction, take an estimated 18 to 24 months to construct, before the hotel may commence operations. Beginning in the fourth quarter of 2011, or earlier once all conditions have been removed under the EB-5 Program for all qualified investors who have invested into the Partnership, the General Partner shall review market conditions to determine if it is appropriate to market the Hotel and, if so, to decide upon a plan of disposition of the Hotel (which may, but need not, include the sale of fractional interests, subdivision of the Hotel into separate condominiums or other common interest ownership units, and sale, or redemption by the Partnership, of Limited Partner Interests), to be managed and conducted exclusively by the General Partner or its designee on terms to be determined by General Partner in its sole discretion. The General Partner or its designee shall have exclusive rights of sale, in the event the hotel condominium units are placed on the market.

The time of the sale of the suites to the market will be determined by the General Partner and its parent company or affiliates, which will account for, among other factors, the market conditions at the time and the business status of the Hotel Suites' operations. The General Partner will not engage in any sales contrary to the purposes of the investment in the Hotel Suites set forth herein or within the Limited Partnership Agreement.

Risk Factors

THE LIMITED PARTNERSHIP INTERESTS DESCRIBED IN THIS OFFERING MEMORANDUM INVOLVE A DEGREE OF RISK. AMONG THE RISK FACTORS THAT A PROSPECTIVE PURCHASER SHOULD CAREFULLY CONSIDER ARE THE FOLLOWING; THIS LIST IS NOT EXHAUSTIVE:

PURCHASE OF THE LIMITED PARTNERSHIP INTERESTS IS LIMITED TO NOT MORE THAN 35 INDIVIDUALS, NONE OF WHOM MAY BE RESIDENTS IN THE UNITED STATES OF AMERICA AT THE TIME OF THE OFFER AND PURCHASE UNLESS LAWFULLY IN THE UNITED STATES WITH A VALID VISA; ALL MUST HAVE ATTAINED THE AGE OF 18 YEARS, AND ALL OF WHOM MUST PURCHASE FOR INVESTMENT AND NOT WITH A VIEW TO RESALE. A DECLARATION, REPRESENTATION AND COVENANT TO THIS EFFECT ARE REQUIRED TO BE MADE IN THE SUBSCRIPTION AGREEMENT.

THE LIMITED PARTNERSHIP INTERESTS WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933 AND, IN OFFERING THEM, THE LIMITED PARTNERSHIP WILL RELY ON ONE OR MORE EXEMPTIONS FROM REGISTRATION.

THERE WILL BE RESTRICTIONS ON THE ABILITY OF A PURCHASER TO SELL HIS LIMITED PARTNERSHIP INTEREST. [NO RESALE CAN OCCUR WITHIN ONE YEAR FROM DECEMBER 22, 2006, THE DATE OF THE FIRST OFFER]. ANY RESALE MUST BE MADE PURSUANT TO REGULATIONS OR REGULATION D AS IS APPLICABLE AFTER REGISTRATION OF THE LIMITED PARTNERSHIP INTERESTS PURSUANT TO THE SECURITIES ACT OF 1933 (OR PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS). MEMBERSHIP CERTIFICATES WILL CARRY A LEGEND TO THE EFFECT THAT TRANSFERS OF THE LIMITED PARTNERSHIP INTERESTS ARE PROHIBITED UNLESS IN COMPLIANCE WITH THE FOREGOING. THE LIMITED PARTNERSHIP WILL REFUSE TO REGISTER A TRANSFER NOT MADE IN ACCORDANCE WITH REGULATIONS OR REGULATION D, UNLESS THE TRANSFER IS MADE AFTER REGISTRATION UNDER THE SECURITIES ACT OF 1933 OR IS OTHERWISE EXEMPT FROM REGISTRATION. THESE RESTRICTIONS MAY RENDER IT DIFFICULT OR INADVISABLE TO LOCATE A PROSPECTIVE PURCHASER IF AND WHEN AN OWNER WISHES TO SELL HIS LIMITED PARTNERSHIP INTEREST.

THERE IS NO PUBLIC MARKET FOR THE SALE AND PURCHASE OF THE LIMITED PARTNERSHIP INTERESTS. THESE INTERESTS ARE NOT READILY TRANSFERABLE. THERE ARE RESTRICTIONS ON THE SALE OF THE LIMITED PARTNERSHIP INTERESTS. THERE MAY BE NO MARKET FOR RESALE OF THESE LIMITED PARTNERSHIP INTERESTS. THERE CAN BE NO ASSURANCES THAT A PURCHASER CAN BE FOUND WHEN AN OWNER WISHES TO SELL HIS INTEREST. A PURCHASER MAY NEVER BE ABLE TO LIQUIDATE HIS INVESTMENT IN THE LIMITED PARTNERSHIP.

THE LIMITED PARTNERSHIP IS A LIMITED PARTNERSHIP CREATED PURSUANT TO VERMONT LAW. THE RIGHTS OF LIMITED PARTNERS IN A LIMITED PARTNERSHIP DIFFER MATERIALLY FROM THE RIGHTS OF PARTNERS IN A GENERAL PARTNERSHIP OR SHAREHOLDERS IN CORPORATIONS.

THE OWNER OR OWNERS OF THE LIMITED PARTNERSHIP'S GENERAL PARTNERSHIP INTERESTS WILL HAVE CERTAIN POWERS AND RIGHTS NOT GRANTED TO THE OWNERS OF THE LIMITED PARTNERSHIP INTERESTS.

WHETHER THE LIMITED PARTNERSHIP CAN MAKE DISTRIBUTIONS TO THE LIMITED PARTNERS IS DEPENDENT ON, AMONGST OTHER THINGS, ITS ABILITY TO EARN A SUFFICIENT INCOME IN EACH YEAR, THE LIMITED PARTNERSHIP'S EXPENSES, AND THE GENERAL PARTNER'S DETERMINATION WHETHER OR TO WHAT EXTENT DISTRIBUTIONS SHOULD BE MADE.

JAY PEAK MANAGEMENT, INC. OR ITS DESIGNEE WILL PROVIDE THE MANAGEMENT FOR THE HOTEL AND RELATED AMENITIES. IF JAY PEAK MANAGEMENT INC. OR ITS AFFILIATE ELECTS TO CEASE BEING THE GENERAL PARTNER, IT MAY BE DIFFICULT TO FIND A REPLACEMENT.

DEPENDANCE ON KEY PERSONNEL. THE LIMITED PARTNERSHIP WILL RELY ON THE ACTIVE PARTICIPATION OF WILLIAM STENGER, AN OFFICER OF THE GENERAL PARTNER JAY PEAK MANAGEMENT INC. MR. STENGER HAS BEEN INVOLVED IN THE JAY PEAK EB-5 EXPANSION PROJECT FOR MANY YEARS. THE LOSS OF MR STENGER'S SERVICES COULD CREATE A SIGNIFICANT ADVERSE EFFECT ON THE LIMITED PARTNERSHIP.

WHETHER THE LIMITED PARTNERSHIP'S ACTIVITIES CAN BE PROFITABLE WILL DEPEND, AT LEAST IN PART, ON THE INTEGRATION OF ITS BUSINESS WITH THE OTHER BUSINESSES OPERATED AT THE JAY PEAK RESORT AND WITH THE COORDINATION OF THOSE BUSINESSES.

THE FINANCIAL FORECASTS ARE BASED, IN PART, ON ASSUMPTIONS CONCERNING FACTORS OVER WHICH THE PURCHASERS AND THE LIMITED PARTNERSHIP WILL HAVE NO CONTROL, INCLUDING OCCUPANCY RATES FOR THE HOTEL WHICH MAY BE ADVERSELY AFFECTED BY VARIOUS FACTORS SUCH AS ADVERSE WEATHER CONDITIONS DURING THE RESORT'S PEAK SKI AND SUMMER SEASONS.

THE FINANCIAL FORECASTS CONTAIN ESTIMATES OF FUTURE RESULTS BASED ON INFORMATION AVAILABLE AS OF THE DATE OF THIS OFFERING MEMORANDUM THAT THE LIMITED PARTNERSHIP BELIEVES ARE REASONABLE. HOWEVER, NO REPRESENTATION IS OR CAN BE MADE AS TO FUTURE OPERATIONS OR OF THE AMOUNT OF ANY FUTURE INCOME OR LOSS FROM THE OPERATION OF THE HOTEL.

THE SUCCESS OF THE LIMITED PARTNERSHIP WILL DEPEND ON ITS ABILITY TO ATTRACT VISITORS TO THE HOTEL. NO ASSURANCE CAN BE GIVEN THAT THE LIMITED PARTNERSHIP WILL BE SUCCESSFUL IN ATTRACTING SUCH GUESTS OR CUSTOMERS.

THERE IS COMPETITION AMONG OPERATORS OF ALL SEASONS RESORT HOTELS TO ATTRACT AND ENCOURAGE REPEAT VISITS FOR CUSTOMERS. THERE CAN BE NO ASSURANCE THAT THE LIMITED PARTNERSHIP WILL BE ABLE TO COMPETE.

JAY PEAK, INC., OR ITS SUCCESSOR, OR ITS AFFILIATES MAY IN THE FUTURE DETERMINE TO CONSTRUCT OTHER BUILDINGS AT THE RESORT, INCLUDING HOTELS AND OTHER AMENITIES WHICH MAY COMPETE WITH THE HOTEL, AND OTHER AMENITIES FOR GUESTS AND CUSTOMERS.

PURCHASERS SHOULD RECOGNIZE THAT THE FINANCIAL FORECASTS MAKE ASSUMPTIONS ABOUT ANNUAL ROOM RATES AND OCCUPANCY LEVELS WHICH ARE SUBJECT TO SUBSTANTIAL FLUCTUATION. ALTHOUGH THE LIMITED PARTNERSHIP DOES NOT BELIEVE SUCH CHARGES AND RATES TO BE UNREASONABLE, PROSPECTIVE PURCHASERS SHOULD BE AWARE THAT THERE IS NO ASSURANCE THAT SUCH RATES AND OCCUPANCY RATES WILL BE ACHIEVED OR MAINTAINED. IF SUCH RATES AND OCCUPANCY LEVELS ARE NOT ACHIEVED, THE OPERATING RESULTS MAY BE LESS FAVORABLE THAN THOSE PROJECTED.

POSSIBLE PURCHASE OF UNITS BY THE RESORT OWNER. IN THE EVENT THAT THE RESORT OWNER USES ITS OR ITS AFFILIATES' FUNDS TO COMPLETE THE PROJECT, THE RESORT OWNER MAY ACQUIRE SOME LIMITED PARTNERSHIP UNITS. IF THE NUMBER OF UNITS IS SIGNIFICANT, THE RESORT OWNER MAY BE ABLE TO INFLUENCE OR CONTROL CERTAIN MATTERS UNDER WHICH THE LIMITED PARTNERS ARE ENTITLED TO VOTE UNDER THE TERMS OF THE LIMITED PARTNERSHIP AGREEMENT. ACCORDINGLY NO PERSON SHOULD PURCHASE ANY OF THE UNITS OFFERED HEREBY UNLESS HE OR SHE IS WILLING TO RELY ON THE POSSIBLE INVOLVEMENT BY THE RESORT OWNER IN THE AFFAIRS OF THE LIMITED PARTNERSHIP.

AN ALIEN ENTREPRENEUR MAY SUFFER ADVERSE TAX CONSEQUENCES IN THE EVENT OF A SALE OF HIS LIMITED PARTNERSHIP INTEREST.

THE LIMITED PARTNERSHIP IS A STARTUP BUSINESS THAT DOES NOT HAVE AN OPERATING HISTORY. THE LIMITED PARTNERSHIP'S BUSINESS IS DEPENDENT UPON THE LIMITED

PARTNERSHIP OBTAINING SUFFICIENT CAPITAL TO PROPERLY DEVELOP ITS SERVICES AND MARKETING OPERATIONS AND EFFECTIVELY EDUCATE THE PUBLIC, MORE SPECIFICALLY ITS TARGET MARKET, REGARDING ITS AVAILABILITY AND THE BENEFITS OF THE SITE.

EVEN IF THE LIMITED PARTNERSHIP OBTAINS ITS \$17,500,000 EQUITY FINANCING AND USES IT AS DESCRIBED IN THE FINANCIAL DATA, THERE CAN BE NO ASSURANCE THAT ANY OPERATIONS WILL RESULT, IN THE ANTICIPATED REVENUES OR NET INCOME TO THE LIMITED PARTNERSHIP.

INVESTORS WHO PURCHASE SECURITIES IN THIS OFFERING MUST BEAR THE ECONOMIC RISK OF THE INVESTMENT FOR AN INDEFINITE PERIOD BECAUSE THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OR ANY STATE LAWS, AND THEREFORE CANNOT BE SOLD IN THE PUBLIC MARKET UNLESS THEY ARE SUBSEQUENTLY REGISTERED UNDER THE SECURITIES ACT AND ANY APPLICABLE STATE LAWS OR AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE.

THE LIMITED PARTNERSHIP HAS NOT PREPARED AUDITED FINANCIAL STATEMENTS. (SEE FINANCIAL DATA - "RISK FACTORS")

Immigration Risk Factors

A PURCHASER SHOULD CONSULT WITH LEGAL COUNSEL FAMILIAR WITH UNITED STATES IMMIGRATION LAWS AND PRACTICE. PURCHASE OF A LIMITED PARTNERSHIP INTEREST DOES NOT GUARANTEE LAWFUL PERMANENT RESIDENCE IN THE UNITED STATES

THE LIMITED PARTNERSHIP INTERESTS DESCRIBED IN THIS OFFERING MEMORANDUM INVOLVE A SIGNIFICANT DEGREE OF RISK. AMONG THE IMMIGRATION RISK FACTORS THAT A PROSPECTIVE PURCHASER SHOULD CONSIDER CAREFULLY ARE THE FOLLOWING; THIS LIST IS NOT EXHAUSTIVE:

GENERAL

WHILE BEST EFFORTS HAVE BEEN MADE TO STRUCTURE THIS OFFERING SO THAT INVESTORS MAY MEET EB-5, FIFTH EMPLOYMENT-BASED VISA PREFERENCE REQUIREMENTS UNDER 8 U.S.C. § 1153 (B)(5)(A) - (D); INA § 203 (B)(5)(A) - (D) (THE "ACT") AND QUALIFY AS "ALIEN ENTREPRENEURS", A PRELIMINARY STEP TO BECOMING ELIGIBLE FOR ADMISSION TO THE UNITED STATES OF AMERICA WITH THEIR SPOUSE AND UNMARRIED MINOR CHILDREN AS LAWFUL PERMANENT RESIDENTS, NO REPRESENTATIONS CAN BE MADE AND NO GUARANTEES CAN BE GIVEN WITH RESPECT TO THE ABILITY OF THIS INVESTMENT TO GUARANTEE OR OTHERWISE ASSURE THAT AN INVESTOR'S APPLICATION TO BE APPROVED AS AN "ALIEN ENTREPRENEUR" WILL BE GRANTED BY CIS OR, IF IT IS, THAT INVESTORS WITH THEIR SPOUSE AND SUCH CHILDREN WILL OBTAIN CONDITIONAL OR UNCONDITIONAL LAWFUL PERMANENT RESIDENT STATUS.

APPROVAL OF INVESTMENTS IN THE PROJECT

THERE IS NO PROCEDURE IN THE IMMIGRATION AND NATIONALITY ACT OR ITS ENABLING REGULATIONS TO PRE-QUALIFY AN INVESTMENT FOR THE EB-5, ALIEN ENTREPRENEUR PROGRAM. AN APPLICATION ON FORM I-526 MUST BE FILED WITH CIS BY THE INVESTOR TO DETERMINE THE SUITABILITY OF THE INVESTMENT OFFERED HEREIN FOR IMMIGRATION

PURPOSES UNDER 8 U.S.C. § 1153 (B)(5)(A) - (D); INA § 203 (B)(5)(A) - (D). CIS MAY DENY SUCH AN APPLICATION.

LIMITATIONS ON RETURN OF FUNDS IF I-526, PETITION IS DENIED

IF CIS DENIES AN INVESTOR'S I-526 PETITION AND IN THE NOTICE OF DENIAL SAYS THAT A BASIS OF DENIAL IS FRAUD OR MATERIAL MISREPRESENTATION, THE LIMITED PARTNERSHIP WILL BE ENTITLED TO RECEIVE PAYMENT FROM THE ESCROW AGENT OF ALL FUNDS, INCLUDING INTEREST, REMAINING IN THE ADMINISTRATIVE FEES ESCROW ACCOUNT.

ATTAINING LAWFUL PERMANENT RESIDENCE

DESPITE THE APPROVAL OF AN INVESTOR'S FORM I-526, THERE CANNOT BE ANY GUARANTEE THAT THE INVESTOR OR THE INVESTOR'S SPOUSE OR ANY OF THE INVESTOR'S MINOR, UNMARRIED CHILDREN WILL BE GRANTED LAWFUL PERMANENT RESIDENCE. THE GRANT OF SUCH IMMIGRATION STATUS IS DEPENDENT UPON THE PERSONAL BACKGROUND OF EACH APPLICANT. ANY ONE OF SEVERAL GOVERNMENT AGENCIES MAY DETERMINE IN ITS DISCRETION, SOMETIMES WITHOUT THE POSSIBILITY OF APPEAL, THAT AN APPLICANT FOR LAWFUL PERMANENT RESIDENCE IS EXCLUDABLE FROM THE UNITED STATES. IN LIMITED INSTANCES, A WAIVER OF A GROUND OF EXCLUSION MAY BE AVAILABLE UNDER THE LAW, BUT ADJUDICATIONS OF WAIVER APPLICATIONS ARE THEMSELVES MADE IN THE UNREVIEWABLE DISCRETION OF THE GOVERNMENT AND IT OFTEN TAKES A YEAR OR MORE TO OBTAIN A DECISION.

GROUND FOR EXCLUSION

PERSONS APPLYING FOR LAWFUL PERMANENT RESIDENCE MUST OVERCOME THE STATUTORY PRESUMPTION OF INADMISSIBILITY. APPLICANTS MUST DEMONSTRATE, AFFIRMATIVELY, THAT THEY ARE ADMISSIBLE TO THE UNITED STATES. THERE ARE MANY GROUNDS OF INADMISSIBILITY THAT THE GOVERNMENT MAY CITE AS THE BASIS TO DENY ADMISSION FOR LAWFUL PERMANENT RESIDENCE.

VARIOUS STATUTES, INCLUDING, FOR EXAMPLE, SECTIONS 212, 237 & 241 OF THE IMMIGRATION AND NATIONALITY ACT, THE ANTITERRORISM & EFFECTIVE DEATH PENALTY ACT OF 1996 (AEDPA) AND THE ILLEGAL IMMIGRATION REFORM & IMMIGRANT RESPONSIBILITY ACT OF 1996 (IIRAIRA) SET FORTH GROUNDS OF INADMISSIBILITY, WHICH MAY PREVENT AN OTHERWISE ELIGIBLE APPLICANT FROM RECEIVING AN IMMIGRANT VISA, ENTERING THE UNITED STATES OR ADJUSTING TO LAWFUL PERMANENT RESIDENCE.

EXAMPLES OF ALIENS PRECLUDED FROM ENTERING THE UNITED STATES INCLUDE:

(A) PERSONS WHO ARE DETERMINED TO HAVE A COMMUNICABLE DISEASE OF PUBLIC HEALTH SIGNIFICANCE;

(B) PERSONS WHO ARE FOUND TO HAVE, OR HAVE HAD, A PHYSICAL OR MENTAL DISORDER, AND BEHAVIOR ASSOCIATED WITH THE DISORDER WHICH POSES, OR MAY POSE, A THREAT TO

THE PROPERTY, SAFETY, OR WELFARE OF THE ALIEN OR OF OTHERS, OR HAVE HAD A PHYSICAL OR MENTAL DISORDER AND A HISTORY OF BEHAVIOR ASSOCIATED WITH THE DISORDER, WHICH BEHAVIOR HAS POSED A THREAT TO THE PROPERTY, SAFETY, OR WELFARE OF THE IMMIGRANT ALIEN OR OTHERS, AND WHICH BEHAVIOR IS LIKELY TO RECUR OR TO LEAD TO OTHER HARMFUL BEHAVIOR;

(C) PERSONS WHO HAVE BEEN CONVICTED OF A CRIME INVOLVING MORAL TURPITUDE (OTHER THAN A PURELY POLITICAL OFFENSE), OR PERSONS WHO ADMIT HAVING COMMITTED THE ESSENTIAL ELEMENTS OF SUCH A CRIME;

(D) PERSONS WHO HAVE BEEN CONVICTED OF ANY LAW OR REGULATION RELATING TO A CONTROLLED SUBSTANCE, ADMITTED TO HAVING COMMITTED OR ADMITS COMMITTING ACTS WHICH CONSTITUTE THE ESSENTIAL ELEMENTS OF SAME;

(E) PERSONS WHO ARE CONVICTED OF MULTIPLE CRIMES (OTHER THAN PURELY POLITICAL OFFENSES) REGARDLESS OF WHETHER THE CONVICTION WAS IN A SINGLE TRIAL OR WHETHER THE OFFENSES AROSE FROM A SINGLE SCHEME OF MISCONDUCT AND REGARDLESS OF WHETHER SUCH OFFENSES INVOLVED MORAL TURPITUDE;

(F) PERSONS WHO ARE KNOWN, OR FOR WHOM THERE IS REASON TO BELIEVE, ARE, OR HAVE BEEN, TRAFFICKERS IN CONTROLLED SUBSTANCES;

(G) PERSONS ENGAGED IN PROSTITUTION OR COMMERCIALIZED VICE;

(H) PERSONS WHO HAVE COMMITTED IN THE UNITED STATES CERTAIN SERIOUS CRIMINAL OFFENSES, REGARDLESS OF WHETHER SUCH OFFENSE WAS NOT PROSECUTED AS A RESULT OF DIPLOMATIC IMMUNITY;

(I) PERSONS EXCLUDABLE ON GROUNDS RELATED TO NATIONAL SECURITY, RELATED GROUNDS, OR TERRORIST ACTIVITIES;

(J) PERSONS DETERMINED TO BE EXCLUDABLE BY THE SECRETARY OF STATE OF THE UNITED STATES ON GROUNDS RELATED TO FOREIGN POLICY;

(K) PERSONS WHO ARE OR HAVE BEEN A MEMBER OF A TOTALITARIAN PARTY, OR PERSONS WHO HAVE PARTICIPATED IN NAZI PERSECUTIONS OR GENOCIDE;

(L) PERSONS WHO ARE LIKELY TO BECOME A PUBLIC CHARGE AT ANY TIME AFTER ENTRY;

(M) PERSONS WHO WERE PREVIOUSLY DEPORTED OR EXCLUDED AND DEPORTED FROM THE UNITED STATES;

(N) PERSONS WHO BY FRAUD OR WILLFULLY MISREPRESENTING A MATERIAL FACT, SEEK TO PROCURE (OR HAVE PROCURED) A VISA, OTHER DOCUMENTATION OR ENTRY INTO THE UNITED STATES OR OTHER BENEFIT UNDER THE IMMIGRATION ACT;

(O) PERSONS WHO HAVE AT ANY TIME ASSISTED OR AIDED ANY OTHER ALIEN TO ENTER OR TRY TO ENTER THE UNITED STATES IN VIOLATION OF LAW;

(P) CERTAIN ALIENS WHO HAVE DEPARTED THE UNITED STATES TO AVOID OR EVADE U.S. MILITARY SERVICE OR TRAINING;

(Q) PERSONS WHO ARE PRACTICING POLYGAMISTS; AND

(R) PERSONS WHO WERE UNLAWFULLY PRESENT IN THE UNITED STATES FOR CONTINUOUS OR CUMULATIVE PERIODS IN EXCESS OF 180 DAYS.

NO RETURN OF FUNDS IF VISA OR ADJUSTMENT OF STATUS IS DENIED.

FOLLOWING APPROVAL OF AN INVESTOR'S I-526 PETITION, THE INVESTOR AND THE SPOUSE AND QUALIFYING CHILDREN OF THE INVESTOR MUST APPLY FOR AN IMMIGRANT VISA OR ADJUSTMENT TO PERMANENT RESIDENT STATUS. AS PART OF THIS PROCESS, THEY UNDERGO MEDICAL, POLICE, SECURITY AND IMMIGRATION HISTORY CHECKS TO DETERMINE WHETHER ANY OF THEM ARE INADMISSIBLE TO THE UNITED STATES FOR ANY OF THE REASONS MENTIONED ABOVE OR FOR ANY OTHER REASON. THE VISA OR ADJUSTMENT OF STATUS MAY BE DENIED NOTWITHSTANDING THE ELIGIBILITY FOR OR APPROVAL OF THE I-526 PETITION. IF, FOLLOWING CLOSING AND DISBURSEMENT OF BOTH THE INVESTMENT FUNDS AND BALANCE OF ADMINISTRATION FEE FROM THE ESCROW ACCOUNTS, THE INVESTOR OR THE SPOUSE OR ANY CHILDREN OF THE INVESTOR ARE DENIED A VISA FOR CONDITIONAL LAWFUL PERMANENT RESIDENCE OR DENIED ADJUSTMENT OF STATUS TO CONDITIONAL LAWFUL PERMANENT RESIDENCE SUCH ACTION WILL NOT ENTITLE THE INVESTOR TO THE RETURN OF ANY FUNDS PAID TO THE LIMITED PARTNERSHIP PURSUANT TO THIS OFFERING UNLESS AND UNTIL A SUBSTITUTE PARTNER IS FOUND AS SET FORTH IN SECTION 10.01 OF THE LIMITED PARTNERSHIP AGREEMENT, AND, IN ANY EVENT, THERE SHALL BE NO REFUND OF THE ADMINISTRATION FEES.

CONDITIONAL LAWFUL PERMANENT RESIDENCE

LAWFUL PERMANENT RESIDENCE STATUS GRANTED INITIALLY TO AN INVESTOR AND THE SPOUSE AND QUALIFYING CHILDREN OF THE INVESTOR IS "CONDITIONAL." EACH INVESTOR AND THE SPOUSE AND QUALIFYING CHILDREN OF THE INVESTOR MUST SEEK REMOVAL OF CONDITIONS BEFORE THE SECOND ANNIVERSARY OF LAWFUL PERMANENT ADMISSION TO THE UNITED STATES. THERE CANNOT BE ANY ASSURANCE THAT THE CIS WILL CONSENT TO THE REMOVAL OF CONDITIONS AS TO THE INVESTOR, OR AS TO THE SPOUSE OR QUALIFYING CHILDREN OF THE INVESTOR, EACH OF WHOM MUST MAKE A SEPARATE APPLICATION TO REMOVE CONDITIONS. IF THE INVESTOR FAILS TO HAVE CONDITIONS REMOVED, THE INVESTOR AND THE SPOUSE AND CHILDREN OF THE INVESTOR WILL BE REQUIRED TO LEAVE THE UNITED STATES AND MAY BE PLACED IN REMOVAL PROCEEDINGS. EVEN IF THE INVESTOR SUCCEEDS IN HAVING CONDITIONS REMOVED, THE SPOUSE AND EACH QUALIFYING CHILD OF THE INVESTOR, SEPARATELY, MUST HAVE CONDITIONS REMOVED. FAILURE TO HAVE CONDITIONS REMOVED AS TO ANY OF THESE MEMBERS OF THE INVESTOR'S FAMILY MAY REQUIRE SOME MEMBERS TO DEPART FROM THE UNITED STATES AND SUCH FAMILY MEMBERS MAY BE PLACED IN REMOVAL PROCEEDINGS

NO REGULATIONS REGARDING REMOVAL OF CONDITIONS

THE CIS REGULATIONS GOVERNING LAWFUL PERMANENT RESIDENCE FOR INVESTORS DO NOT STATE SPECIFICALLY THE CRITERIA WHICH CIS MUST APPLY TO DETERMINE ELIGIBILITY FOR THE REMOVAL OF CONDITIONS TO LAWFUL PERMANENT RESIDENT STATUS. COURTS HAVE DETERMINED SOME STANDARDS TO BE FOLLOWED BY CIS IN SOME, BUT NOT ALL, CIRCUMSTANCES. THE LIMITED PARTNERSHIP MAY MAKE CERTAIN MANAGEMENT DECISIONS IN THE ABSENCE OF THESE SPECIFIC ELIGIBILITY CRITERIA. THE LIMITED PARTNERSHIP WILL SEEK AS MUCH INFORMATION AS POSSIBLE FROM CIS IN AN EFFORT TO ASSIST INVESTORS TO QUALIFY FOR THE REMOVAL OF CONDITIONS, WHERE GOOD BUSINESS PRACTICES PERMIT. THIS NOTWITHSTANDING, EACH INVESTOR SHOULD BECOME EDUCATED ABOUT THE STANDARDS THAT WILL DETERMINE ELIGIBILITY OF AN INVESTOR AND THE SPOUSE OR CHILDREN OF THE INVESTOR TO ACHIEVE UNCONDITIONAL LAWFUL PERMANENT RESIDENCE IN THE UNITED STATES PURSUANT TO THIS PROGRAM, WHICH CURRENTLY IS IN A STATE OF EVOLUTION.

NUMERICAL QUOTAS

CURRENTLY, 10,000 EB-5, FIFTH PREFERENCE VISA STATUSES ARE ALLOCATED ANNUALLY TO ALIEN INVESTORS AND THE SPOUSE AND QUALIFYING CHILDREN OF THE INVESTOR. EB-5 STATUS IS AVAILABLE ON A FIRST-COME, FIRST-SERVED BASIS. IF MORE STATUSES ARE SOUGHT THAN ARE AVAILABLE, A DELAY IN THE AVAILABILITY OF EB-5, LAWFUL PERMANENT RESIDENT STATUS WILL RESULT. THERE IS NO RELIABLE MEANS TO PREDICT IF SUCH A DELAY WILL OCCUR, OR, IF IT OCCURS, HOW LONG AN INVESTOR OR THE SPOUSE AND QUALIFYING CHILDREN OF THE INVESTOR WILL WAIT BEFORE VISA STATUS FOR THEM BECOMES AVAILABLE.

SOMETIMES THE NUMBER OF VISA STATUSES AUTHORIZED CHANGES OR THE PREFERENCE OF A VISA STATUS IS REDEFINED. THERE IS NO RELIABLE MEANS TO PREDICT WHETHER OR WHEN EITHER OR BOTH OF THESE CHANGES WILL OCCUR. IN THE EVENT OF EITHER OR BOTH OF THESE CHANGES, THE AVAILABILITY OF CURRENT EB-5, FIFTH PREFERENCE VISA STATUSES MAY END, THE NUMBER OF EB-5, FIFTH PREFERENCE STATUSES MAY DECREASE OR INCREASE, OR THE TIME IT TAKES TO ACQUIRE EB-5 STATUS MAY INCREASE SIGNIFICANTLY. OTHER CHANGES IN THE ADMINISTRATION OF THE VISA PREFERENCE SYSTEM MAY AFFECT AND EVEN PRECLUDE THE ABILITY TO OBTAIN A VISA FOR LAWFUL PERMANENT RESIDENCE OR TO ADJUST TO LAWFUL PERMANENT RESIDENCE.

EXPIRATION OF THE REGIONAL CENTER PILOT PROGRAM

THE REGIONAL CENTER PILOT PROGRAM WAS FIRST CREATED IN 1992. SINCE THEN IT HAS BEEN EXTENDED, MOST RECENTLY IN 2003, UNTIL SEPTEMBER 30, 2008. THIS PROJECT RELIES ON THE REGIONAL CENTER PILOT PROGRAM SO THAT EMPLOYMENT CREATED INDIRECTLY BY INVESTMENTS IN THE PROJECT MAY BE COUNTED TOWARDS THE MINIMUM NUMBER OF JOBS NEEDED TO QUALIFY AN INVESTOR, THE INVESTOR'S SPOUSE AND THE QUALIFYING CHILDREN OF THE INVESTOR TO HAVE CONDITIONS REMOVED. IT IS REPORTED THAT EB-5 PETITIONS ARE INCREASING IN REGIONAL CENTERS. ASSUMING THIS STATISTIC TO BE ACCURATE, SOME PREDICT THAT THE REGIONAL CENTER PILOT PROGRAM WILL BE EXTENDED BEYOND SEPTEMBER 30, 2008 OR THAT THE PROGRAM MAY BE MADE PERMANENT. THERE IS NO RELIABLE MEANS TO KNOW IF THE REGIONAL CENTER PROGRAM WILL BE EXTENDED OR MADE PERMANENT. IF THE REGIONAL CENTER PROGRAM IS NOT EXTENDED, APPLICANTS FROM THIS

PROJECT SEEKING REMOVAL OF CONDITIONS MAY HAVE THEIR APPLICATIONS DELAYED OR DENIED CAUSING SERIOUS HARDSHIP, INCLUDING POSSIBLE REMOVAL FROM THE UNITED STATES.

ACTIVE PARTICIPATION IN LIMITED PARTNERSHIP BUSINESS

THE EB-5 PROGRAM REQUIRES THAT EACH INVESTOR BE ACTIVELY INVOLVED IN THE BUSINESS AFFAIRS OF THE LIMITED PARTNERSHIP. FAILURE TO BE ACTIVELY INVOLVED MAY JEOPARDIZE APPROVAL OF THE I-526, PETITION OR RESULT IN THE DENIAL OF LAWFUL PERMANENT RESIDENCE STATUS FOR THE INVESTOR AND THE SPOUSE AND THE QUALIFYING CHILDREN OF THE INVESTOR. THE LIMITED PARTNERSHIP AGREEMENT, REFLECTING THE EB-5 REGULATIONS GOVERNING WHAT LEVEL OF PARTICIPATION IS ACCEPTABLE TO MEET THE EB-5 CRITERIA, MANDATES THAT EACH LIMITED PARTNER SHALL PARTICIPATE IN THE MANAGEMENT OF THE BUSINESS OF THE PARTNERSHIP BY MAKING SUGGESTIONS OR RECOMMENDATIONS TO THE GENERAL PARTNER ON ISSUES OF POLICY IMPORTANT TO THE PARTNERSHIP. THE LIMITED PARTNERSHIP AGREEMENT ALSO PERMITS LIMITED PARTNERS TO PARTICIPATE IN ONE OR MORE OF THE ACTIVITIES (i) PERMITTED OF LIMITED PARTNERS UNDER THE VERMONT REVISED UNIFORM LIMITED PARTNERSHIP ACT AND (ii) OTHERWISE SET FORTH UNDER THE LIMITED PARTNERSHIP AGREEMENT.

RISKS ATTENDANT TO THE EB-5, FIFTH PREFERENCE VISA STATUS

THE EB-5 PROGRAM HAS MANY REQUIREMENTS THAT MUST BE MET TO THE SATISFACTION OF CIS. THE FAILURE TO MEET EVEN ONE OF THESE REQUIREMENTS TO THE SATISFACTION OF CIS MAY RESULT IN THE DENIAL OF THE INVESTOR'S I-526, PETITION. AMONG THESE REQUIREMENTS FOR EACH INVESTOR ARE THE DEMONSTRATION OF THE FOLLOWING MATTERS; THE LIST IS NOT EXHAUSTIVE:

THE PROJECT IS SITUATED IN A TARGETED EMPLOYMENT AREA; IN THIS PROJECT, WITHIN A TOWN WHOSE POPULATION IS LESS THAN 20,000.

THE PROJECT IS SITUATED WITHIN AN APPROVED REGIONAL CENTER.

THROUGH ECONOMIC MODELING, THAT EACH INVESTMENT WILL CREATE 10 FULL-TIME JOBS WITHIN THE REGIONAL CENTER THROUGH AND INCLUDING THE TIME THAT CONDITIONS ARE REMOVED.

A NEW COMMERCIAL ENTERPRISE HAS BEEN ESTABLISHED AS A RESULT OF THE INVESTMENT IN CONCERT WITH OTHER INVESTMENTS.

FUNDS INVESTED IN THE LIMITED PARTNERSHIP HAVE BEEN LAWFULLY EARNED OR OTHERWISE LAWFULLY ACQUIRED.

THE MINIMUM INVESTMENT OF \$500,000 IN THE LIMITED PARTNERSHIP HAS BEEN PAID IN FULL AND IS DEEMED TO BE AT RISK.

THE INVESTOR MANAGES THE NEW ENTERPRISE ON A DAY-TO-DAY BASIS OR BY ASSISTING IN THE FORMULATION OF THE ENTERPRISE'S BUSINESS POLICY.

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THE INVESTMENT HAS BEEN SUSTAINED DURING THE PERIOD OF CONDITIONAL LAWFUL PERMANENT RESIDENCE THROUGH AND INCLUDING THE TIME THAT CONDITIONS ARE REMOVED.

FAMILY RELATIONSHIPS

(1) SPOUSES OF THE INVESTOR MAY ACCOMPANY OR FOLLOW TO JOIN AN INVESTOR WHO HAS BEEN GRANTED CONDITIONAL LAWFUL PERMANENT RESIDENCE PROVIDED THAT THE INVESTOR AND THE SPOUSE, DEEMED A DERIVATIVE BENEFICIARY, WERE MARRIED AT THE TIME OF THE INVESTOR'S FIRST ADMISSION TO THE UNITED STATES AS A CONDITIONAL LAWFUL PERMANENT RESIDENT OR FOLLOWING ADJUSTMENT OF STATUS TO LAWFUL PERMANENT RESIDENCE. CIS WILL NOT RECOGNIZE COMMON LAW MARRIAGES FOR THE PURPOSE OF PERMITTING A SPOUSE TO BE A QUALIFYING DERIVATIVE BENEFICIARY. IF THE RELATIONSHIP IS ONE IN COMMON LAW, THE "SPOUSE" OF THE INVESTOR MAY NOT ACQUIRE LAWFUL PERMANENT RESIDENT STATUS ON ACCOUNT OF THE RELATIONSHIP.

(2) CHILDREN OR STEP-CHILDREN OF THE INVESTOR MAY ACCOMPANY OR FOLLOW TO JOIN AN INVESTOR WHO HAS BEEN GRANTED CONDITIONAL LAWFUL PERMANENT RESIDENCE PROVIDED THAT THE INVESTOR CAN ESTABLISH PARENTAGE OR STEP-PARENTAGE AT THE TIME OF THE INVESTOR'S FIRST ADMISSION TO THE UNITED STATES AS A CONDITIONAL LAWFUL PERMANENT RESIDENT OR ADJUSTMENT OF STATUS TO LAWFUL PERMANENT RESIDENCE. FAILURE TO COMPLY WITH ALL APPLICABLE REQUIREMENTS MAY RESULT IN THE SEPARATION OF A CHILD FROM THE INVESTOR OR THE INVESTOR'S SPOUSE FOR PROTRACTED PERIODS, IN SOME INSTANCES FOR YEARS, WHILE OTHER IMMIGRATION OPPORTUNITIES ARE ATTEMPTED IN AN EFFORT TO REUNITE THE FAMILY.

(3) A "CHILD" IS SOMEONE UNDER THE AGE OF 21 YEARS WHO IS UNMARRIED. IF A CHILD BECOMES AGE 21 OR MARRIES BEFORE BEING ADMITTED TO THE U.S. AS A LAWFUL PERMANENT RESIDENT OR ADJUSTING TO LAWFUL PERMANENT RESIDENT STATUS, THE FORMER CHILD, NOW DEEMED A SON OR DAUGHTER, MAY NOT BE ELIGIBLE TO ACCOMPANY OR FOLLOW TO JOIN THE INVESTOR. IN SOME CIRCUMSTANCES, THE CHILD STATUS PROTECTION ACT MAY ASSIST A SON OR DAUGHTER TO QUALIFY AS A CHILD BY REDUCING THE DEEMED AGE OF THE SON OR DAUGHTER TO LESS THAN 21 YEARS. FAILURE TO MEET THE REQUIREMENTS OF THE CHILD STATUS PROTECTION ACT MAY RESULT IN THE SEPARATION OF A SON OR DAUGHTER FROM THE INVESTOR OR THE INVESTOR'S SPOUSE FOR PROTRACTED PERIODS, IN SOME INSTANCES FOR YEARS, WHILE OTHER IMMIGRATION OPPORTUNITIES ARE ATTEMPTED IN AN EFFORT TO REUNITE THE FAMILY.

(4) UNDER SOME CIRCUMSTANCES, A CHILD WHO BECOMES 21 YEARS OF AGE OR MARRIES WHILE HOLDING CONDITIONAL LAWFUL PERMANENT RESIDENT STATUS MAY REMAIN ELIGIBLE TO REMOVE CONDITIONS. FAILURE TO MEET QUALIFYING CONDITIONS, MOST OF WHICH ARE NOT WITHIN THE CHILD'S CONTROL, WILL RESULT IN THE CHILD BEING PLACED IN REMOVAL PROCEEDINGS AND MAY REQUIRE THE CHILD TO DEPART THE UNITED STATES.

(5) UPON THE DEATH OF AN INVESTOR BEFORE CONDITIONS ARE REMOVED, A SPOUSE AND QUALIFYING CHILDREN OF THE INVESTOR ARE ENTITLED TO SEEK REMOVAL OF CONDITIONS BY SUBMISSION OF THE SAME EVIDENCE DEMONSTRATING COMPLIANCE WITH REQUIRED CRITERIA THAT CIS REQUIRES OF AN INVESTOR SEEKING TO REMOVE CONDITIONS. FAILURE OF EACH MEMBER OF THE FAMILY TO ESTABLISH THESE CRITERIA WILL RESULT IN THE DENIAL OF THE APPLICATION TO REMOVE CONDITIONS, PLACEMENT OF THE FAMILY MEMBERS IN REMOVAL PROCEEDINGS AND THEIR MANDATED DEPARTURE FROM THE UNITED STATES.

(6) IT IS UNCLEAR UNDER CIS PROCEDURES IF A CHILD WHO BECOMES A SON OR DAUGHTER BEFORE THE DEATH OF THE INVESTOR IS ENTITLED TO SEEK REMOVAL OF CONDITIONS. CIS REGULATIONS ARE SILENT ON THIS MATTER. IF CIS DOES NOT EXTEND THIS BENEFIT, SUCH A SON OR DAUGHTER WILL BE DENIED AN APPLICATION TO REMOVE CONDITIONS AND WILL BE PLACED IN REMOVAL PROCEEDINGS AND MAY BE MANDATED TO DEPART THE UNITED STATES.

CONFIDENTIALITY. A PROSPECTIVE INVESTOR, BY ACCEPTING RECEIPT OF THIS OFFERING MEMORANDUM, AGREES NOT TO DUPLICATE OR TO FURNISH COPIES OF THIS MEMORANDUM OR TO DIVULGE INFORMATION GARNERED FROM THIS MEMORANDUM OR ITS EXHIBITS TO PERSONS OTHER THAN SUCH INVESTOR'S INVESTMENT AND TAX ADVISORS, ACCOUNTANTS AND LEGAL COUNSEL, AND SUCH ADVISORS, ACCOUNTANTS AND LEGAL COUNSEL TOGETHER WITH THE PROSPECTIVE INVESTORS AND ANY OTHER PERSONS TO WHICH THIS MEMORANDUM OR THE RELATED DOCUMENTS COME INTO THEIR POSSESSION ARE PROHIBITED FROM DUPLICATING OR USING THIS MEMORANDUM, THE RELATED DOCUMENTS AND ALL EXHIBITS THERETO IN ANY MANNER OTHER THAN TO DETERMINE WHETHER THE INVESTOR WANTS TO INVEST INTO THE PARTNERSHIP. PROSPECTIVE INVESTORS ARE NOT TO CONSTRUE THE CONTENTS OF THIS MEMORANDUM AS LEGAL, INVESTMENT, IMMIGRATION OR TAX ADVICE, OR ANY OTHER ADVICE RELATED TO THE EFFICACY OF THE INVESTMENT TO THEM. THE GENERAL PARTNER HAS NOT ENGAGED ANY LEGAL OR OTHER ADVISORS TO REPRESENT PROSPECTIVE INVESTORS. EACH PROSPECTIVE INVESTOR SHOULD CONSULT THEIR OWN ADVISORS AS TO LEGAL, TAX AND RELATED MATTERS CONCERNING THE EFFICACY OF THIS INVESTMENT AND THE APPROPRIATENESS OF THIS INVESTMENT TO THEM AND ANY OTHER MATTERS CONCERNING THIS INVESTMENT. THE EXPENSE OF SUCH CONSULTATIONS SHALL BE PAID SEPARATELY BY THE INVESTOR.

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Section 2

The Limited Partnership

Offering Of Limited Partnership Interests

Jay Peak Hotel Suites L.P. is a newly formed Vermont Limited Partnership with its principal place of business in Jay, Vermont. The Limited Partnership was organized for the purpose of acquiring title to a parcel of real estate at the Jay Peak Resort in Jay, Vermont (the "Land"), constructing a six-floor building on the Land and submitting the building and Land to condominium ownership. The Limited Partnership will retain ownership of one condominium unit in the building and operate the unit as a hotel to be known as Jay Peak Hotel Suites. The general partner of the Limited Partnership is a Vermont corporation known as Jay Peak Management Inc. The initial limited partner will also be Jay Peak Management Inc., which interest will be terminated upon the first purchase of a limited partnership interest by a qualified investor.

(See Exhibits: Jay Peak Hotel Suites L.P. Limited Partnership Agreement)

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Section 3

Jay Peak Hotel L.P. Subscription Documents

Instructions For Completion

In connection with your subscription for A UNIT in Jay Peak Hotel Suites L.P. enclosed herewith are the following documents which must be properly and fully completed, and signed:

Exhibit A: Subscription Agreement Jay Peak Hotel Suites L.P. - Complete as indicated. Please make your checks payable to "Jay Peak Investor Escrow" in the amount of \$500,000 and \$50,000 payable to Jay Peak Administration Fee Escrow Account, being a total of \$550,000 and the purchase price for a UNIT

Exhibit B: Purchaser Investor Questionnaire Jay Peak Hotel Suites L.P. - To be completed and signed by you.

Exhibit C: Master Escrow Agreement Jay Peak Hotel Suites L.P.

Exhibit D: Investor Escrow Agreement Jay Peak Hotel Suites L.P. - To be signed by you

Exhibit E: Investor Administration Fee Escrow Agreement Jay Peak Hotel Suites L.P. - To be signed by you

If you intend to use a purchaser representative, please complete exhibits F and G

Exhibit F: Purchaser Representative Questionnaire Jay Peak Hotel Suites L.P. - To be completed and signed by your Purchaser Representative only if you have elected to use a Purchaser Representative.

Exhibit G: Acknowledgment Of Use Of Purchaser Representative Jay Peak Hotel Suites L.P. - To be completed and signed by you only if you have elected to use a Purchaser Representative.

Exhibit H: Consent to Limited Partnership Agreement

Please return the aforementioned subscription documents and check or confirmation of wire transfer to the Limited Partnership c/o

Edward Carroll Esq.
Carroll & Scribner, P.C. Attorneys at Law
84 Pine Street
Suite 300
Burlington
Vermont VT 05401 Phone: 802.862.2855

Subscription Agreement

Exhibit A

Dated: ____ / ____ / ____ (dd/mm/yyyy)

Jay Peak Hotel Suites L.P.
4850 Route 242
Jay, VT 05859

Subscription Agreement
For Purchase of a Limited Partnership Interest (a UNIT) in
Jay Peak Hotel Suites L.P.

Gentlemen:

The undersigned (or "I" or "me" or "my," as applicable) hereby subscribe for one limited partnership UNIT (the "Interest") of Jay Peak Hotel Suites L.P. a Vermont limited partnership the ("Limited Partnership"), for an aggregate price of \$US550,000. I agree to tender to Chittenden Bank (the "Escrow Agent") upon execution by me of this Subscription Agreement the sum of \$US550,000. I understand that the amount of \$US550,000 (which includes an administration fee of \$US50,000) must be placed in escrow prior to my application being submitted to CIS.

I have received and read the Offering Memorandum, dated December 22, 2006 including the Limited Partnership Agreement and Exhibits thereto (the "Memorandum"), covering the sale of not more than \$US19,250,000.00 of the Interests (the "Offering") and hereby acknowledge that I am not acting on the basis of any representations and warranties other than those contained in the Memorandum. I hereby acknowledge that all matters relating to the Memorandum have been explained to me to my satisfaction and approval, and that I understand the speculative nature and the risks involved in the proposed investment. I agree to be bound by all of the terms and conditions of the Offering made by the Memorandum, the exhibits thereto, and the Limited Partnership Agreement.

I realize that (i) an investment in a Unit is of a speculative nature and may result in a loss of my entire investment; (ii) the Interests have not been registered under the Securities Act of 1933 or the laws of any state; (iii) Unless the purchaser is resident and living in the United States wherein Regulation D under the Act shall apply, the Units may not be offered or sold in the United States, or to any natural person resident in the United States or to any entity formed in the United States or whose owners (directly or indirectly) are "U.S. persons" within the meaning of Regulation S issued by the Securities and Exchange Commission; (iv) the Interest is not transferable except in compliance with the restrictions on transferability indicated in the Memorandum and in the Limited Partnership Agreement and to be written on all certificates evidencing the Units, as imposed by applicable federal and state securities laws or otherwise and, accordingly, an investment in an Unit lacks liquidity; (v) this is not a "tax shelter" investment and the nature and tax consequences to me of an investment in the Interest may depend upon my circumstances; and (vi) no federal or state agency has made any finding or

determination as to the fairness of the Offering, or any recommendation or endorsement of the Interests.

I agree to be bound by all of the terms and provisions of the Memorandum and to perform any obligations therein imposed on a purchaser with respect to an Interest purchased as a result thereof, and I acknowledge that the Limited Partnership will be relying on the agreements and information with respect to the investor as provided by me.

I have accumulated a net worth of not less than \$US1,000,000, or have an individual income of not less than US\$200,000 per annum or a joint income with my spouse of not less than US\$300,000 per annum.

I reaffirm the representations concerning me made in the Investor Questionnaire and the Acknowledgment of Receipt of Memorandum, all of which are hereby incorporated herein by reference. I further represent and warrant as follows:

(a) I have read and am familiar with the Memorandum and its Exhibits;

(b) I am;

(i) A resident of, and living in the U.S. at the time of sale and therefore Regulation D of the Act shall apply; or

(ii) Not resident in the United States at this time, nor will I be at the time of sale, and therefore Regulation S of the Act shall apply;

(c) The Interest for which I hereby subscribe will be acquired solely for my account and is not being purchased for subdivision or fractionalization thereof or for the benefit of a United States person, (unless that person is resident and living in the U.S) as that term is defined in Regulation S; and I have no contract, undertaking, agreement or arrangement with any person to sell, transfer or pledge to such person, or to anyone else, the Interest which I hereby subscribe to purchase or any part thereof, and I have no present plan to enter any such contract, undertaking, agreement or arrangement;

(d) The Limited Partnership has made all documents pertaining to this investment available to me and, if I so requested, to my attorney and/or accountant;

(e) I have relied solely upon the Memorandum presented by the Limited Partnership, the Exhibits to the Memorandum, and such independent investigations as made by me in making a decision to purchase the Interest subscribed for herein;

(f) I am investing in my own name; and I was not solicited by any form of general solicitation or general advertising, including, but not limited to the following:

(i) any advertisement, article, notice of other communications published in any newspaper, magazine, or similar media or broadcast over television or radio in the United States; and

(ii) any seminar or meeting whose attendees had been invited by any general solicitation or general advertising in the United States;

(g) I acknowledge an understanding of the restrictions on transferability of the Interest and realize that no transfer may occur, excepting as permitted under Article 10 of the Limited Partnership Agreement, and in any event only after registration of the Interests under the Securities Act of 1933 or pursuant to an exemption from the securities laws and regulations; and

(h) I agree that the Interest may not be sold in the absence of registration unless such sale is exempt from registration as evidenced by a written opinion of counsel of the Limited Partnership, and further that I shall be responsible for compliance with all conditions on transfer imposed by any Commissioner of Securities of any state and for any expenses incurred by the Limited Partnership for legal or accounting services in connection with reviewing any proposed transfer or issuing opinions in connection therewith.

I recognize that the offer and sale of the Interest to me was based upon my representations and warranties contained above and I hereby agree to indemnify the Limited Partnership, its general partner, its affiliates, and its officers and directors, and to hold each harmless from and against all liabilities, costs or expenses (including attorney's fees) arising by reason of or in connection with any misrepresentation or any breach of such warranties by me, or my failure to fulfill any of my covenants or agreements set forth herein, or arising as a result of the sale or distribution of the Interest by me in violation of the Securities Exchange Act of 1934, as amended, the Securities Act of 1933, as amended, or any other applicable law.

This subscription and the representations and warranties contained herein shall be binding upon my heirs, legal representatives, successors and assigns.

To facilitate the expeditious administration of the business operations of the Limited Partnership, I hereby designate and appoint William J. Stenger, and Robert Chimiliski acting singly or jointly my agent and attorney-in-fact in my name, place and stead to do any act or thing and to make, execute, swear to and acknowledge, amend, file, record, deliver and publish (a) any certificate of limited partnership, or amended certificate of limited partnership required to be filed on behalf of the Limited Partnership under the laws of the State of Vermont, or required or permitted to be filed or recorded under the statutes relating to limited partnerships under the laws of any jurisdiction in which the Limited Partnership shall engage or seek to engage in business; (b) any fictitious or assumed name certificate required or permitted to be filed by or on behalf of the Limited Partnership; and (c) any other instruments necessary to conduct the operations of the Limited Partnership. Provided, however, the said agent and attorney-in-fact may not take any action which under the Limited Partnership's Agreement of Limited Partnership requires or permits the holders of the Interests to vote. The existence of this power of attorney, which shall not be affected by my disability, shall not preclude execution of any such instrument by me individually on such matter. Any person dealing with the Limited Partnership shall conclusively presume and rely upon the fact that any such instrument executed by such agent and attorney-in-fact is authorized, regular and binding without further inquiry. I shall execute and deliver to the Limited Partnership within five days after receipt of a request therefore by the Limited Partnership such further designations, powers of attorney and other instruments as the Limited Partnership shall reasonably deem necessary.

I agree that all monies paid under this Subscription Agreement will be held by the Escrow Agent pursuant to the Master Escrow Agreement (Exhibit D to the Memorandum). Upon acceptance of this subscription

by the Limited Partnership, I request that a certificate evidencing an Interest be issued in my name, to be held by the Escrow Agent pursuant to the Master Escrow Agreement.

With respect to my qualifications as an "alien entrepreneur" for purposes of the Immigration and Nationality Act, as amended, I represent and warrant as follows:

(a) I have attained the age of 18 years and have the legal capacity and competence to execute all necessary documents in connection with this Offering and to take all actions required pursuant to those documents; and

(b) I understand that if my I-526 Petition for a conditional "green card" or immigrant visa is refused, despite my due diligence, the amount paid as consideration for the Unit and administration fees shall be refunded to me less a deduction of \$25,000 being 50% of the administration fee, plus any other reasonable fees and taxes incurred on account of my investment. I further understand that no refund of administration fees will be made to me in the event my application is denied by USCIS, if the denial is due to my fraud or material misrepresentation. (For full details see Limited Partnership Agreement Section 3.02)

I shall have the right to withdraw from this subscription within 72 hours after executing this Subscription Agreement.

Individual Investor

Name

Signature

Date

Address

Country of Residence

Place of Birth

ACCEPTANCE

On this ____ day of _____, 200__, Jay Peak Hotel Suites L.P. (the "Limited Partnership") hereby accepts the subscription for one Interest, on the terms set forth herein.

Jay Peak Hotel Suites L.P.

BY _____

Duly Authorized Agent

Purchaser Investor Questionnaire

Exhibit B

THE FOLLOWING INVESTOR QUESTIONNAIRE IS ESSENTIAL TO ENSURE THAT THIS OFFERING IS CONDUCTED IN FULL COMPLIANCE WITH REGULATION D OR REGULATION S OF THE SECURITIES ACT OF 1933, AS AMENDED. THE QUESTIONNAIRE WILL REMAIN ON FILE IN CONFIDENCE IN THE OFFICES OF JAY PEAK HOTEL SUITES L.P. (THE "LIMITED PARTNERSHIP") FOR A PERIOD OF 4 YEARS.

YOUR COOPERATION IN THE FULL COMPLETION OF THE INVESTOR QUESTIONNAIRE IS GREATLY APPRECIATED.

JAY PEAK HOTEL SUITES L.P.

Name and Address of Prospective Investor

Gentlemen:

I understand that the limited partnership interest (the "Interests") offered for sale to me by Jay Peak Hotel SUITES L.P. (the "Limited Partnership") will not be registered under the Securities Act of 1933, as amended (the "Act") and applicable state securities laws (the "State Acts"). I also understand that in order to ensure that the offering and sale of the Interests (the "Offering") are exempt from registration under the Act and the State Acts, the Limited Partnership is required to have reasonable grounds to believe, and must actually believe, after making reasonable inquiry and prior to making any sale;

- that purchasers not resident in the United States at the time of the offer and purchase are purchasing for their own account and not for the benefit of a United States person, as that term is defined in Regulation S; or
- that the purchaser is resident and is living in the United States, in which event Regulation D under the Act shall apply.

In order to induce the Limited Partnership to permit me to purchase an Interest, I hereby warrant and represent to the Limited Partnership as follows:

NOTE: The information provided herein will be relied upon in connection with the determination as to whether you meet the standards imposed by Regulation D or Regulation S promulgated under the Act, since the Interests offered hereby have not been and will not be registered under the Act and are being sold in reliance upon the exemption provided by Regulation S or Regulation D as applicable to the Investor. All information supplied will be treated in confidence; except that this Questionnaire may be presented to such parties as deemed appropriate or necessary to establish that the sale of the Unit to you will not result in violation of the exemption from registration under the Act which is being relied upon in connection with the sale of the Unit.

INSTRUCTIONS: Please answer each question fully and attach additional information, if necessary. If the answer to any question is "None" or "Not Applicable" please so state. Please sign and date the Questionnaire on the final page.

1. Name: _____
Date of Birth: _____ (mm/dd/yyyy)
Firm Name: _____
Business Address: _____
Business Telephone Number: _____
Residence Address: _____

2. (a) Education: _____

Other specialized Education or Instruction: _____

(b) All Professional Memberships or Licenses: _____

3. Occupation
Present occupation (with date of commencement): _____

Occupations during last five years (with dates): _____

CONFIDENTIAL

4. My net worth (excluding home, home furnishings and automobiles) is at least \$US_____. My proposed investment will will not exceed ten percent of my net worth.

5. My income has has not exceeded \$US200,000 in each of the two most recent years, and I have do not have a reasonable expectation of reaching the same income level in the current year.

My joint income with my spouse has has not exceeded \$US300,000 in each of the two most recent years, and I have do not have a reasonable expectation of reaching the same income level in the current year.

6. I do not have any other investments or contingent liabilities which I reasonably anticipate could cause the need for sudden cash requirements in excess of cash readily available to me.

Yes No

7. I have checked my investment objectives where applicable:

Income Appreciation Other

8. I can bear the risk of the proposed investment, including the loss of my entire investment, a lack of liquidity in the investment or an inability to sell the investment for an indefinite period of time.

Yes No

9. I learned about this investment in the following manner (check each applicable line).

- Personal contact or acquaintance
- Investment adviser or counselor
- Prior investment or Association with the Limited Partnership
- Broker-dealer
- Affiliation with business or management
- Immigration Research
- Other (please state):

10. I have received a copy of the Offering Memorandum, dated December 22, 2006 and all Exhibits thereto (the "Memorandum") setting forth information relating to the Limited Partnership and the terms and conditions of a purchase of an Interest, as well as any other information I deemed necessary or appropriate to evaluate the merits and risks of an investment in the Interest. I further acknowledge that I have had the opportunity to ask questions of, and to receive answers from, representatives of the Limited Partnership concerning the terms and conditions of the Offering and the information contained in the Offering Memorandum.

Yes

No

Name and position of person talked to (if applicable): _____

I acknowledge that the individual(s) to whom I have spoken did only clarify the information contained in the Memorandum and that I am continuing to rely solely upon the information, representations and disclosures contained in the Memorandum.

11. With respect to my qualifications as an "alien entrepreneur" for purposes of the Regulations to the Immigration and Nationality Act, as amended, I represent and warrant that:

(a) I have attained the age of 18 years and have the legal capacity and competence to execute all necessary documents in connection with this Offering;

(b) I have complied and will continue to comply with all the requirements, terms and conditions prescribed by U.S. Citizen and Immigration Services and the U.S. Department of State in connection with my forthcoming petition as an EB-5 fifth employment-based visa preference "alien entrepreneur" and subsequent applications for lawful permanent residence;

(c) I have accumulated a net worth of not less than \$US1,000,000; or an individual income in excess of \$200,000 each of the two most recent years; or a joint income with my spouse in excess of \$300,000 in each of the two most recent years and reasonably expect to reach the same income level in the current year;

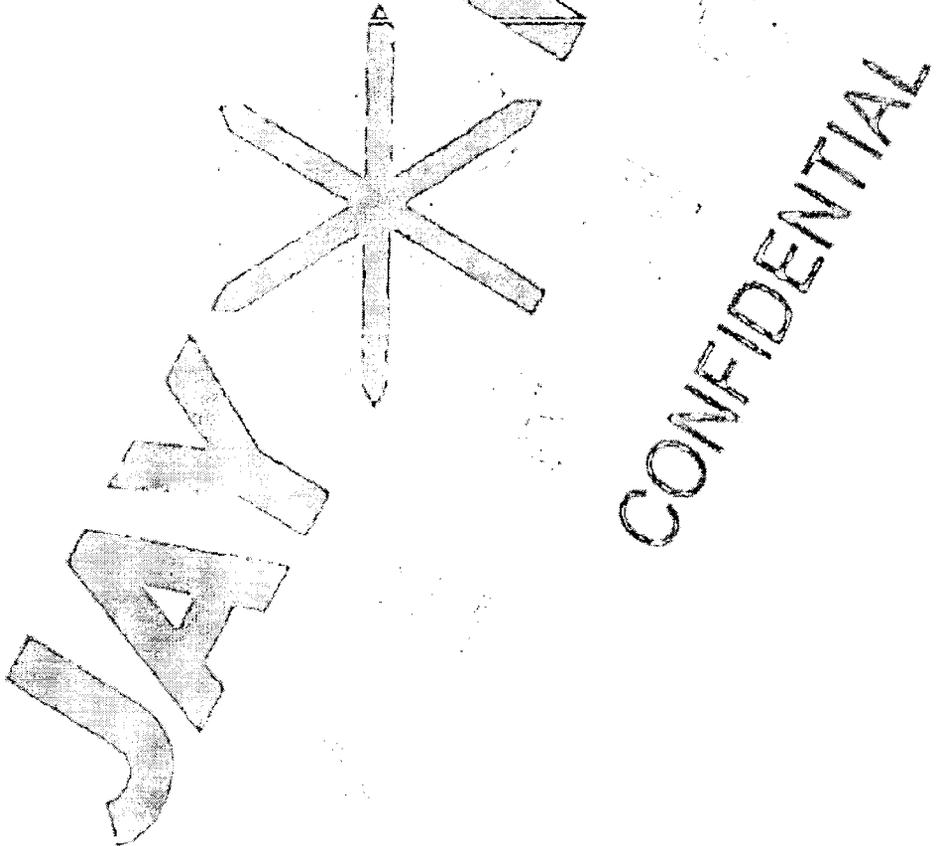
(d) I am in good health and know of no health impairment which would likely result in exclusion under the Immigration and Nationality Act, as amended; and

(e) I have never been convicted of any criminal offense or engaged in any acts which constitute crimes of which I have not been convicted and I do not know of any facts which would result in my failure to meet the requirements of an "alien entrepreneur" or to be admitted to the United States as a lawful permanent resident.

12. I was not solicited by any general form of advertisement for this investment.

13. I am aware that there are limitations on my ability to sell the Interest and that the certificate evidencing the Interest will carry a restrictive legend.
14. I am purchasing the Interest for personal investment and without a view to redistribution.
15. I represent and warrant to the Limited Partnership and its General Partner that the information contained in this Investor Questionnaire is true, complete, and correct.
16. I agree to notify the Limited Partnership promptly of any change in the foregoing information which may occur prior to transfer of the Interest to me.

Dated: _____ Investor Signature: _____



Master Escrow Agreement

Exhibit C

MASTER ESCROW AGREEMENT

THIS MASTER ESCROW AGREEMENT, made as of the ____ day of _____, 200__

Jay Peak Hotel Suites L.P.
4850 Route 242
Jay, VT 05859

a limited partnership formed under the laws of the State of Vermont (the "Limited Partnership") and

Chittenden Trust Company
2 Burlington Square
Burlington, VT 05401

A banking corporation incorporated under the laws of the State of Vermont (the "Escrow Agent").

Recitals

A. Offering. The Limited Partnership has offered (the "Offering") to sell limited partnership interests (the "UNITS") to foreign individuals as a means of financing the planning for, acquisition, construction of, and start-up of a suite hotel, acquire land to develop and construct a six-floor building to incorporate a new hotel comprising a mix of 57 (fifty-seven) one, two and three bedroom hotel suites which will be owned and operated by JAY PEAK HOTEL SUITES L.P. Within the six-floor building Jay Peak, Inc. operators of Jay Peak Resort, will own and build-out a Commercial Unit and a Service unit to provide additional guest services, food and beverage, and recreation facilities. The Hotel, Commercial Unit and a Service Unit will comprise a three-unit condominium association. (collectively, the "Project").

B. Purpose of Project. The Project is also intended to constitute a "commercial venture" for the purposes of the "employment creation" requirements under the Immigration and Nationality Act, as amended (the "Act").

C. Investor Purpose. The Act provides that, inter alia, if an immigrant investor invests specified amounts in the capital or debt of a business carrying on a "commercial venture," the investor may apply for permanent residence status in the United States of America.

D. Purpose of Agreement. The Escrow Agent has been retained by the Limited Partnership to hold on deposit all subscription monies ("Escrow Funds") received from the Investors in connection with the Project in interest-bearing accounts for the benefit of Jay Peak Hotel Suites L.P. on the terms and conditions set forth in this Agreement.

Terms and Provisions

In consideration of the respective covenants and agreements hereinafter set forth, and other good and valuable consideration now paid by each party to the other (the sufficiency and receipt of which is hereby acknowledged), the parties hereto agree as follows:

1. Appointment of Escrow Agent.

The Limited Partnership hereby appoints the Escrow Agent to serve in that capacity in connection with the Offering. The Escrow Agent shall deposit, hold and deal with the Escrow Funds and other property delivered to it upon the terms and conditions set forth herein.

2. Receipt of Escrow Funds and Certificates.

The Limited Partnership hereby directs the Escrow Agent to receive and hold on deposit all Escrow Funds, which shall constitute cash only, received from investors in interest-bearing market deposit accounts of the Escrow Agent or in securities issued or guaranteed by the Government of the United States of America. The Limited Partnership also directs the Escrow Agent to receive and hold all certificates evidencing the interests.

3. Management of Escrow Funds and Certificates.

(a) The Escrow Agent shall promptly release the Escrow Funds pursuant to written directives from Jay Peak Management Inc. (General Partner) on behalf of the Limited Partnership to the:

1. Limited Partnership at the time the designated investor has received notice from United States Citizenship and Immigration Services (CIS) that their I-526 Immigrant Petition by Alien Entrepreneur has been approved.

or

2. Designated investor at such time that notice has been received by indicating the designated investor has not received approval from the United States CIS of their I-526 petition.

or

3. Designated investor requests refund of Initial deposit of \$10,000

(b) The Escrow Agent shall not be responsible or liable for the sufficiency of the form, execution, validity or genuineness of any securities or documents referred to in this Agreement including, but not limited to, written requests for release of funds from the Limited Partnership. Nor shall the Escrow Agent be responsible or liable for any lack of endorsement thereon, or for any description therein, nor shall the Escrow Agent be responsible or liable in any respect on account of the identity, authority or rights of the persons executing or delivering or purporting to execute or deliver any document referred to in this Agreement including, but not limited to, a written request for the release of Escrow Funds from the Limited Partnership. The Escrow Agent may assume that any person purporting to give any notice in accordance with the provisions of this Agreement has been duly authorized to do so. The Escrow Agent does not have a duty to investigate the truth or accuracy contained in any notice or document.

4. Record Keeping of Escrow Funds.

The Escrow Agent shall provide periodic statements to the Limited Partnership, which statements shall show the market value and interest earned of the entire Escrow Fund only.

5. Liability and Rights of Escrow Agent.

(a) The duties and responsibilities of the Escrow Agent shall be limited to those expressly set forth in this Agreement; provided, however, that with the Escrow Agent's written consent, the duties and responsibilities in this Agreement may be amended at any time or times by an instrument in writing signed by the Limited Partnership. The Escrow Agent is authorized, in its sole discretion, to disregard any and all notices or instructions given by the Limited Partnership and the Investors or any other person, firm or corporation, except such notices or instructions as are hereinabove provided for.

(b) The Escrow Agent shall not be responsible in any manner whatsoever for any failure or inability of the Investors, the Limited Partnership or any other person to perform or comply with any of the provisions of this Agreement.

(c) The Escrow Agent may consult with independent legal counsel in the event of any dispute or questions as to the construction of any of the provisions hereof or its duties hereunder and it shall incur no liability and shall be fully protected in acting in accordance with the opinion and instructions of counsel. The Escrow Agent shall notify the Limited Partnership when it intends to consult with such independent legal counsel. The Escrow Agent shall have the right to file legal proceedings, including interpleader, to determine the proper dispositions of assets hereunder, all costs thereof constituting an expense of administration of this Agreement.

6. Compensation; Expenses.

(a) In consideration of the performance by the Escrow Agent of its duties hereunder, the Escrow Agent shall be paid a fee by Jay Peak Hotel Suites L.P. as set forth in its schedule of rates or, in the absence of such a schedule, for the fair value of its services.

(b) In addition to its fee, the Escrow Agent shall receive additional compensation for services beyond the standard services required hereunder, including without limitation participation in litigation and reimbursement for other necessary costs and expenses.

7. Termination.

Either the Limited Partnership or the Escrow Agent shall have the right to terminate this Agreement upon 30 day's notice to the other. Upon receipt of such notice, the Limited Partnership shall appoint a successor Escrow Agent in writing delivered to the Escrow Agent. Thereupon, the Escrow Agent shall deliver the Escrow Funds to such successor and all responsibility of the Escrow Agent under this Agreement shall terminate; provided, however, the Escrow Agent's obligations under this Agreement shall not terminate until delivery of the Escrow Funds held pursuant to this Escrow Agreement to the successor.

8. Rights of Escrow Agent Upon Dispute.

(a) In the event of any disagreement between the Limited Partnership and the Investors or between them and any other person, resulting in adverse claims or demands being made in connection with the Escrow Funds, or in the event that the Escrow Agent, in good faith, shall be in doubt as to what action it should take hereunder, the Escrow Agent may, at its option, refuse to comply with any claims or demands on it or refuse to take any other action hereunder, so long as such disagreement continues or doubt exists, and in any such event, the Escrow Agent shall not be or become liable in any way or to any person for its failure or refusal to act, and the Escrow Agent shall be entitled to continue so to refrain from acting until (i) the rights of the Limited Partnership and the Investors shall have been fully and finally adjudicated by a court of competent jurisdiction, or (ii) all differences shall have been adjusted and all doubt resolved by agreement between the Limited Partnership and the Investors, and the Escrow Agent shall have been notified thereof in writing.

(b) In the event Escrow Agent becomes involved in litigation in connection with this Agreement, the Limited Partnership agrees to indemnify and hold the Escrow Agent harmless from all losses, costs, damages, expenses, liabilities, judgments and attorney's fees suffered or incurred by Escrow Agent as a result thereof, except that this indemnity obligation shall not apply to any litigation in which relief is sought for the gross negligence or willful misconduct of the Escrow Agent.

9. Notices.

All notices, instructions and other communications required or permitted to be given hereunder or necessary or convenient in connection herewith shall be in writing and shall be deemed to have been duly given if delivered personally or

(a) If to the Escrow Agent:

Chittenden Trust Company
2 Burlington Square
Burlington, VT 05401

Attn: Institutional Trust

(b) If to the Limited Partnership:

Jay Peak Hotel Suites L.P.
4850 Route 242
Jay, VT 05859
Attn: William Stenger

Any notice delivered or telexed as aforesaid shall be deemed to have been received by the party or parties to which it is sent on the date of its being so delivered or telexed. Any notice mailed as aforesaid shall be deemed to have been received by the party or parties hereto to which it is so mailed five business days after the date of its being so mailed.

10. Generally. (a) This Agreement shall be governed by and construed and in accordance with the laws of the State of Vermont.

(b) The section headings are for reference purposes and shall not affect the meaning or interpretation of this Agreement.

(c) This Agreement shall be binding upon, and inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns.

(d) The terms and provisions of this Agreement may only be amended, modified, waived, superseded or canceled by written instrument executed by both of the parties hereto or, in the case of a waiver, by the party or parties waiving compliance. Notwithstanding the foregoing, no term which affects an Investor's rights or responsibilities may be amended, modified, superseded or canceled without the prior express written consent of the Investor who is affected by such amendment, modification, or cancellation.

(e) If any of the terms and provisions of this Master Escrow Agreement conflict with the provisions of the Limited Partnership Agreement that governs the limited partnership the parties acknowledge that the Limited Partnership Agreement will control.

IN WITNESS WHEREOF, the parties have duly executed this Agreement.

THE LIMITED PARTNERSHIP

THE ESCROW AGENT

JAY PEAK HOTEL SUITES L.P.

CHITTENDEN TRUST COMPANY

BY _____
Jay Peak Management Inc.
Duly Authorized Agent

BY _____
Duly Authorized agent

JAY PEAK HOTEL SUITES L.P. * PREPARED BY CHITTENDEN TRUST COMPANY CONFIDENTIAL

Investor Escrow Agreement

Exhibit D

THIS INVESTOR ESCROW AGREEMENT, made as of the _____ day of _____, 2007, between the undersigned (the "Investor") and

Chittenden Trust Company
2 Burlington Square
Burlington, VT 05401

A banking corporation incorporated under the laws of the State of Vermont (the "Escrow Agent").

Recitals

A. Offering. Jay Peak Hotel Suites LP, a Vermont limited partnership (the "Limited Partnership") has offered (the "Offering"), pursuant to an Offering Memorandum (the "Offering Memorandum"), to sell limited partnership interests (the "UNITS") only to individuals who are not US Citizens or Lawful Permanent Residents, as a means to acquire land to develop and construct a six-floor building to incorporate a new hotel comprising a mix of 57 (fifty-seven) one, two and three bedroom hotel SUITES which will be owned and operated by JAY PEAK HOTEL SUITES L.P.. Within the six-floor building Saint Sauveur Valley Resorts Inc. owners of Jay Peak Resort, will own and build-out a Commercial Unit and a Service unit to provide additional guest services, food and beverage, and recreation facilities. The Hotel, Commercial Unit and a Service Unit will comprise a three-unit condominium association. (collectively, the "Project").

B. Purpose of Project. The Project is also intended to constitute a "commercial venture" for the purposes of the "employment creation" requirements under the Immigration and Nationality Act, as amended (the "Act").

C. Investor Purpose. The Act provides that, inter alia, if an immigrant investor (an "Investor") invests specified amounts in the capital or debt of a business, carrying on a "commercial venture," the Investor may apply for permanent resident status in the United States of America. The required amount of investment funds to the project is US\$500,000.

D. Purpose of Agreement. Pursuant to the terms of a Master Escrow Agreement, dated _____, 200____ (the "Master Escrow Agreement"), the Escrow Agent has been retained by the Company to hold on deposit all subscription monies ("Escrow Funds") received from Investors in connection with the Project in interest-bearing accounts for the benefit of all Investors. The purpose of this Agreement is to set forth the relationship between the Investor and the Escrow Agent, subject to the provisions set forth in the Master Escrow Agreement.

Terms and Provisions

In consideration of the respective covenants and agreements hereinafter set forth, and other good and valuable consideration now paid by each party to the other (the sufficiency and receipt of which is hereby acknowledged), the parties hereto agree as follows:

1. Acknowledgment of Investor. The Escrow Agent acknowledges receipt from the Investor monies paid in US\$ as detailed on the payments schedule annexed hereto: (the "Escrow Funds"), which sums have been tendered by the Investor in connection with the Offering.

2. Ratification of Duties. The Escrow Agent agrees with the Investor to hold and manage the Escrow Funds as set forth in the Master Escrow Agreement.

3. Release of Escrow Funds to the Limited Partnership. The Investor confirms as follows:

(a) Upon release of the Escrow Funds to the Limited Partnership pursuant to the terms of the Master Escrow Agreement, the Escrow Funds shall be committed by the Limited Partnership to the Project and available and used for creation of employment immediately and irrevocably upon such release; and

(b) Release of the Escrow Funds to the Limited Partnership will cause the monies to be "at risk," that is, the monies will be fully committed to the Project and may not be diverted from the employment creation purposes of the Project; subject, however, to the refund provisions of the Subscription Agreement, the form of which is attached as Exhibit B to the Offering Memorandum.

4. Refunds of Escrow Funds to Investor:

a) At any time, the Investor upon 30 days written notice to Escrow Agent, shall be entitled to full refund of the Initial Deposit of \$10,000, provided at all times, that the Investor has not proceeded with the investment beyond the Initial deposit stage.

b) Pursuant to Paragraph 3 (a)2 of the Master Escrow Agreement, all the investment funds of the Investor held in escrow shall be returned, less any administrative costs relating to the refund or any withholding taxes required, to the Investor within 30 days after such time that notice has been received by Jay Peak Management Inc. (the General Partner) indicating that USCIS has denied their I-526 Investor petition.

c) The refund, less any administrative costs relating to the refund or any withholding taxes required shall be payable in US Dollars only.

5. Duties and Responsibilities of Escrow Agent. Nothing in this Agreement shall increase or alter the duties and responsibilities of the Escrow Agent as described in the Master Escrow Agreement.

6. Notices. All notices, instructions and other communications required or permitted to be given hereunder or necessary or convenient in connection herewith shall be in writing and shall be deemed to have been duly given if delivered personally or telexed or mailed, postage prepaid, registered or certified mail, as follows:

(a) If to the Investor:

(b) If to Escrow Agent:

Chittenden Trust Company
2 Burlington Square
Burlington, VT 05401
Attn: Institutional Trust

Any notice delivered or telexed as aforesaid shall be deemed to have been received by the party or parties to which it is sent on the date of its being so delivered or telexed. Any notice mailed as aforesaid shall be

deemed to have been received by the party or parties hereto to which it is so mailed five business days after the date of its being so mailed.

7. Generally. (a) This Agreement shall be governed by and construed and in accordance with the laws of the State of Vermont, United States of America.

(b) The section headings are for reference purposes and shall not affect the meaning or interpretation of this Agreement.

(c) This Agreement shall be binding upon, and inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns.

(d) The terms and provisions of this Agreement may only be amended, modified, waived, superseded or canceled by written instrument executed by both of the parties hereto or, in the case of a waiver, by the party or parties waiving compliance. Notwithstanding the foregoing, no term which affects the Investor's rights or responsibilities may be amended, modified, superseded or canceled without the prior express written consent of the Investor.

(e) If any of the terms and provisions of this Investor Escrow Agreement conflict with the provisions of the Limited Partnership Agreement that governs the limited partnership the parties acknowledge that the Limited Partnership Agreement will control.

IN WITNESS WHEREOF, the parties have duly executed this Agreement.

THE INVESTOR

THE ESCROW AGENT
CHITTENDEN TRUST COMPANY

BY _____
(signature)

BY _____
Duly Authorized Agent

Print Name: _____

JAY PEAK HOTEL SUITES L.P. CONFIDENTIAL

Investor Administration Fee Escrow Agreement

Exhibit E

THIS INVESTOR ADMINISTRATION FEE ESCROW AGREEMENT, made as of the ____ day of _____, 2007, between the undersigned (the "Investor") and

Chittenden Trust Company
2 Burlington Square
Burlington, VT 05401

A banking corporation incorporated under the laws of the State of Vermont (the "Escrow Agent").

Recitals

A. Offering. Jay Peak Hotel Suites LP, a Vermont limited partnership (the "Limited Partnership") has offered (the "Offering"), pursuant to an Offering Memorandum (the "Offering Memorandum"), to sell limited partnership interests (the "UNITS") to individuals who are not US Citizens or Lawful Permanent Residents, as a means to acquire land to develop and construct a six-floor building to incorporate a new hotel comprising a mix of 57 (fifty-seven) one, two and three bedroom hotel SUITES which will be owned and operated by JAY PEAK HOTEL SUITES L.P. Within the six-floor building Saint Sauveur Valley Resorts Inc. owners of Jay Peak Resort, will own and build-out a Commercial Unit and a Service unit to provide additional guest services, food and beverage, and recreation facilities. The Hotel, Commercial Unit and a Service Unit will comprise a three-unit condominium association. A portion of the purchase price on an Investor Unit to subscribe for a UNIT comprises an Administration Fee of \$50,000 payable to Jay Peak, Inc.

B. Purpose of Project. The Project is also intended to constitute a "commercial venture" for the purposes of the "employment creation" requirements under the Immigration and Nationality Act, as amended (the "Act").

C. Investor Purpose. The Act provides that, *inter alia*, if an immigrant investor (an "Investor") invests specified amounts in the capital or debt of a business carrying on a "commercial venture," the Investor may apply for permanent resident status in the United States of America.

D. Purpose of Agreement. The Escrow Agent has been retained by the by Jay Peak, Inc. to hold on deposit all administration fees ("Escrow Funds") received from Investors in connection with the Project in interest-bearing accounts for the benefit of all Investors, and to hold and disperse those escrow funds pursuant to this Agreement.

Terms and Provisions

In consideration of the respective covenants and agreements hereinafter set forth, and other good and valuable consideration now paid by each party to the other (the sufficiency and receipt of which is hereby acknowledged), the parties hereto agree as follows:

1. Acknowledgment of Investor. The Escrow Agent acknowledges receipt from the Investor monies paid in US\$ as detailed on the payments schedule annexed hereto: (the "Escrow Funds"), which sums have been tendered by the Investor in connection with the Offering.

2. Ratification of Duties. The Escrow Agent agrees with the Investor to hold and manage the Escrow Funds and release funds as set forth hereunder;

3. Release of Escrow Funds to the Limited Partnership. The Investor confirms as follows:

(a) Upon submission of a completed I-526 Petition by the Investor to the United States Citizenship and Immigration service (CIS) one half of the administration fee, being \$25,000 will be released to the project administrator, Jay Peak, Inc. and dispersed pursuant to instruction from Jay Peak, Inc.

b) Upon approval of the Investor's I-526 petition by CIS, the balance of the administration fee of \$25,000 will be released to the project administrator, Jay Peak, Inc. and dispersed pursuant to instruction from Jay Peak, Inc.

c) If the Investor I-526 Petition to the CIS is denied, then the balance of the administration fee of \$25,000 shall be returned to the Investor within 30 days of said denial unless the denial is for fraud or misrepresentation in which case no refund will apply.

d) The Immigration Attorney acting for the Investor, or the General Partner shall within 7 days of notification by CIS, submit copy of notice from CIS either approving or denying the I-526 Petition, to Escrow Agent so that Escrow Agent may release funds under either (b) or (c) above as is appropriate.

4. Duties and Responsibilities of Escrow Agent. Nothing in this Agreement shall increase or alter the duties and responsibilities of the Escrow Agent as described in the Master Escrow Agreement.

5. Notices. All notices, instructions and other communications required or permitted to be given hereunder or necessary or convenient in connection herewith shall be in writing and shall be deemed to have been duly given if delivered personally or telexed or mailed, postage prepaid, registered or certified mail, as follows:

(a) If to the Investor:

(b) If to Escrow Agent:

Chittenden Trust Company, 2 Burlington Square, Burlington, VT 05401
Attn: Institutional Trust

Any notice delivered or telexed as aforesaid shall be deemed to have been received by the party or parties to which it is sent on the date of its being so delivered or telexed. Any notice mailed as aforesaid shall be deemed to have been received by the party or parties hereto to which it is so mailed five business days after the date of its being so mailed.

6. Generally. (a) This Agreement shall be governed by and construed and in accordance with the laws of the State of Vermont, United States of America.

(b) The section headings are for reference purposes and shall not affect the meaning or interpretation of this Agreement.

(c) This Agreement shall be binding upon, and inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns.

(d) The terms and provisions of this Agreement may only be amended, modified, waived, superseded or canceled by written instrument executed by both of the parties hereto or, in the case of a waiver, by the party or parties waiving compliance. Notwithstanding the foregoing, no term which affects the Investor's rights or responsibilities may be amended, modified, superseded or canceled without the prior express written consent of the Investor.

(e) If any of the terms and provisions of this Investor Administration Fee Escrow Agreement conflict with the provisions of the Limited Partnership Agreement that governs the limited partnership the parties acknowledge that the Limited Partnership Agreement will control.

(f) Investors remain responsible for the payment of any costs they incur in connection with a review of the project and for the payment of legal fees, out-of-pocket expenses and government filing fees concerning immigration matters and processing.

IN WITNESS WHEREOF, the parties have duly executed this Agreement.

THE INVESTOR

THE ESCROW AGENT
CHITTENDEN TRUST COMPANY

BY _____
(signature)

BY _____
Duly Authorized Agent

Print Name: _____

JAY PEAK HOTEL SUITES
CONFIDENTIAL

Purchaser Representative Questionnaire

Exhibit F

Purpose of this Questionnaire

This Purchaser Representative Questionnaire is being delivered to you in connection with the Offering Memorandum describing the offer to sell 35 Limited Partnership Interests (the "Units") of Jay Peak Hotel Suites L.P. (the "Limited Partnership"), at an offering price of \$550,000 per Unit. The UNITS are being offered without registration under the Securities Act of 1933, as amended (the "Securities Act"), and without registration under particular State securities laws specified within this Memorandum, in reliance on the exemptions contained in Section 4(2) under the Securities Act, the exemption afforded under Rule 506 thereunder (Regulation D), and (Regulation S), as applicable to the individual investor, and in reliance on similar exemptions claimed under certain applicable state laws. Under such securities laws, the Limited Partnership is required to determine that an investor, or an investor together with such investor's "purchaser representative," meets certain suitability requirements before issuing the UNIT to such potential investor.

THE LIMITED PARTNERSHIP IS REQUIRED TO OBTAIN THE INFORMATION SOUGHT IN THIS QUESTIONNAIRE TO ENSURE THE LIMITED PARTNERSHIP'S COMPLIANCE WITH FEDERAL AND STATE SECURITIES LAWS. THE LIMITED PARTNERSHIP WILL NOT ISSUE UNIT IN CONNECTION WITH THE TRANSACTION TO ANY INDIVIDUAL OR ENTITY THAT HAS NOT FILLED OUT, AS THOROUGHLY AS POSSIBLE, A PURCHASER REPRESENTATIVE QUESTIONNAIRE.

This Questionnaire does not constitute an offer to sell or a solicitation of an offer to buy the Units or any other security of the Limited Partnership.

Instructions

One copy of this Questionnaire should be completed, signed, dated and delivered to Mr. Edward Carroll, on behalf the General Partner of the Limited Partnership, in the addressed envelope attached to this Questionnaire. Please call Mr. Carroll should you have any questions with respect to the Questionnaire. Tel: USA 802.862.2855

Edward Carroll Esq.
Carroll & Scribner Attorneys at Law
84 Pine Street
Suite 300
Burlington
Vermont VT 05401

PLEASE ANSWER ALL QUESTIONS. If the appropriate answer is "None" or "Not Applicable," please so state. Please print or type your answers to all questions. Attach additional sheets if necessary to complete your response to any item.

Your answers will be kept strictly confidential at all times. However, the Limited Partnership or its counsel may present this Questionnaire to such parties as it deems appropriate to confirm that the offer and sale of the UNIT deemed to occur in connection with the transaction will not result in a violation of the registration provisions of the Securities Act or a violation of the securities laws of any state

1. Please provide the following information:

Name: _____ Age: _____ (For Individuals Only)

Residence
Address: _____
(including Zip Code)

Business
Address: _____
(Including Zip Code)

Telephone: _____ Residence: _____ Business: _____

Name(s) of Purchasers for whom you are acting as Purchaser Representative:

2. Please describe your present or most recent business or occupation, including the nature of your employment, the principal business of your employer, the principal activities under your management or supervision and the scope (e.g., dollar volume, industry rank, etc) of your responsibilities,

3. (a) Please state whether you or any of your associates or affiliates (i) are a member or a person associated with a member of the National Association of Securities Dealers, Inc (the "NASD"), (ii) are an owner of stock or other securities of an NASD member (other than purchased on the open market), or (iii) has made a subordinated loan to any NASD member?

Yes _____ No _____

(b) If you marked yes, please briefly describe the facts below:

Acknowledgment of Use of Purchaser Representative

Exhibit G

I ACKNOWLEDGE that

has (have) served as my Purchaser Representative(s), in connection with evaluating the merits and risks of my prospective investment as an investor in Jay Peak Hotel Suites L.P. I represent to you that in my opinion he (they) has (have) such knowledge and experience in financial and business matters such that he (they) is (are) capable of evaluating the merits and risks of the prospective investment and that he (they) has (have) represented to me in writing as follows:

1. He (they) is (are) not an affiliate or other employee of the Limited Partnership, or director, officer, or other employee of any affiliate of the Limited Partnership;
2. Except for the following relationships which have previously been disclosed by him (them) in writing to me, neither he (they) nor his (their) affiliates have any material relationship with the Limited Partnership, nor any of its affiliates; no such material relationship has existed at any time during the previous two (2) years and no such material relationship is mutually understood to be contemplated:

3. He (they) has (have) disclosed to me in writing the details of any compensation he (they) expects to receive from the Limited Partnership for serving as my Purchaser Representative in this transaction.

I HEREBY ACKNOWLEDGE receipt of a copy of the Purchaser Representative Questionnaire furnished by my Purchaser Representative(s) to the Limited Partnership in connection with this Offering.

I request that copies of all materials distributed in connection with the Offering be sent to my Purchaser Representative(s).

Dated:

Signature _____

Signature _____

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Consent to Limited Partnership Agreement

Exhibit H

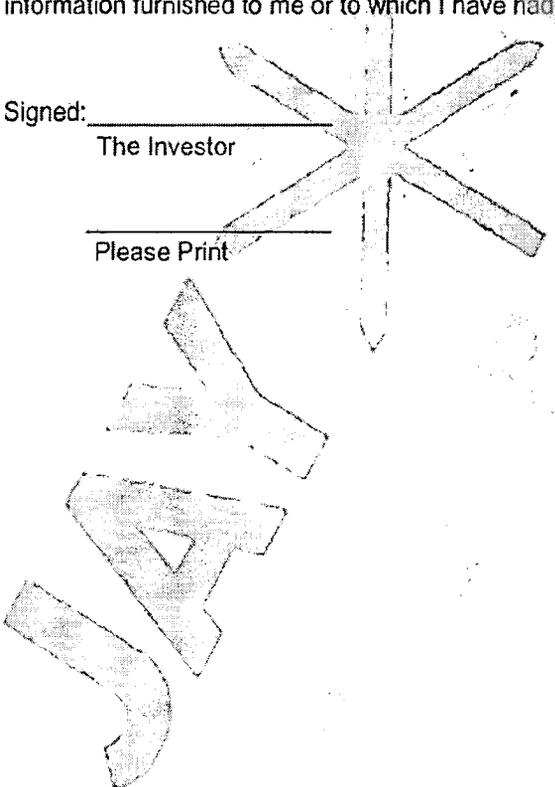
The undersigned hereby consents (the "Consent") to the terms and conditions of the Limited Partnership Agreement (the "Agreement") of Jay Peak Hotel Suites L.P. (the "Partnership") in connection with the undersigned's subscription for one limited partnership interest in the Partnership (an "Interest") for an aggregate price of \$US550,000, and agrees that this Consent shall constitute the equivalent of signing the Agreement.

The undersigned also confirms and attests that I have received and reviewed, and understand and am fully satisfied with, all of the information and documentation I consider necessary or appropriate in deciding whether to purchase an Interest in the Partnership, including but not limited to the Confidential Memorandum dated December 22, 2006, all exhibits thereto and all financial information disclosed therein or under the Agreement; have had the opportunity to ask questions and receive answers from the General Partner (as defined in the Agreement) and the Partnership regarding the terms and conditions of the purchase of an Interest in the Partnership, and regarding the business, properties, prospects, and financial condition of the Partnership; and have had the opportunity to review the books and records of the Partnership and to obtain additional information (to the extent the Partnership possessed such information or could acquire it without unreasonable effort or expense) necessary to verify the accuracy of any information furnished to me or to which I have had access.

Signed: _____
The Investor

_____ Date

Please Print



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Section 4

Business Plan and Financial Data

Executive Summary

The PARTNERSHIP and its business;

Summary of Principal Objectives and activities including Financial Reports and supporting schedules

Important Notice: See Offering Memorandum: Risk Factors Forward Looking Statements

The Project

JAY PEAK HOTEL SUITES L.P., will within the strategic center of Jay Peak Resort, a Ski Resort established for over 50 years, located in Jay Vermont, acquire land to develop and construct a six-floor building to incorporate a new hotel comprising a mix of 57 (fifty-seven) one, two and three bedroom hotel suites which will be owned and operated by JAY PEAK HOTEL SUITES L.P. The hotel will provide ski-on and ski-off access, a much desired facility in ski-resorts. Hotel accommodations for visitors to Jay Peak Resort are limited at present and the demand for additional luxury suite hotel-type facilities is substantial. Within the six-floor building Saint Sauveur Valley Resorts, Inc., the parent company of Jay Peak, Inc. which operates Jay Peak Resort, will own and build-out a Commercial Unit and a Service Unit to provide additional guest services, food and beverage, retail units and recreation facilities. The Hotel, Commercial Unit and a Service Unit will comprise a three-unit condominium association.

Although JAY PEAK HOTEL SUITES L.P. (sometimes referred to herein as the "Partnership" or "Limited Partnership") is a newly formed entity, Jay Peak Resort has been a successful, largely winter resort for 50 years and is one of the leading ski resorts in North America. The resort has just completed construction of a new championship golf course which opened in July 2006, and with the completion of the proposed Hotel, the resort will be expanding into summer operations offering summer recreation in one of the most beautiful parts of America, Northern Vermont. By creating this hotel project, and aiding the expansion into summer operations JAY PEAK HOTEL SUITES L.P., will create many new permanent jobs both at the resort, in the greater Jay Peak region, and within the State of Vermont.

Jay Peak Resort

Jay Peak Resort is located in the central portion of Northern Vermont, approximately 65 miles northeast of Burlington, Vermont and approximately 90 miles southeast of Montreal, Quebec. The resort is located in the town of Jay, Vermont in Orleans County, two air miles from the Canadian border. The resort (founded in 1955) has evolved as a winter alpine ski resort over the past 50 years. In recent years, Jay Peak management has been working toward the creation of a year-round resort so that economic viability is strengthened, new permanent jobs are created, and the region prospers from this 4-season economic structure. Jay Peak has 75 ski-trails, glades and chutes covering approximately 450 acres, divided approximately 50% for intermediate skiers (appealing to the majority of skiers), 25% for expert skiers and 25% for beginning skiers. The trail and lift system allows for a substantial increase in skier visits and permits a comfortable level of utilization, with lower than average lift lines compared to other major ski resorts in Vermont. Jay Peak Resort land area consists of approximately 4,000 acres. Abundant water is available to the property and a modern \$7 million central sewage treatment facility has been completed by

the Towns of Jay and Troy. A unique opportunity now exists for a first class development of the mountainside resort, which will emphasize environmental controls and sensitivity.

The Financial Transaction

Investment Funds of \$17,500,000 will be required to complete the Project. The Development stage of the project structured as to six (6) phases, will take 18 to 24 months, with the Hotel projected to open in December 2008. (see *Chart: Summary of Build Phases and Job Creation Points herein*). It is anticipated that the exterior structure of the building will be complete by December 2007, allowing commercial areas to be occupied and operated by Jay Peak Inc. to commence build out and commence initial operations (subject to no unforeseen delays or inclement weather factors during the exterior structure build phase). A report detailing an analysis month by month source and application of investor's funds is available.

See *Table: Investor Source and Application of Funds:*

The financial highlights are: Development Phase:

- Land Cost (Net) \$ 1,800,000 (see land purchase, note 6 below)
- Build Cost \$12,790,000
- Contingencies \$ 639,500
- Fees and Admin Costs \$ 1,918,500
- Pre-Opening Working Capital \$ 352,000

TOTAL: \$17,500,000

See Capitalization Summary and Report below for full details

The financial highlights are: Hotel Operations:

- Opening Working Capital provides opening cash balance of \$429,981 (being \$352,000 plus interest received of \$77,981)
- The Hotel projects gross revenues of \$2,578,177 in its first year of operation with a projected net operating profit of \$909,690. The Hotel operating profit is significantly higher than the industry profile ratios based on the Standard Industrial Classification (SIC) code 7011 for Hotels, as there is no cost of debt service or financing costs.
- Hotel Occupancy for year one is projected at 63% Annual Daily Rate (ADR) at \$191
- Cash Balance at end of first year of operations is projected at \$1,339,431
- Sales growth is projected at 5.04% for 2010, 8.25% for 2011, 7.79% for 2012, and 6.84% for 2013.

— See *Sales Forecast, Income Statements, 10 year forecast and Assumptions tables herein for full details.*

Jay Peak Management Team

Jay Peak is led by Bill Stenger who is a resort industry leader in Vermont and nationally. Mr. Stenger has been President of Jay Peak since 1987 and has been leader of the resort since 1985. Mr. Stenger is aided by other key quality corporate managers: Steve Wright - Director of Marketing and Sales; Jake Webster - Vice President, Director of Development & Construction; Howard Johnson - Food & Beverage Manager; Greg McCullough - Operations Director; Howard Nosek - Director of Golf Maintenance; Jaime Stenger - Retail and Golf Operations Director; and, Ms. Beatrice Hébert - Human Resources Director.

Sales Strategy

The sales strategy for the Project has a captive market already in place and will harness the existing Jay Peak Resort booking system that has been critical to the success of the Resort. In addition the Resort has its own web site with on-line booking system, weather reports and advertising/promotion program that promotes the Resort's lodging.

The State Of Vermont - A Regional Center

In June 1997, the State of Vermont, Agency of Commerce and Community Development (ACCD), was granted a designation as an approved Regional Center (Exhibit N). A qualifying investment in a commercial enterprise situated within the Regional Center, the State of Vermont, may assist investors in a an approved Project that fosters economic expansion through increased exports, greater regional productivity, job creation or additional domestic capital investment to become eligible for admission to the United States of America as lawful permanent residents.

This Project relies upon the fact that Jay Peak is within a Regional Center and has further been structured so that investors may meet the requirements under 8 U.S.C. § 1153(b)(5)(A) - (D); INA § 203(b)(5)(A) - (D) of the Immigration & Nationality Act (the "Act") and qualify under this program (the "Program") to become eligible for admission to the United States of America as lawful permanent residents.

Capitalization

Source and Use of Funds

Investors are being offered the opportunity to purchase one limited partnership unit (a "UNIT"). The Partnership shall admit no more than thirty-five (35) investors at any one time to become a Limited Partner. The Capital Contribution of each Limited Partner to the Project shall equal \$500,000 in cash (which shall be applied to the Project as investor funds (the "Investment") The Limited Partner shall not be obligated to make any additional Capital Contributions to the Partnership. The total of Investment Funds to be received from the 35 Limited Partners is \$17,500,000, and the use of these funds is detailed in the Table and Related Notes detailed below.

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Costs of Project Construction

Note 1

Construction costs are projected only. Included in square footage costs are the following:

- Permit fees, architect's fees, engineering fees, project facilitation fees and related expenses.
- Subcontractor costs.
- All construction material costs for the project.

Note 2

Operating systems and equipment will consist of but not limited to the following:

- Electronic security system
- Internet, phone, cable TV service
- On-line reservations system
- Accounting and business system software.

Note 3

Common area fees will be for the following services:

- Sewer System
- Water System
- Utilities such as electricity, TV, telephone, internet
- Sewer System – The sewage effluent resulting from the Jay Peak Hotel Suite project will be disposed of using the Jay/Troy central sewage system. The General Partner, Jay Peak Inc., has contractual capacity with the Jay/Troy Sewer Authority to accommodate the effluent capacity needs of the Hotel Suite project.

The estimated daily sewage capacity required is to be approximately 20,000 gallons per day. The common area sewage fee will represent the connection of the source line from the Hotel Suite to the central line of the Jay/Troy system that is approximately 2,500 feet from the project site.

- Water System – Water for the Hotel Suite project will be supplied by Jay Peak Inc.'s central water system. The water needs for the Hotel Suite project are expected to be approximately 20,000 gallons per day.
- Other Utilities – Electrical services, TV cable, telephone and internet service feeds will be provided and delivered to the Hotel Suite site through the auspices of the General Partner, Jay Peak, Inc.

Developer Fee - Note 4

As per typical General Contractor fee structures, 15% will be added to all construction related costs for the project excluding land. These fees apply to but are not limited to square footage costs, utility costs, furnishing costs and common area fees.

Contingency Fees and Pre-Opening Working Capital Note 5

5% contingency fee will be budgeted to compensate for any cost overruns in construction related costs. In the event cost overruns exceed the contingency, the General Partner will be responsible for project cost engineering to keep the project within budget or to pay for cost overruns in excess of project budget. The investor will not be asked for additional funds in the event the project's actual cost exceeds the planned budget.

Pre-opening Working Capital

Approximately one year prior to opening, Sales and Marketing programs will be undertaken to plan for the opening of the Hotel Suite project. These Marketing and Sales efforts will be instrumental in assuring business levels projected for the Hotel Suite accommodations are met. The Marketing and Sales expenses will consist of staff and administration personnel, advertising costs, website creation, maintenance costs, materials creation and distribution costs, utility costs as relates to the above.

Land Purchase Note 6

Saint Sauveur Valley Resorts, Inc. the Resort Owner of Jay Peak, will sell a parcel of land sufficient for the footprint of the hotel building to the Limited Partnership. (See Exhibit K - Purchase and Sale Agreement). The purchase price is \$2,850,000, however the Limited Partnership will receive a credit of \$1,050,000 for the two shell floors comprising two condominium units to be transferred back to the Resort Owner.

Development Of The Project

Development Permits

The Jay Peak Master Plan for the entire Jay Peak Resort was conceptually approved in 1997 by the State of Vermont District #7 Environmental Commission ("DEC") and also applies to the area designated for this project. The DEC's conceptual approval in 1997 of future development plans by Jay Peak Resort, including hotel facilities, provides conditions and guidance for development applications made by Jay Peak Resort under the land use laws of the State of Vermont to obtain development permits (so-called Act 250 permits), including an application to be made for the construction of the Jay Peak Hotel Suites project. In addition, an application will be filed with the State of Vermont Agency of Natural Resources to obtain a subdivision permit authorizing the subdivision from the rest of the Jay Peak Resort of the parcel of land sufficient for the hotel building, which application will take into account all wastewater and drinking water requirements for the project to insure sufficient capacity is available from onsite or municipal resources (see discussion in Section 1, Summary of the Offering, Jay Peak Resort, Development Potential). The local Zoning Board of Adjustment for the Town of Jay, Vermont has inspected the project property and has indicated it is in the process of issuing an amended Conditional Use Permit (a permit to build the hotel was originally issued in December 2006) approving the construction of the building that will house the Jay Peak Hotel Suites. The Town of Jay Development Review Board or Planning Commission will also need to approve the subdivision of the parcel from the rest of the Jay Peak Resort.

Developer and Construction

The construction of the new hotel building will be overseen by Jay Peak Inc, who will enter into a contract with the General Partner for the Project. Jay Peak Inc. will receive a fee of 15% of the build and development costs excluding land acquisition. Jay Peak Inc. has extensive experience in the general contracting role and will act as the General Contractor. Jay Peak Inc. has constructed approximately 300 condominiums and townhouses at Jay Peak Resort over a 10-year period representing over \$50 million in

construction costs. Jay Peak Inc. will facilitate the construction of the Jay Peak Hotel Suites project using quality materials customary for such developments in resort communities and the new hotel building will be of a design that complements the existing facilities at Jay Peak Resort. The projected cost of construction of the building and to furnish and equip the hotel suites is set forth on page 66 in a table entitled "Source and Use of Investor Funds".

Development Phases

The development will be carried out in six phases, all as more particularly detailed in the chart hereunder.

The Jay Peak Hotel Suite project will take an estimated 18/24 months to construct, this being subject to weather conditions. The projected start date is April 2007, with a projected completion date of December 2008.

As will be noted from the chart, Phases 1 through 3 (the exterior shell) are projected to be completed by December 2007, at an estimated cost of \$4,977,444. This is a critical path, point "A" of the development, making available Level 1, the first of the two shell floors being commercial condominium units pursuant to the Limited Partnership Agreement available to Jay Peak Inc. who will build out the units at its own cost, providing the retail, recreation and guest services as detailed in the chart. This provides the first permanent job creation point for the Project. The Project requires 10 investors providing investment funds of \$5,000,000 to complete phases 1 through 3. As of the date of this memorandum the Limited Partnership has at least ten investors (10) in the process with funds held in escrow at Chittenden Bank.

The next critical path is point "B" Phase 4, which provides the second shell floor to Jay Peak, Inc. and allows the build out of the retail, recreation and guest services on Level 2. This is a second job creation point, and completes the handover of the two condominium units to Jay Peak, Inc./Saint Sauveur Valley Resorts, Inc. pursuant to, and in satisfaction of, the obligations under the Land Purchase Agreement.

Phases 5 and 6 take the project to completion, and the opening of the Hotel. This is the third critical point being Point "C" and the third job creation point, all as detailed in the economic job impact report in the exhibit Pannexed hereto prepared by Economic & Policy Resources, Inc. of Williston Vermont, dated December 1, 2006 detailing the permanent jobs created by the Project, both for direct and indirect jobs.

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Summary of Build Phases and Job Creation Points

JAY PEAK HOTEL SUITES PROJECT - 57 SUITES AND 24,000 SQ FT COMMERCIAL SPACE - Est. Start Date; April 2007

Summarized Project Report laying out projected strategy, implementation, timeline, project stages, capital flow, construction and job creation. (All square foot measurements approximate)

Summary: Critical Path Analysis	Complete by:	Reason
POINT 'A'	Phase 3	12/31/2007 Building weatherproof. Handover of commercial unit, Interior works during winter, Job Creation
POINT 'B'	Phase 4	4/30/2008 Handover of commercial unit, Interior works during winter, Job Creation
POINT 'C'	Phase 5	8/31/2008 Completion of Interiors for final fit out
POINT 'D'	Phase 6	12/15/2008 Opening for winter season, Job Creation

Activity	Start Date	Completion Date	Budget	Cum. Total	Investor Units of \$500,000	Job Creation "see Economic Report"
Phase 1	Architects/Permits/Plans, etc. Establishing office, Hiring staff	4/1/2007	\$632,210			
	Start Operation					
	Sitework, Concrete					
	Basement Car Park	6/30/2007	\$617,430			
	TOTAL - STAGE 1	- 3 Months	\$1,249,640	\$1,249,640		
Phase 2	Steel frame, and fill-in, Pouring lightweight floor slabs Excavate and Prepare for Utilities	7/1/2007 8/31/2007				
	TOTAL - STAGE 2	2 Months	\$1,565,349	\$2,814,989		
Phase 3	Phase 3 - Exterior Shell & Rough Mechanicals Exterior Panels, roof, Fill-in spaces windows siding Weatherproof Dried-in shell Completion of Basement Parking and two commercial shell floors Utilities to Commercial Units	9/1/2007 12/31/2007				
	TOTAL - STAGE 3	4 months	\$2,162,455	\$4,977,444	\$5,000,000	

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Commercial Unit
Level 1 - Proposed

Ski shop facilities 2,500 sq ft
Children's nursery area 2,500 sq ft.

10 Units
Supermarket 3,000 sq ft.
Retail Unit 1,000 sq ft. Deli/Food
Two retail unit 1,000 sq ft ea fashions,
accessories gifts etc.
Hotel Lobby and offices etc. - 2,000 sq ft

10 Investors or more have already funds
funds in escrow

CRITICAL PATH - POINT 'A'
Handover of Commercial Unit to Jay Peak, Inc.

JOB CREATION POINT

Phases 4 through 6 continued below

Phase 4	Phase 4 - Interior Framing & Mechanicals	1/1/2008			
	Lobby, Hallways				
	Prelim. Paint				
	Stairways				
	Plumbing electrical				
	Fire Systems	4/30/2008			
	Suites Framing/Partitions				5 Units
TOTAL - STAGE 4		- 4 months	\$2,506,498	\$7,483,942	\$7,500,000

Commercial Unit:
Level 2 - Proposed
 Full service restaurant, 150 seats
 Lounge bar/pub/ 80 seats
 Coffee Shop, Snack Bar
 Pizza Fast Food Takeaway
 Retail unit of 1,000 sq ft.
 Communal space 800 sq ft
JOB CREATION POINT

CRITICAL PATH - POINT 'B' *Handover of Commercial Unit to Jay Peak, Inc.*

Phase 5	Phase 5 - Exterior and Interior Finishes	5/1/2005			
	Balconies Entrance Exterior				
	Parking				
	Utilities - Complete to entire building	6/31/2008			5 Units
	TOTAL - STAGE 5	- 4 Months	\$2,448,275	\$9,932,217	\$10,000,000

CRITICAL PATH - POINT 'C'

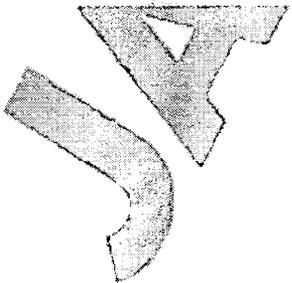
Phase 6	Phase 6 - Completion of Project	9/1/2008			
	Final Finish & FF&E				
	Final Building Punch Lists Checks				
	All Furnishing installed	12/15/2008	\$3,497,283	\$3,497,283	
	Land Acquisition		\$1,800,000		
	Developer Fees		\$1,918,500		
	Working Capital		\$352,000	\$4,070,500	
OPENING PROJECTED DECEMBER 15, 2008			\$7,567,783		15 Units

Hotel Suites
 Levels 3,4 and 5

35 Units total Opening of Hotel Suites

CRITICAL PATH - POINT 'D'

\$1750000 \$1750000 \$17,500,000 **JOB CREATION POINT**



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Investor Funds Source And Application Summary Report

Year 2007	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total FY 2007
Sales										
Investor 01, 02 and 03	\$1,500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,500,000
Investors 4 to 10	\$0	\$1,000,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$0	\$0	\$3,500,000
Investors 11 and 12	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$500,000	\$500,000	\$1,000,000
Investors 13 through 35	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Investor Funds	\$1,500,000	\$1,000,000	\$500,000	\$6,000,000						
Use of Funds										
Architects, Permits, Plans,	\$601,599	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$601,599
Site Works	\$50,000	\$267,985	\$320,549	\$0	\$0	\$0	\$0	\$0	\$0	\$588,534
Land Deposit and acquisition	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000	\$150,000
Slab, Steel Frame and Fill in.	\$0	\$0	\$0	\$821,347	\$669,462	\$0	\$0	\$0	\$0	\$1,490,809
Exterior Shell, Weatherproof,	\$0	\$0	\$0	\$0	\$0	\$500,592	\$487,027	\$616,113	\$456,341	\$2,060,073
Commercial Shells, Rough Mechs.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interior Framing, Lobby, Hallways,	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Stairs, Plumb/elect	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Exterior and Int. finishes, Balconies,	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Utilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Completion of Project	\$90,240	\$40,198	\$48,082	\$123,202	\$100,419	\$75,089	\$73,054	\$92,417	\$68,451	\$711,152
Developer Fees 15%	\$30,080	\$13,399	\$16,027	\$41,067	\$33,473	\$25,030	\$24,351	\$30,806	\$22,195	\$236,429
Contingency 5%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Working Capital	\$771,919	\$321,582	\$384,659	\$985,616	\$803,354	\$600,710	\$584,432	\$789,336	\$596,987	\$5,838,596
Total Use of Funds										
BUILD PHASES: 1 2 3 MEMO ONLY										
Cash Balance - Month	\$728,081	\$678,418	\$115,341	-\$485,616	-\$303,354	-\$100,710	-\$84,432	-\$289,336	-\$96,987	\$4,977,441
Cash Balance - Cumulative	\$728,081	\$1,406,499	\$1,521,840	\$1,036,224	\$732,870	\$632,159	\$547,727	\$258,391	\$161,404	\$161,404
Interest receivable	\$3,033.67	\$5,860.41	\$6,341.00	\$4,317.60	\$3,053.62	\$2,634.00	\$2,282.20	\$1,076.63	\$672.52	\$29,271.63

JPI 001585

Investor Funds

Year 2008 Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec Total FY DEVELOPMENT 2008 TOTAL INVESTOR FUNDS

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Sales													
Investor 01, 02 and 03	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Investors 4 to 10	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Investors 11 and 12	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Investors 13 through 25	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$11,500,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Investor Funds	\$1,000,000	\$11,500,000											

Use of Funds	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Architects, Permits, Plans,	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Site Works	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Land Deposit and acquisition	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$1,800,000
Slab, Steel Frame and Pili	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,490,509
Exterior Shell, Weatherproof, Commercial Shells, Rough Mechs.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,000,073
Interior Framing, Lobby, Hallways, Stairs, Plumb/elect	\$549,101	\$464,041	\$605,869	\$768,130	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,387,141
Exterior and Int. Finishes, Balconies, Utilities	\$0	\$0	\$0	\$0	\$659,498	\$547,030	\$508,562	\$616,600	\$0	\$0	\$0	\$0	\$2,331,690
Completion of Project	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$641,159	\$767,080	\$648,026	\$1,273,888	\$3,330,154
Developer Fees 15%	\$82,365	\$69,606	\$90,880	\$114,325	\$98,925	\$82,055	\$76,284	\$91,316	\$96,174	\$115,062	\$97,204	\$193,152	\$1,207,348
Contingency 5%	\$27,455	\$23,202	\$30,293	\$38,407	\$32,975	\$27,352	\$25,428	\$30,830	\$32,058	\$38,354	\$32,330	\$61,388	\$403,072
Working Capital	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$352,000
Total Use of Funds	\$758,921	\$656,849	\$827,043	\$1,070,862	\$891,398	\$756,436	\$710,274	\$938,746	\$969,391	\$1,120,496	\$977,560	\$1,631,428	\$11,661,403

BUILD PHASES: 4 5 6 MEMO ONLY	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Cash Bal b/f	\$161,404												\$161,404
Cash Balance in Hand	\$241,079	\$345,151	\$172,957	(\$70,862)	\$106,602	\$243,564	\$289,726	\$61,254	\$30,609	(\$120,496)	\$22,440	(\$1,131,428)	\$352,000
Cumulative	\$402,483	\$745,634	\$918,591	\$847,729	\$956,332	\$1,199,896	\$1,489,621	\$1,550,875	\$1,581,485	\$1,460,989	\$1,483,428	\$352,000	\$77,981
Interest receivable	\$1,509,31	\$2,796,73	\$3,444,72	\$3,178,98	\$3,586,24	\$4,499,61	\$5,585,08	\$5,815,78	\$5,930,57	\$5,478,71	\$5,562,86	\$1,320,00	\$48,708,98

JPI 001586

The table provides the projected receipt of investor funds on a month by month basis, the projected expenditure for each phase, on a month by month basis, providing a residual cash balance of \$352,000 for working capital, plus interest received of \$77,981 providing an opening working capital transferred to Hotel operations of \$429,981

Hotel Operations

Management

The management of the Jay Peak Hotel Suites facility will be handled by Jay Peak, Inc., which will be employed by the General Partner under a Management Agreement, (Exhibit R), which inter alia provides for compensation to Jay Peak inc. of 50% of room rental revenues. The management and staff for the Hotel Suites operation itself will be new employees hired from the region. Several hundred direct and indirect jobs will be created as a result of this project, all as more particularly described in the economic report (see Exhibit P).

The following are among the principal duties and services of the new Hotel Suites staff, as provided by Jay Peak, Inc. at its own cost under its management contract. (see Exhibit R)

1. Accounting Function
 - Check-in and check-out services
 - Security deposit system management
 - Payment of accounts
 - Deposits of receipts
 - Tax filing and other governmental financial reporting
2. Marketing and Sales
 - Package creation and promotion
 - Group and Conference business sales
3. Housekeeping and Maintenance
4. Guest Services and Concierge Service

Income Statements

The table below provides ten (10) year income projection of hotel operations.

Upon commencement of Hotel operations, the Limited Partnership projects the Income and Expenses as detailed in Table 2 hereunder. Gross Revenues in Year 1 are projected at \$2,578,176 and a net income of \$909,690 after reserves for replacement, but before interest, depreciation, taxes and amortization and replacement reserves for distribution to the Limited Partners pursuant to the Limited Partnership Agreement — "Distributions to Limited Partners".

10 Year Income Projection

INCOME STATEMENT	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
REVENUES					
ROOMS	\$2,503,466	\$2,632,215	\$2,852,046	\$3,069,943	\$3,283,182
TELEPHONE	\$74,711	\$75,897	\$79,454	\$89,881	\$92,874
TOTAL REVENUES	\$2,578,176	\$2,708,112	\$2,931,501	\$3,159,824	\$3,376,056
DIRECT COSTS					
MANAGEMENT FEE	\$1,251,733	\$1,316,108	\$1,426,023	\$1,534,971	\$1,641,591
TELEPHONE	\$60,292	\$61,249	\$64,120	\$72,534	\$74,949
TOTAL DIRECT COSTS	\$1,312,024	\$1,377,356	\$1,490,143	\$1,607,505	\$1,716,540
GROSS PROFIT	\$1,266,152	\$1,330,756	\$1,441,358	\$1,552,318	\$1,659,516
INDIRECT COST & ADMIN. EXPENSES					
ELECTRICITY & HEATING	\$154,691	\$162,487	\$175,890	\$189,589	\$202,563
MAINTENANCE & REPAIRS	\$75,104	\$65,805	\$71,301	\$85,958	\$98,495
MARKETING & PROMOTION (Inc. in Man. Fee)	\$0	\$0	\$0	\$0	\$0
OTHER ADMINISTRATIVE COSTS	\$75,104	\$65,805	\$71,301	\$76,749	\$65,664
TOTAL INDIRECT COSTS	\$304,899	\$294,097	\$318,492	\$352,296	\$366,722
EBITDA	\$961,253	\$1,036,658	\$1,122,866	\$1,200,022	\$1,292,793
RESERVE FOR REPLACEMENT	\$51,564	\$67,703	\$73,288	\$78,996	\$101,282
PROJECTED EARNINGS - SUITE HOTEL	\$909,690	\$968,955	\$1,049,578	\$1,121,026	\$1,191,512

YEAR OF OPERATION	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
REVENUES					
ROOMS	\$3,398,094	\$3,565,874	\$3,741,237	\$3,872,181	\$4,007,707
TELEPHONE	\$92,874	\$94,163	\$95,453	\$95,453	\$95,453
TOTAL REVENUES	\$3,490,967	\$3,660,038	\$3,836,691	\$3,967,634	\$4,103,160
DIRECT COSTS					
MANAGEMENT FEE	\$1,699,047	\$1,782,937	\$1,870,619	\$1,936,090	\$2,003,853
TELEPHONE	\$74,949	\$75,990	\$77,031	\$77,031	\$77,031
TOTAL DIRECT COSTS	\$1,773,996	\$1,858,927	\$1,947,649	\$2,013,121	\$2,080,884
GROSS PROFIT	\$1,716,971	\$1,801,111	\$1,889,041	\$1,954,513	\$2,022,276
INDIRECT COST & ADMIN. EXPENSES					
ELECTRICITY & HEATING	\$209,458	\$219,602	\$230,201	\$238,058	\$246,190
MAINTENANCE & REPAIRS	\$101,943	\$178,294	\$187,062	\$193,609	\$200,385
MARKETING & PROMOTION (Inc. in Man. Fee)	\$0	\$0	\$0	\$0	\$0
OTHER ADMINISTRATIVE COSTS	\$67,962	\$71,317	\$74,825	\$77,444	\$80,154
TOTAL INDIRECT COSTS	\$379,363	\$469,213	\$492,088	\$509,111	\$526,729
EBITDA	\$1,337,609	\$1,331,897	\$1,396,953	\$1,445,402	\$1,495,547
RESERVE FOR REPLACEMENT	\$104,729	\$109,801	\$115,101	\$119,029	\$123,095
PROJECTED EARNINGS - SUITE HOTEL	\$1,232,880	\$1,222,096	\$1,281,852	\$1,326,373	\$1,372,452

Projected Revenues -First Two Years Of Hotel Operations



JAY PEAK HOTEL SUITES L.P.

SALES BY MONTH-FIRST TWO YEARS OF OPERATIONS *

Sales Forecast 2009 - Monthly

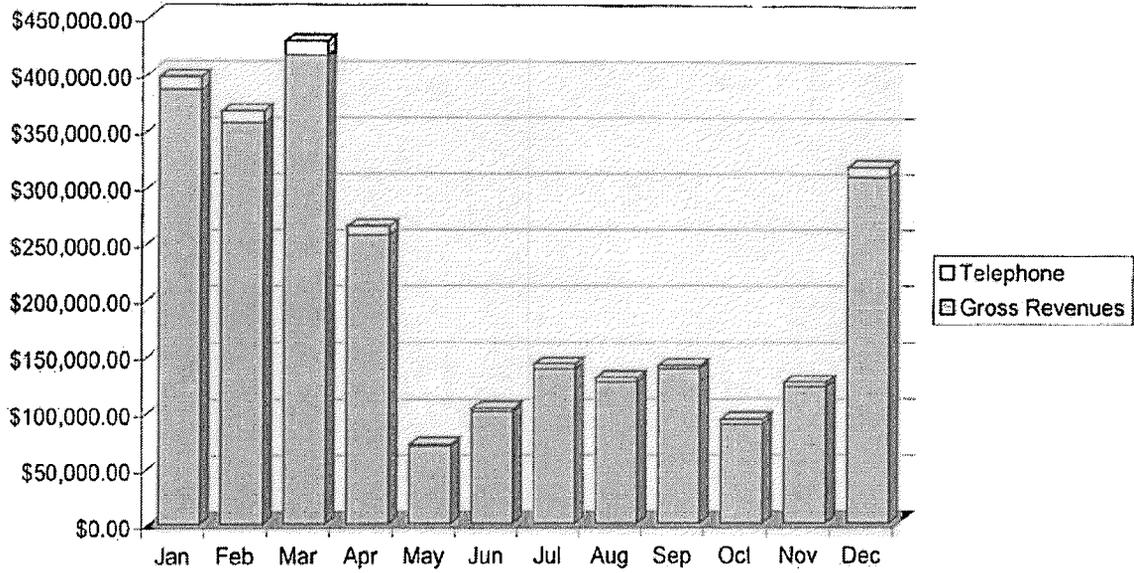
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total 2009
Sales													
Revenues Room	\$385,466	\$366,076	\$416,129	\$256,501	\$68,820	\$99,800	\$137,640	\$126,170	\$137,640	\$88,800	\$122,100	\$308,224	
Rentals													2503466
Telephone	\$11,503	\$10,626	\$12,418	\$7,718	\$2,054	\$2,818	\$4,108	\$3,765	\$4,108	\$2,650	\$3,644	\$9,199	74711
Total Sales	\$396,969	\$366,702	\$428,547	\$264,219	\$70,874	\$102,618	\$141,748	\$129,935	\$141,748	\$91,450	\$125,744	\$317,423	2578177
Direct Cost of Sales													
Management Fee * See Note	\$192,733	\$178,038	\$208,065	\$128,251	\$34,410	\$49,950	\$68,820	\$63,085	\$68,820	\$44,400	\$61,050	\$154,112	
Telephone	\$9,283	\$8,575	\$10,021	\$6,228	\$1,658	\$2,355	\$3,315	\$3,038	\$2,130	\$3,315	\$2,941	\$7,424	1251734
Total Direct Cost of Sales	\$202,016	\$186,613	\$218,086	\$134,479	\$36,068	\$52,305	\$72,135	\$66,123	\$72,135	\$46,539	\$63,991	\$161,536	1312026
GROSS PROFIT	\$194,953	\$180,089	\$210,461	\$129,740	\$34,806	\$50,313	\$69,613	\$63,812	\$69,613	\$44,911	\$61,753	\$155,887	\$1,266,151

Sales Forecast 2010 - Monthly

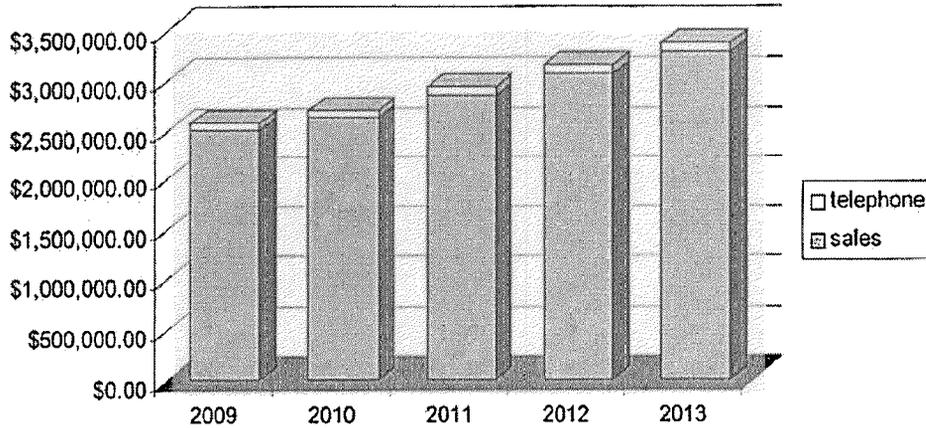
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total 2010
Sales													
Revenues Room	\$405,290	\$374,388	\$437,830	\$269,892	\$72,359	\$105,038	\$144,719	\$132,059	\$144,719	\$93,367	\$128,379	\$324,075	
Rentals													2632215
Telephone	\$11,080	\$10,705	\$12,615	\$7,841	\$2,087	\$2,964	\$4,173	\$3,825	\$4,173	\$2,692	\$3,702	\$9,345	75897
Total Sales	\$416,370	\$385,183	\$450,445	\$277,533	\$74,446	\$108,002	\$148,892	\$138,883	\$148,892	\$96,059	\$132,081	\$333,420	2708112
Direct Cost of Sales													
Management Fee * See Note	\$202,045	\$187,194	\$218,765	\$134,846	\$36,180	\$52,519	\$72,359	\$66,320	\$72,359	\$46,683	\$64,190	\$162,038	
Telephone	\$9,430	\$8,711	\$10,180	\$6,327	\$1,684	\$2,392	\$3,368	\$3,087	\$3,368	\$2,172	\$2,987	\$7,541	1316108
Total Direct Cost of Sales	\$211,475	\$195,906	\$228,945	\$141,174	\$37,864	\$54,911	\$75,727	\$69,416	\$75,727	\$48,856	\$67,177	\$169,579	1377357
GROSS PROFIT	\$204,895	\$189,278	\$221,200	\$136,359	\$36,582	\$53,091	\$73,165	\$69,467	\$73,165	\$47,203	\$64,904	\$163,841	\$1,330,756

* Important Notice: See Offering Memorandum; Risk Factors Forward Looking Statements

Sales Chart – By Month First Year



Sales Chart – Five Years Projection



Income Statement And Cash Flow – First Year Of Hotel Operation



JAY PEAK HOTEL SUITES L.P.

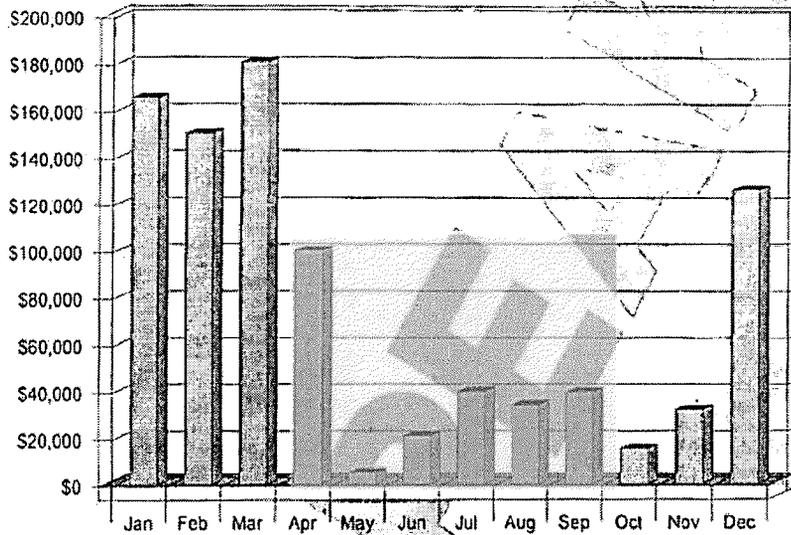
INCOME AND EXPENSES BY MONTH FIRST YEAR OF OPERATIONS *

INCOME STATEMENT BY MONTH 2006													Total
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Sales	396,959	366,702	428,547	284,219	70,874	702,818	141,748	129,935	141,748	91,450	124,744	317,423	2,578,177
Direct Cost of Sales	202,016	186,613	218,086	134,479	36,068	52,305	72,135	66,123	72,135	46,539	63,991	161,536	1,312,026
Other Costs of Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Cost of Sales	202,016	186,613	218,086	134,479	36,068	52,305	72,135	66,123	72,135	46,539	63,991	161,536	1,312,026
Gross Margin	194,953	180,089	210,461	129,740	34,806	50,513	69,613	63,812	69,613	44,911	61,753	155,887	1,266,151
Gross Margin %	49.11%	49.11%	49.11%	49.10%	49.11%	49.13%	49.11%	49.11%	49.11%	49.11%	49.11%	49.11%	49.11%
Expenses (incl. in Mangmt Fee)													
Payroll	0	0	0	0	0	0	0	0	0	0	0	0	0
Marketing/Promotion	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Hotel Operation Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0
Expenses - Investor													
Electricity & Water, Htg	11,926	11,926	11,926	11,926	11,926	11,926	11,926	11,926	11,926	11,926	11,926	11,926	143,120
Maint. & Repairs	5,215	5,215	5,215	5,215	5,215	5,215	5,215	5,215	5,215	5,215	5,215	5,215	62,580
Other Admin. Exps.	6,459	6,459	6,459	6,459	6,459	6,459	6,459	6,459	6,459	6,459	6,459	6,459	77,508
Insurance	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
Replacement Reserve	4,097	4,097	4,097	4,097	4,097	4,097	4,097	4,097	4,097	4,097	4,097	4,097	49,164
Total Operating Expenses	29,706	29,706	29,706	29,706	29,706	29,706	29,706	29,706	29,706	29,706	29,706	29,695	356,462
Profit Before Interest and Taxes	165,247	150,383	180,755	100,034	5,100	20,807	39,907	34,106	39,907	15,205	32,047	126,191	909,689
EBITDA	165,247	150,383	180,755	100,034	5,100	20,807	39,907	34,106	39,907	15,205	32,047	126,191	909,689
Net Profit	165,247	150,383	180,755	100,034	5,100	20,807	39,907	34,106	39,907	15,205	32,047	126,191	909,689
Net Profit/Sales	41.01%	41.01%	42.18%	37.86%	7.20%	20.24%	28.15%	26.25%	28.15%	16.63%	25.49%	39.75%	39.75%

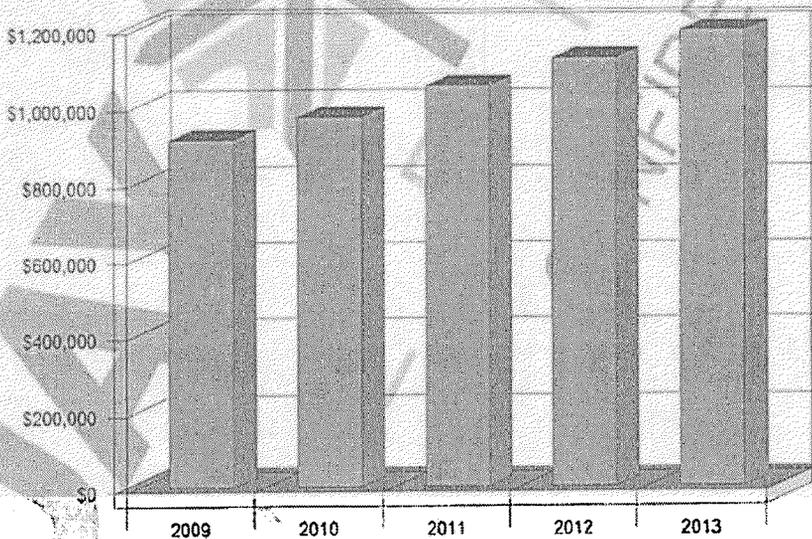
CASH FLOW													
Opening Cash Balance	429,981												
Profit for Month	165,247	150,383	180,755	100,034	5,100	20,807	39,907	34,106	39,907	15,205	32,047	126,191	
Ending Monthly Cash Balance													End Cash Bal
prior to Investor Distributions	595,228	745,611	926,366	1,026,400	1,031,500	1,052,307	1,092,214	1,126,320	1,166,227	1,181,432	1,213,479	1,339,670	

* Important Notice: See Offering Memorandum: Risk Factors Forward Looking Statements

Projected Net Income – Monthly First Year Of Operations



Projected Net Income – 5 Years Of Operations



General Assumptions: Summary

		YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
ROOM REVENUES						
OCCUPATION RATE	1.8%	63%	64%	67%	70%	72%
AVERAGE RATE PER ROOM	3.5%	\$191	\$198	\$205	\$212	\$219
AVERAGE NO. OF PERSON/ROOM	3.0	3.0	3.0	3.0	3.0	3.0
NUMBER OF SUITES	57	57	57	57	57	57
SALARIES - (Inc. in Man. Fee)		0.0%	0.0%	0.0%	0.0%	0.0%
OTHER OPERATING EXPENSES - (Inc. in Man. Fee)						

SUITES UNIT ANALYSIS

(see detail schedule for rates and occupancy)

	No. Units	Room Rates	Prime Time	High Season	Low Season
			Rack Rate	Rack Rate	Rack Rate
B Units	17		\$180.00	\$160.00	\$100.00
1 Bed	27		\$240.00	\$197.00	\$120.00
2 Bed	12		\$320.00	\$280.00	\$180.00
3 bed penthouse	1		\$750.00	\$550.00	\$300.00
	57				
Average Daily Rate (ADR)		\$191			
Occupation Rate		63.0%			

B Units and 1 Bedrooms accommodate 2-4 people.
 2 Bedroom Unit accommodate 4-6 people.
 3 Bedroom Unit accommodates 8 people.

Certain Numbers/Amounts rounded up to nearest \$

TELEPHONE

REVENUES - ROOMS OCCUPIED - LOCAL	\$0.75	\$0.75	\$0.75	\$0.85	\$0.85	\$0.85
REVENUES - ROOMS OCCUPIED - LONG DISTANCE	\$2.10	\$2.10	\$2.10	\$2.25	\$2.25	\$2.25
COST OF SALES - LONG DISTANCE	80.7%	80.7%	80.7%	80.7%	80.7%	80.7%
FIXED COST - EQUIPMENT	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000

INDIRECT COSTS

- IN PERCENTAGE OF REVENUES

ELECTRICITY - HEATING	5.8%	5.8%	5.8%	6.0%	6.0%	6.0%
MAINTENANCE - REPAIRS	2.5%	2.5%	2.5%	2.7%	2.7%	2.7%
MARKETING - PROMOTION	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
OTHER ADMINISTRATIVE COSTS	1.0%	1.0%	1.0%	0.5%	0.5%	0.5%
RESERVE FOR REPLACEMENT	2.0%	2.0%	2.5%	2.5%	2.5%	3.0%

Continuation of table below.

Assumptions: Summary (cont.)

		YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
ROOM REVENUES						
OCCUPATION RATE	1.8%	72%	73%	74%	74%	74%
AVERAGE RATE PER ROOM	3.5%	\$227	\$235	\$243	\$252	\$260
AVERAGE NO. OF PERSON/ROOM	3.0	3.0	3.0	3.0	3.0	3.0
NUMBER OF SUITES	57	57	57	57	57	57
SALARIES - (Inc. in Man. Fee)		0.0%	0.0%	0.0%	0.0%	0.0%
OTHER OPERATING EXPENSES - (Inc. in Man. Fee)						
SUITES UNIT ANALYSIS						
(see detail schedule for rates and occupancy)						
B Units	No. Units	17				
1 Bed		27				
2 Bed		12				
3 bed penthouse		1				
		57				
Average Daily Rate (ADR)						
Occupation Rate						
B Units and 1 Bedrooms accommodate 2-4 people.						
2 Bedroom Unit accommodate 4-6 people.						
3 Bedroom Unit accommodates 8 people.						
TELEPHONE						
REVENUES - ROOMS OCCUPIED - LOCAL	\$0.75	\$0.85	\$0.85	\$0.85	\$0.85	\$0.85
REVENUES - ROOMS OCCUPIED - LONG DISTANCE	\$2.10	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25
COST OF SALES - LONG DISTANCE	80.7%	80.7%	80.7%	80.7%	80.7%	80.7%
FIXED COST - EQUIPMENT	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
INDIRECT COSTS						
- IN PERCENTAGE OF REVENUES						
ELECTRICITY - HEATING	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
MAINTENANCE - REPAIRS	2.5%	2.7%	2.7%	2.7%	2.7%	2.7%
ROYALTIES	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
MARKETING - PROMOTION	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
OTHER ADMINISTRATIVE COSTS	1.0%	0.5%	0.5%	0.5%	0.5%	0.5%
RESERVE FOR REPLACEMENT	2.0%	3.0%	3.0%	3.0%	3.0%	3.0%

Certain Numbers/Amounts rounded up to nearest \$

CONFIDENTIAL

General Assumptions: Detail

Certain Numbers/Amounts rounded up to nearest \$

ASSUMPTIONS - AVERAGE DAILY RATE

SUITES UNIT ANALYSIS	Units	Prime Time	Per Day	High Season	Per Day	Low Season	Per Day	Totals
		Room Rate		Room Rate		Room Rate		
B Units	17	\$180.00	3060	\$160.00	2720	\$100.00	1700	
1 Bed	27	\$240.00	6480	\$197.00	5333	\$120.00	3240	
2 Bed	12	\$320.00	3840	\$280.00	3360	\$180.00	2160	
3 bed penthouse	1	\$750.00	750	\$550.00	550	\$300.00	300	
Totals	57		14130		11963		7400	
Days Occupied (see Occupancy Table below)			73		69		88	230
Gross Revenue Per Season Per Annum			\$1,030,077		\$825,489		\$647,500	\$2,503,466

Average Daily Rate per Unit Suite

\$191

B Units and 1 Bedrooms accommodate 2-4 people.
 2 Bedroom Unit accommodate 4-6 people.
 3 Bedroom Unit accommodates 8 people.

ASSUMPTIONS - OCCUPANCY

OCCUPANCY RATE	HOTEL SUITES		
	DAYS	PERCENT	DAYS
	AVAIL.	OCCUPIED	OCCUPIED
	#	%	#
PRIME TIME			
CHRISTMAS & NEW YEAR	8	100%	8
GEORGES WASHINGTON W/E	5	90%	5
SCHOOL BREAK, QUEBEC	5	85%	4
SCHOOL BREAK, ONTARIO	5	100%	5
EASTER	3	85%	3
WEEKEND, WINTER	24	90%	22
WEEKEND, SUMMER	20	90%	18
CONSTRUCTION HOLIDAY	10	90%	9
	80		73
OTHER PERIODS			
WEEKDAYS, WINTER	45	65%	30
WEEKDAYS, SUMMER	40	65%	26
FALL & SPRING DAYS	20	65%	13
	105		69
LOW OCCUPANCY PERIODS	175	50%	88
CLEANING DAYS	5		
TOTAL	365	63%	230

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General Partner

As the General Partner, Jay Peak Management, Inc. will oversee construction of the Building and operate and manage the Hotel, using its reasonable best efforts to maximize occupancy rates and income in the Hotel, and overseeing Jay Peak, Inc.'s or any other third parties' operation of the Hotel under management agreements. The General Partner will also negotiate third party agreements to construct the Building, to submit the Building and Land underneath to condominium ownership, and to landscape the property adjoining the Building, and contribute Partnership funds to the costs thereof. All planning, permitting, bid management and quality control management of the Building, including the Hotel, as well as all management of affiliates will be borne by the General Partner. All authority, responsibilities and duties of the General Partner are more fully described in the Limited Partnership Agreement annexed hereto.

Fees to General Partner and affiliated entities.

General Partner's Management Compensation: Other than receiving its Interest herein, being reimbursed for all of its expenses and costs incurred related directly or indirectly to the development of the Project (including but not limited to permitting fees, professional fees and third party consultant fees), and receiving reimbursement for expenses and other costs incurred directly or indirectly by the General Partner to fulfill its duties, the General Partner shall not be entitled to compensation for its services rendered. While maintaining overall control, the General Partner shall, however, delegate its duty to operate the Hotel to an Affiliate for compensation to be paid by the Partnership in an amount equal to fifty percent (50%) of the gross income of the Hotel, from which the Affiliate will pay all of the day to day operating, management and marketing costs of the Hotel, and ensure adequate staffing levels. In addition, the General Partner shall delegate its duty to develop the Project, including but not limited to the construction and build out of the Project, to the Resort Operator or another Affiliate for a fee to be paid by the Partnership in an amount equal to fifteen percent (15%) of the overall cost of the Project, excluding the cost of the Land acquisition.

General Partner's Compensation in the Event of a Sale or Other Disposition of Hotel. The General Partner or its Affiliate shall look to market and sell the Hotel on the timetable set forth in the Limited Partnership Agreement on the following terms of compensation: brokerage fees payable to General Partner or its designee of eight percent (8%) if whole condominium units are sold (or the Hotel is sold as a single entity in its entirety) and fifteen percent (15%) if fractional interests are sold.

Limitation of Liability of General Partner

Liability to Partnership and Limited Partners: The General Partner, and its Affiliates, and their officers, directors, agents, employees, representatives, attorneys, accountants and other persons operating on its behalf shall not be liable, responsible, or accountable in damages or otherwise (including attorneys fees and expenses) to the Limited Partners or to the Partnership for any acts performed in good faith and within the scope of authority of the General Partner, or its Affiliates if any of the General Partner's duties have been contractually delegated to them, pursuant to this Agreement. (See Limited Partnership Agreement)

Transactions with Related Parties

Jay Peak Management Inc. as General Partner will enter into Contracts and or Agreements with the Resort Owner and Jay Peak, Inc., both of whom are affiliates of the General Partner, all as more particularly described herein. (See Limited Partnership Agreement)

Management Agreement

The Management Agreement will become effective when the hotel opens. The General Partner will retain Jay Peak, Inc. to manage the Hotel and related amenities for a period of 10 years and from year to year thereafter. Jay Peak, Inc. is entitled, pursuant to the management arrangement, to a fee of 50% of all gross revenues. Jay Peak Inc. is responsible for and shall pay all direct operating costs as more fully detailed herein and in said Agreement.

Distributions to Investors

The net proceeds from the accommodations portion of the Hotel Suites project will be paid in arrears on a monthly basis. Net proceeds from the accommodations will be revenue on hand after typical operational expenses are paid, and any reserves made, or other funds withheld as deemed necessary by the General Partner. Typical expenses are among, but not limited to, the following: hotel suites employee labor, management fee, utility expenses and supplies and service costs typically required by a Suite Hotel of this type, replacement reserves. (See Limited Partnership Agreement)

Job Creation

Economic Policy Resources, Inc. of Williston, Vermont, has carried out research and summarizes its finding by letter annexed hereto (see exhibit P). In 2009, the first full year of resort operations, shows an impact of 378 permanent project non-construction positions created in Vermont during that calendar year. This includes 280 direct jobs at the resort with 98 indirect jobs in the adjacent communities (high impact area) and the remaining eight counties of the State of Vermont. In calendar year 2010, the job impact increases by 3 permanent jobs to 381 as 2 additional direct jobs and 1 indirect job are anticipated. In calendar year 2011, this study estimates there will be 14 more permanent jobs added, including 10 more direct jobs and 4 additional indirect jobs as a result of the proposed project development.

Exit Strategies

The Jay Peak Hotel Suite project will take an estimated 18/24 months to construct. Beginning in the fourth quarter of 2011, or earlier once all conditions have been removed under the EB-5 Program for all qualified investors who have invested into the Partnership, the General Partner shall review market conditions to determine if it is appropriate to market the Hotel and, if so, to decide upon a plan of disposition of the Hotel (which may, but need not, include the sale of fractional interests, subdivision of the Hotel into separate condominiums or other common interest ownership units, and sale, or redemption by the Partnership, of Limited Partner Interests), to be managed and conducted exclusively by the General Partner or its designee on terms to be determined by General Partner in its sole discretion. If whole ownership sale of each individual suite results (or the Hotel is sold as a single entity in its entirety), an 8% sales commission will be paid the General Partner for facilitating these transactions. If quarter share or interval ownership is the product created, to liquidate the 57 suites in the Hotel Suite project, then a 15% commission on sales will be paid to the General Partner for facilitating these sales. The General Partner or its affiliate will be the exclusive sales agent for these sales. The time of the sale of the suites themselves to the market will be determined by the General Partner and may be affected by the market conditions of the time and the business status of the Hotel Suites itself as well as the immigration needs of the original investors. (See Limited Partnership Agreement)

In the event that the General Partner institutes a plan, as described above, to market the Hotel referred to in this Offering, the General Partner will, as a condition of the sale, require purchasers to make their property interests available to commercially reasonable, on-going Hotel operations which will assist to maintain permanent employment created by this project.

END OF REPORT

Important Note: This report and business plan is based upon information, data and statistics provided by Jay Peak, Inc. **Forward Looking Statements:** Any statements that express or involve discussions with respect to predictions, goals, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance are not statements of historical fact and may be "forward looking statements". Forward looking statements are based on expectations, estimates and projections at the time the statements are made that involve a number of risks and uncertainties which could cause actual results or events to differ materially from those presently anticipated.

JAY PEAK
CONFIDENTIAL

Section 5

Schedule of Exhibits

Note: Subscription Documents Exhibits A through H are contained in Section 2 of the Offering Memorandum

Exhibit K	Purchase and Sale Agreement
Exhibit L	Preliminary Site Survey
Exhibit M	Conceptual: Hotel Exterior and Interior
Exhibit N	Regional Center Designation
Exhibit P	Economic Model – Extract
Exhibit Q	Letters: State of Vermont, United States Senate
Exhibit R	Proposed Management Agreement
Exhibit T	Proposed Grant of Easement and Maintenance Agreement
Exhibit V	Jay Peak Hotel Suites Limited Partnership Agreement
Exhibit W	Certificate of Limited Partnership
Exhibit X	Certificate and Articles of Incorporation of General Partner
Exhibit Y	CIS-form I-526

law in making such withholding payments and cooperate in completing and filing the necessary forms with the applicable taxing authorities. Seller shall be responsible for the build out of the Units and Seller may occupy and build out these Units prior to the conveyance of the Units to Seller.

3. **Property.**

A. Buyer intends to build the Building on the Property for purposes of operating a hotel in floors 3, 4 and 5 of the Building (the "Hotel"), which Hotel will comprise the third unit of the Condominium regime. Seller will reasonably cooperate with Buyer, at Buyer's expense, to obtain all required permits necessary to subdivide the Property from the Resort, to construct the Building and to operate the Hotel (collectively, the "Project"), and will execute all documents reasonably required to accomplish such objectives, including but not limited to all permit applications, in the joint names of Seller and Buyer where appropriate in Seller's sole discretion. Escrow Closing will not occur until such subdivision permits have been obtained and any appeal periods have expired without appeal being taken.

B. Seller represents and warrants that in connection with Buyer's development plans, Seller will make available sufficient water and wastewater capacity to enable the Hotel operation of the Project, out of the Resort's allocated reserves located on site at the Resort or thru municipal utility connections, as set forth in an Offering Memorandum of the Buyer, a copy of which Seller acknowledges by its signature hereto having received. The parties will enter into one or more reciprocal easement and maintenance agreements, at Escrow Closing or thereafter at Seller's request, to insure access to the Project and the Resort for the guests of the Hotel and the Resort, and to set forth certain obligations regarding maintenance of the improvements at the Project in conformity with the rest of the Resort.

C. Following Escrow Closing, Buyer will maintain comprehensive general liability insurance on the Property, and prior to the start of construction on the Project will purchase and continue to maintain casualty (including builders risk) insurance in amounts reasonably satisfactory to Seller, naming Seller as an additional insured and with at least thirty (30) days prior written notice of cancellation to Seller, and Buyer will furnish to Seller upon request written binders for such insurance for Seller's review.

4. **Escrow Closing.** The closing into escrow ("Escrow Closing") shall be held on a time and date and at a location mutually agreed to by the parties, but in no event later than forty-five (45) days following receipt of local and state subdivision permits (as set forth above in Section 3) and the expiration of any appeal periods without appeal being taken.

5. **Possession.** Buyer shall receive possession and the right to occupancy of the Property at Escrow Closing unless otherwise agreed in writing.

6. **Transfer Documents.** At the Escrow Closing, Seller shall cause to be delivered to Carroll & Scribner, P.C., 84 Pine Street, Burlington, Vermont 05401 ("Escrow Agent"), on behalf of Buyer, a Vermont Warranty Deed conveying the Property to Buyer in the form and substance acceptable to Buyer's attorney. Seller shall be responsible for preparing the Warranty Deed, Vermont Property

Transfer Tax Return and any other tax or other customary forms required at the closing of conveyance of real estate (collectively, together with any other documents put in Escrow if so referenced in this Contract, the "Escrow Documents"), which shall all be delivered to Escrow Agent to hold in Escrow (as defined in Section 7) until the earlier to occur of the Cash Price being paid in full to Seller or December 31, 2009 (the "Escrow Release Date"). Upon the happening of the Escrow Release Date, Seller shall instruct the Escrow Agent within three (3) business days to release the Escrow Documents to Buyer together with all building, land use and subdivision permits to the extent assignable and not otherwise automatically transferable triggered by the conveyance of the Property, and Escrow Agent shall thereafter release such Escrow Documents within three (3) business days by mailing the Escrow Documents to the Land Records of the Town of Jay, Vermont so that the Escrow Documents may be recorded to evidence transfer of title to the Property to Buyer. Notwithstanding the foregoing, Buyer shall enjoy possession as of the Escrow Closing, as set forth in Section 5, and shall have the right and obligation to construct the Building and develop the Project, as set forth in Section 3, prior to the Escrow Documents getting released by the Escrow Agent, provided that construction shall not occur until all local and state permits required to commence construction have been obtained (see Section 3).

Buyer agrees that it is familiar in all respects with the condition of the Property and agrees to accept the Property in its "AS IS" condition, subject to the requirement that permits necessary to the subdivision and development of the Property as a commercial building, including the Hotel, are obtained. Buyer agrees, notwithstanding any other language to the contrary in this Contract, that the foregoing agreement may be repeated in the Warranty Deed delivered by Seller, that subsequent to receiving such Warranty Deed Buyer shall hold Seller harmless from any claimed defect of the Property, and that the language of this provision shall survive the transfer of title.

7. **Property Transfer/Land Gains/Withholding Taxes.** The Buyer shall bear the expense and shall pay the Vermont Property Transfer Tax due on the sale of the Property. The Seller shall bear the expense and pay any Vermont Land Gains Tax due on the sale of the Property. If any withholding taxes are due in connection with the transfer of title of the Property, the parties will comply with state and federal law in making such withholding payments and cooperate in completing and filing the necessary forms with the applicable taxing authorities. All such taxes, together with all costs to record such Escrow Documents as is required by state law, shall be held in escrow by the Escrow Agent in its lawyers trust account and shall be released to the appropriate state taxing and local town authorities upon the release of the Escrow Documents (collectively, such taxes, recording fees and Escrow Documents are referred to herein as the "Escrow").

8. **Examination of Title.** On or before forty-five (45) days prior to Escrow Closing, Seller shall procure for Buyer's benefit, from a nationally recognized title insurance company (the "Title Insurer"), a title insurance commitment (the "Title Commitment") in an amount acceptable to Buyer in its sole discretion but in no event greater than the Cash Price, which shall disclose the state of the title to the Property and shall constitute the commitment of the Title Insurer to insure the title in the name of Buyer, with a title insurance policy in an ALTA standard form of owners title insurance (the "Title Policy").

The Title Commitment shall be on the ALTA standard form and shall contain no exceptions other than the usual standard printed exceptions, exceptions for current real property taxes, and such easements and restrictions of record, zoning and building ordinances and other matters as may be

approved by Buyer. Upon receipt by Seller, the Title Commitment shall be delivered to Buyer for its review and the review of its counsel and Buyer shall have ten (10) days after receipt of delivery of the Title Commitment within which to notify the Seller, in writing, of Buyer's disapproval of any exception(s) shown in said Title Commitment. In the event of such disapproval, Seller shall have ten (10) days following receipt of such notice from Buyer within which to either (a) remove any disapproved exception(s) or matter(s), or (b) notify Buyer that Seller, despite its best efforts, is unable to remove any disapproved exception(s) or matter(s). In the event Seller notifies Buyer that it is unable to remove said items, Buyer shall proceed to Closing with the benefit of Seller's warranties in the deed of transfer, provided that such item(s) do not prevent Buyer from constructing the Building, operating the Hotel or selling interests in the Hotel or the Hotel itself. The Title Commitment shall be included at Escrow Closing as one of the Escrow Documents.

The standard exceptions for mechanic's and materialmen's liens and parties in possession shall be removed from the Title Policy based on an affidavit and indemnity agreement satisfactory to the Title Insurer, to be signed by Seller. The standard survey exception shall be deleted from the Title Policy based upon a survey of the Property to be done at Seller's expense in connection with the subdivision of the Property. The Seller shall insure that the Title Policy gets issued to Buyer, at Buyer's expense, within fifteen (15) business days after the applicable Escrow Documents get recorded in the Land Records of the Town of Jay.

9. **Closing Adjustments.** The following, if applicable, shall be apportioned as of the date the Escrow Documents are released from Escrow from the beginning of the current taxable periods for each taxing authority: all property taxes, water, sewer or other municipal charges. Should any tax, charge or rate be undetermined on the date the Escrow Documents are released from Escrow, the last determined tax, charge or rate shall be used for the purposes of apportionment.

10. **Binding Effect.** This Contract shall be binding upon the parties upon acceptance by the Seller. This Contract shall inure to the benefit of and be binding upon the successors and assigns of the parties. This Contract contains the entire agreement by and between the parties hereto, superseding any and all prior agreements, written or oral, affecting said Property. This Contract shall be governed by the laws of the State of Vermont.

11. **Modification and Amendment.** No modification, amendment or deletion affecting this Contract shall be effective unless in writing and signed by all parties.

12. **Realtor's Commission.** The Seller and Buyer acknowledge and agree that there is no real estate agent or broker involved in the sale of the Property.

13. **Notices.** Notices required to effect the terms of this Contract shall be effective only if hand delivered or deposited in the U.S. Mail, postage prepaid, to the addresses listed below.

14. **Arbitration Clause.** Any and all disputes arising under or relating to the interpretation or application of this Agreement shall be subject to arbitration in Vermont under the then existing rules of the American Arbitration Association and pursuant to the Vermont Arbitration Act, codified at 12 V.S.A. section 5651, et seq. (the "VAA"), and if any conflict exists between said rules and VAA, the VAA shall control. Judgment upon the award rendered may be

entered in any court of competent jurisdiction. The cost of such arbitration shall be borne equally by the parties. Nothing contained in this Section shall limit the right of the parties from seeking or obtaining the assistance of the courts in enforcing their constitutional or civil rights.

ACKNOWLEDGMENT OF ARBITRATION.

The parties to this Agreement understand that this Agreement contains an agreement to arbitrate. After signing this Agreement, each party understands that it will not be able to bring a lawsuit concerning any dispute that may arise which is covered by the arbitration agreement, unless it involves a question of constitutional or civil rights. Instead, each party agrees to submit any such dispute to an impartial arbitrator.

15. Escrow Provisions.

A. All Escrow Documents and cash are held by Escrow Agent in its capacity as agent. Escrow Agent shall not have any liability of any kind or nature hereunder except if Escrow Agent willfully and in bad faith breaches any of its duties and obligations hereunder. Escrow Agent's duties and obligations to the parties are strictly limited to those expressly set forth in this Agreement. Escrow Agent hereby agrees to perform all express rights, duties and obligations required of it hereunder in good faith in accordance with the terms of the provisions of this Agreement. Escrow Agent shall not be required to give any bond or other security for the faithful performance of its duties hereunder.

B. In the event of a dispute between the parties regarding this Agreement or the release of the Escrow Documents or the disbursement or application of funds from the Escrow Account, Escrow Agent may, at its option, either take no action whatsoever, or interplead the parties at the expense of the parties and deposit the cash and Escrow Documents in court in a proceeding to resolve such dispute, in either case, without liability to Escrow Agent.

C. The parties hereby expressly waive any rights they have or may have to terminate or dismiss Escrow Agent as Escrow holder.

D. The parties jointly and severally agree to indemnify and hold Escrow Agent harmless from and against any loss, damage, costs, charges, judgments, attorney fees or other sums that Escrow Agent may suffer, incur or pay, arising out of or in connection with the execution and/or performance of this Agreement, except to the extent that such loss, damage, costs, charges, judgments, attorney fees or other sums is due to Escrow Agent's willful and bad faith breach of the terms of this Agreement. The parties jointly and severally shall at their expense defend any action or proceeding instituted against Escrow Agent that relates, directly or indirectly, to the subject matter of this Agreement except to the extent it relates to the willful and bad faith breach of this Agreement by Escrow Agent; provided, however, if Escrow Agent elects to defend itself in any such action, it shall be privileged to do so and the reasonable expense of such defense shall be borne jointly and severally by the parties.

E. The parties acknowledge and agree by their signatures hereto that Escrow Agent may render legal services and advice to either party, except if a dispute or litigation arises between the parties, notwithstanding its role as Escrow Agent hereunder.

JAY PEAK HOTEL SUITES L.P. ("Buyer")
BY: Jay Peak Management Inc., General Partner

By: _____
William Stenger, President and Duly
Authorized Agent

_____ Date

EIN # _____

Address: 4850 VT Route 242
Jay, Vermont 05859-9621

The terms and conditions of this Contract are hereby accepted by Seller who certifies that it is the sole legal owner of the Property and that it is competent to enter into this Contract and has the authority to execute and be bound by this Contract.

SAINT-SAUVEUR VALLEY RESORTS, INC. ("Seller")

BY: _____
William Stenger, V.P. and Duly
Authorized Agent

_____ Date

EIN # _____

Address: 4850 VT Route 242
Jay, Vermont 05859-9621

FORM OF
COMMERCIAL PROMISSORY INSTALLMENT NOTE (with blanks to be filled in and
schedule attached)

\$1,800,000.00 US

February __, 2007
Jay, Vermont

FOR VALUE RECEIVED, JAY PEAK HOTEL SUITES L.P., a Vermont limited partnership with its principal place of business in Jay, Vermont, USA (the "Borrower"), promises to pay to the order of SAINT-SAUVEUR VALLEY RESORTS, INC., a corporation authorized to do business in Vermont and with a principal place of business in Jay, Vermont, USA (together with any successors or assigns, the "Payee"), at the offices of Jay Peak Resort at 4850 VT Route 242, Jay, Vermont 05859-9621, the sum of **ONE MILLION EIGHT HUNDRED THOUSAND AND 00/100 DOLLARS (\$1,800,000.00)**, comprised of \$1,747,500.00 in principal and \$52,500.00 in interest, as provided below.

The Borrower shall repay this Note in installments as set forth on the attached estimated schedule (the "Schedule"), but strictly in accord with the number and timing of investors purchasing limited partnership interests in Borrower (i.e. as depicted on the Schedule, the first installment payment of \$50,000.00 will be due on such date that the Escrow Closing occurs, as defined in the Purchase Agreement defined below in Section 2, the second installment payment of \$50,000.00 will be due upon the eleventh investor's investment being released from Escrow, as set forth and defined in Section 1.1 below and there will be thirty-four installment payments of \$50,000.00 and one installment payment of \$100,000.00 due hereunder as set forth in the Schedule). If not sooner paid, the entire remaining principal balance, plus accrued interest and all other charges, shall be due and payable on December 31, 2009 (the "Maturity Date"). For each of the thirty-four installment payments of \$50,000.00, interest will equal \$1,500.00 and principal repayment will equal \$48,500.00; for the one installment payment of \$100,000.00, interest will equal \$3,000.00 and principal repayment will equal \$97,000.00.

Section 1. Payment Terms.

1.1 Payments; Prepayments. All payments hereunder shall be made by the Borrower to the Payee in United States currency at the address specified above (or at such other address as the Payee may specify), in immediately available funds. Payments received by the Payee will be applied first to fees, expenses and other amounts due hereunder (excluding principal and interest); second, to accrued interest; and third to outstanding principal. The Borrower may pay all or a portion of the amounts owed earlier than is due without penalty, but such prepayment shall only accelerate payment and shall not reduce the total amount of principal and interest due hereunder. No additional interest, however, is due hereunder if the Note is not repaid in full until the Maturity Date. Without limiting the foregoing, if more than twelve (12) payments of \$500,000 per partnership unit are received by Borrower from Chittenden Bank in calendar year 2007 (the "Investments") pursuant to the terms of a Master Escrow Agreement by and between Chittenden Bank and Borrower dated as of _____, 2006, a copy of which has been provided Payee (the "Escrow"), Borrower will make additional payments for each additional Investment received in 2007, in the respective amounts as reflected in the Use of Funds itemization labeled "Land Deposit and Acquisition" set forth in the Schedule. Likewise, if Investments in calendar year 2008 are released from Escrow sooner than projected on the Schedule, Borrower will make

payments hereunder in the amounts as set forth in the Schedule upon receipt of such Investments.

Section 2. Purchase Money Note. This Note is governed, in part, by the terms of a Purchase and Sale Agreement by and between Payee and Borrower dated as of February __, 2007 (the "Purchase Agreement"). Upon payment in full of this Note, and pursuant to the Purchase Agreement, the Escrow Documents as defined therein will be released for the benefit of Borrower.

Section 3. Miscellaneous.

3.1 Waiver; Amendment. No delay or omission on the part of the Payee in exercising any right hereunder shall operate as a waiver of such right or of any other right under this Note. No waiver of any right or amendment to this Note shall be effective unless in writing and signed by the Payee nor shall a waiver on one occasion be construed as a bar to a waiver of any such right on any future occasion. Borrower waives presentment, demand, notice, protest and all other demands and notices in connection with the delivery, acceptance or performance of this Note, and assents to any extensions or postponements of the time of payment or any and all other indulgences under this Note.

3.2 Expenses. The Borrower will pay on demand all expenses of the Payee in connection with the preparation, administration or collection of this Note, or any waiver or amendment of any provision of any of the foregoing, including, without limitation, reasonable attorneys' fees, and the amount of all such expenses shall, until paid, bear interest at the rate applicable to principal hereunder.

3.3 Payee Records. The entries on the records of the Payee (including any appearing on this Note) shall be prima facie evidence of the aggregate principal amount outstanding under this Note and interest accrued thereon.

3.4 Governing Law. This Note shall be governed by, and construed in accordance with, the Purchase Agreement and the laws of the State of Vermont.

3.5 Regulation T and Regulation U Compliance. No part of the proceeds of this Note will be used for the purpose of purchasing or carrying any stock or margin stock within the meaning of Regulation T or Regulation U of the Board of Governors of the Federal Reserve System.

3.6 Severability; Authorization to Complete, Paragraph Headings. If any provision of this Note shall be invalid, illegal or unenforceable, such provision shall be severable from the remainder of this Note and the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The Payee is hereby authorized, without further notice, to fill in any blank spaces on this Note, and to date this Note as of the date signed by Borrower. Paragraph headings are for the convenience of reference only and are not a part of this Note and shall not affect its interpretation.

3.7 Certain References. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural, as the identity of the person, persons, entity or entities may require. The terms "herein", "hereof" or "hereunder" or similar terms used

in this Note refer to this entire Note and not only to the particular provision in which the term is used.

3.8 Assignments. Neither this Note nor the proceeds hereof shall be assignable by the Borrower without the Payee's prior written consent, and any attempted assignment without the Payee's prior written consent shall create a default under this Note. This Note and all other documents and instruments executed in connection herewith may be assigned, in whole or in part, by the Payee and its successors or assigns. The Borrower's consent shall not be required for any such assignment.

IN WITNESS WHEREOF, the Borrower has subscribed this Note on the date first above written.

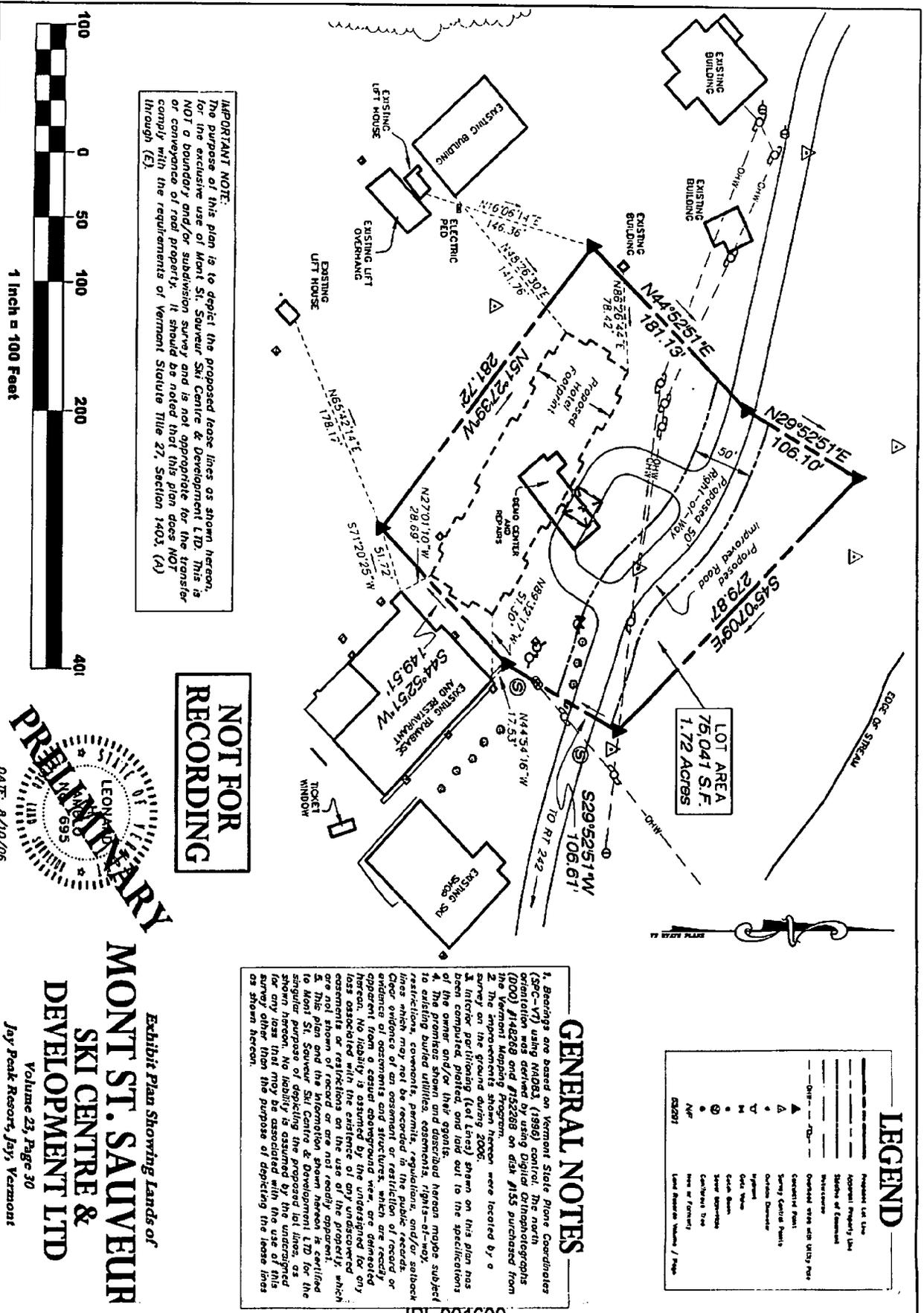
In the Presence of:

BORROWER:
JAY PEAK HOTEL SUITES L.P.
By: Jay Peak Management Inc.,
General Partner

Witness

BY: _____
William Stenger, President and
Its duly authorized agent

Business/jay/promnote.020707



IMPORTANT NOTE:
 The purpose of this plan is to depict the proposed lease lines as shown hereon, for the exclusive use of Mont St. Sauveur Ski Centre & Development LTD. This is NOT a boundary and/or subdivision survey and is not appropriate for the transfer or conveyance of real property. It should be noted that this plan does NOT comply with the requirements of Vermont Statute Title 27, Section 1403. (A) through (E).

NOT FOR RECORDING



LEONARD J. LEARY
 Vermont State Plane Coordinator
 License No. 695
 DATE: 8/10/06

**EXHIBIT PLAN SHOWING LANDS OF
 MONT ST. SAUVEUR
 SKI CENTRE &
 DEVELOPMENT LTD**
 Volume 23, Page 30
 Jay Peak Resort, Jay, Vermont

GENERAL NOTES

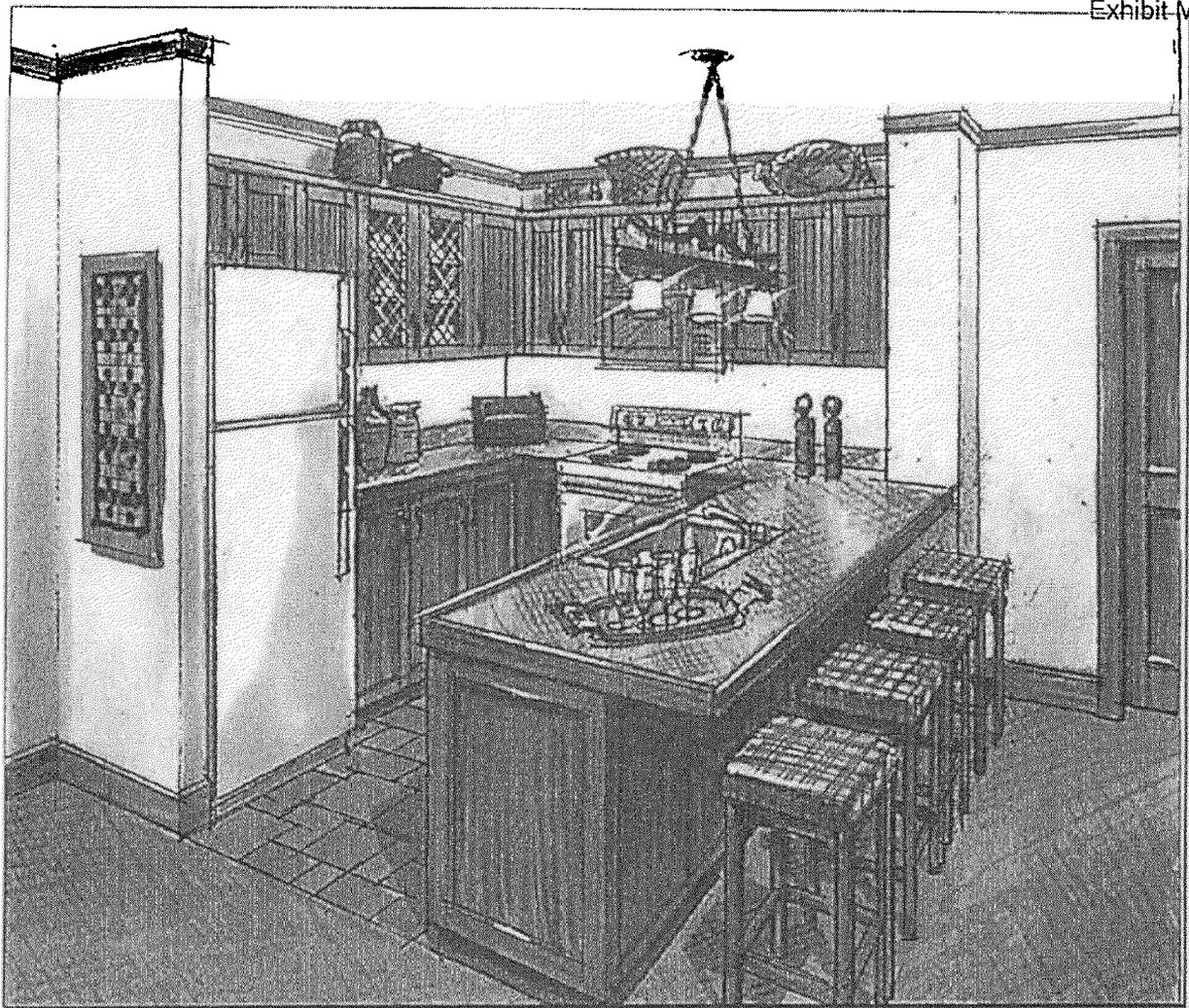
1. Bearings are based on Vermont State Plane Coordinates (SPC-VT) using NAD83 (1983) control. The north-south meridian used is 72°52'28.8" and the easting is 752,289.8. The datum is NAD83 purchased from the Vermont Department of Natural Resources.
2. The improvements shown hereon were located by a survey on the ground during 2006.
3. Interior partitioning (lot lines) shown on this plan has been computed, plotted, and laid out to the specifications of the owner and/or their agents.
4. The premises shown and described hereon may be subject to existing buried utilities, easements, rights-of-way, restrictions, covenants, permits, regulations, and/or setback lines which may not be recorded in the public records. Clear evidence of an easement or restriction of record or evidence of encumbrances on structures, which are not shown hereon, is assumed by the undersigned for any loss associated with the existence of any undiscovered easements or restrictions on the use of the property, which are not shown of record or are not readily apparent.
5. This plan and the information shown hereon is certified to Mont St. Sauveur Ski Centre & Development LTD for the singular purpose of depicting the proposed lot lines, as shown hereon. No liability is assumed by the undersigned for any loss that may be associated with the use of this plan or the information shown hereon for any purpose other than the purpose of depicting the lease lines as shown hereon.

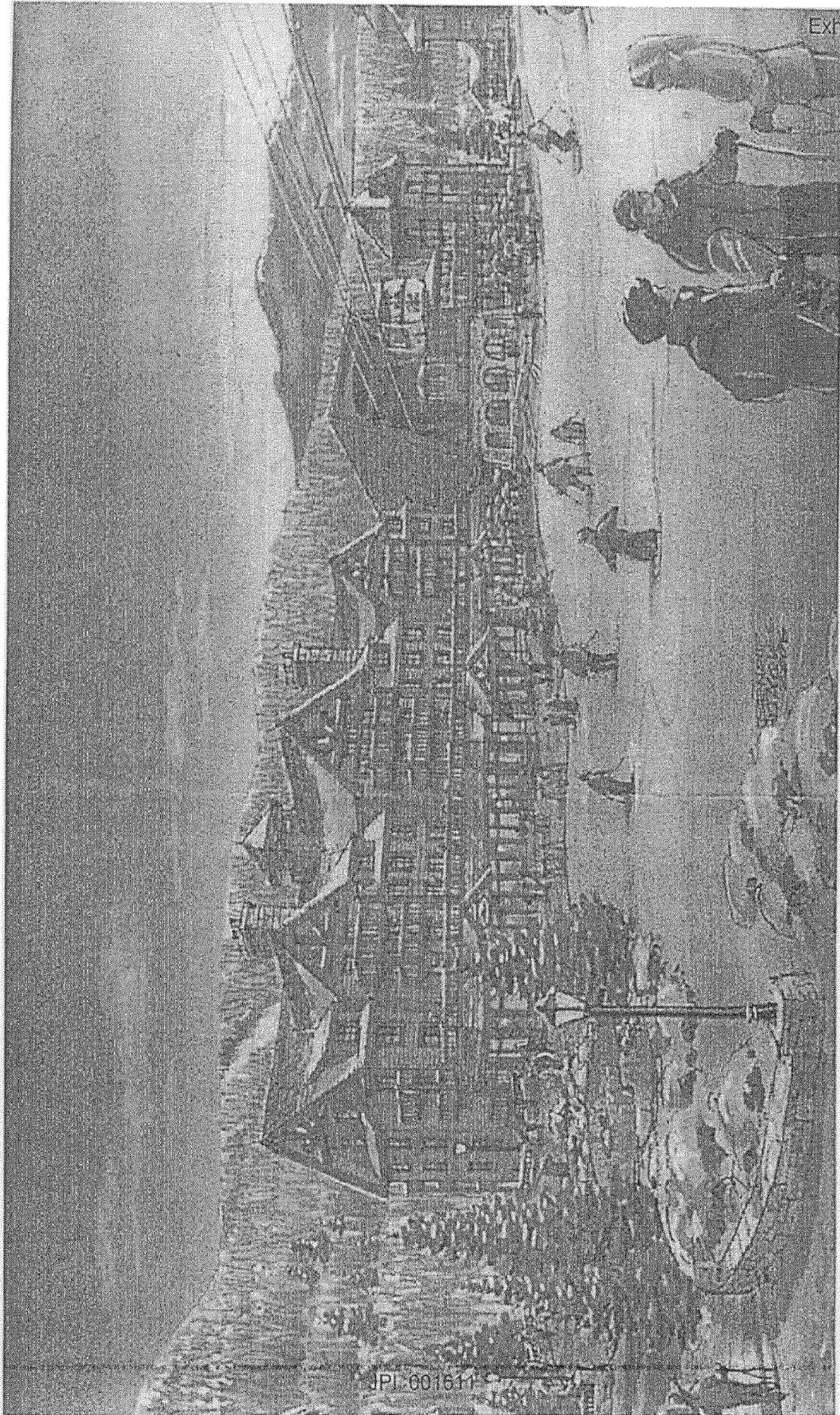
LEGEND

—	Proposed Lot Line
---	Adjacent Property Line
---	Substance of Easement
---	Substance
---	Openings with side utility pipe
▲	Control Point
△	Survey Control Point
○	Control Dimension
▽	Spot Elevation
□	Grid Value
●	Color Marker
○	Spot Elevation
○	Control Point
○	See w/ Forestry
○	Leaf Number Values / Page

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JPL 001611



LIAISON	2108
RESPONSE DUE	7/14
NRN	
CODE #	7120

U.S. Department of Justice
Immigration and Naturalization Service

HQ 70/8.5-C

425 I Street NW
Washington, DC 20536

RECEIVED
GOVERNOR'S OFFICE
JUN 20 1997
MONTPELIER, VT 05609

JUN 26 1997

Howard Dean, MD
Governor
Office of the Governor
State of Vermont
Montpelier, Vermont 05609.

RE: Application for Designation as a Regional Center for the
State of Vermont, Agency of Commerce and Community Development

Dear Mr. Dean:

Pursuant to Section 610 of the Appropriations Act of 1993, the State of Vermont, Agency of Commerce and Community Development (ACCD) has been designated as a regional center to participate in the Immigrant Investor Pilot Program. As of this date, aliens seeking immigrant visas through the Immigrant Investor Pilot Program may file individual petitions with the Immigration and Naturalization Service (Service) for new commercial enterprises located within the State of Vermont.

Alien entrepreneurs who file petitions for commercial enterprises located within the State of Vermont must fulfill all of the requirements set forth in 8 CFR 204.6, except that the petition need not show that the new commercial enterprise hired ten new employees as a result of the alien entrepreneur's investment. The petition may contain evidence that the investment indirectly created or will create full-time positions for not fewer than ten persons, using economically or statistically valid methodologies as described in 8 CFR 204.6(j)(4)(iii), through revenues generated from increased exports resulting from the Pilot Program.

The designation by the Service of the State of Vermont as a regional center does not reflect any determination by the Service on the merits of individual petitions filed by alien entrepreneurs under the Investor Pilot Program. All petitions for alien entrepreneurs who invest within the regional center will be adjudicated by the Service on a case-by-case basis and each petition must be fully documented. The individual petitions must be submitted to the Vermont Service Center.

If you have any questions concerning Vermont ACCD's designation under the Immigrant Investor Pilot Program, please contact Katherine Lorr at (202) 514-5014.

Sincerely,


Michael L. Aytes
Assistant Commissioner

Job Impact Report of the Proposed Jay Peak Resort Expansion

December 1, 2006



Prepared for Jay Peak Resort

Prepared by Economic & Policy Resources, Inc.

Introduction

Purpose of the Analysis:

This impact assessment analysis was undertaken to determine the direct and indirect employment impact of the operation of Jay Peak Resort's "Jay Peak Resort Hotel Suite Project."

Jay Peak Resort is located in the Town of Jay in Orleans County, Vermont. It is potentially a four season resort with a wide range of recreational activities available to its patrons including, but not limited to, skiing, golfing and related activities. The Jay Peak Resort Hotel Suite Project, with an investment of \$17,500,000, is expected to include:

- A luxury hotel comprised exclusively of 57 suites. The resort will feature one, two and three bedroom, fully appointed suites, private balconies with breathtaking views, and whirlpool baths in all units. The units will have in-room high-speed internet access, room service, daily housekeeping, and feature a residents' lounge, fitness center and meeting facilities.
- In addition, the hotel property will have commercial space of 25,000 sq. ft. on two floors which will be owned by the resort owner, Saint Sauveur Valley Resorts, Inc. The commercial space will contain a wide range of commercial and recreational activities, projected as follows:

LEVEL 1

Ski rental facilities
Children's nursery school facilities
Supermarket and delicatessen
Hair and Beauty Salon

LEVEL 2

Full service sit-down restaurant, 150 seats approx.
Lounge bar/pub 80 seat approx.
Coffee Shop, Snack Bar
Retail units
Pizza Fast Food Takeaway

The Commercial Unit on Level 1 is projected to be available by January 2008, and upon completion of interior buildouts, to commence operations projected between January and March 2008. The Commercial Unit on Level 2 is projected to be available by April 2008, and upon completion of interior buildouts, is projected to commence operations by autumn 2008.

The Hotel Suites comprising Levels 3, 4 and 5 are scheduled to be built out by December 2008, with a projected opening date of December 15, 2008.

The new facilities will serve hotel patrons and condominium users (overnight visitors) and enhance the experience of day visitors. The Hotel Suites will be owned by a newly formed limited partnership and operated by Jay Peak, Inc., which also will operate the restaurant and skier support and rental facilities to be owned by Saint Sauveur Valley Resorts, Inc., all within the Jay Peak Resort.

Jay Peak Resort is unique. In recent years, the development of accommodation facilities has remained mostly limited to slopeside condominiums and the small, on-site, Hotel Jay facility. The company has for the most part focused on building the skiing experience rather than focusing on real estate and accommodations development. The result has been a high-quality skiing experience that is among the best in the Eastern United States. Jay Peak allows its patrons to explore the entire mountain, not limiting them to marked trails. The existing eight lifts, including Vermont's only aerial tramway, provide skiers with access to 450 ski-able acres on the mountain. Half of this terrain is glade skiing through which skiers ski more slowly. When skiers spend more time on the trails they spend less time in lift lines creating excess lift capacity. This unused capacity will allow Jay to continue to offer the highest quality eastern skiing experience as it develops its resort accommodations potential. The expansion and renovations will completely transform the character of the resort while preserving the high quality skiing experience.

The development of a large sewage treatment facility by the Town of Jay in the 1990s serves the Jay Peak Resort and has the capacity to accommodate the proposed expansion. This makes it possible for Jay Peak to increase and modify the nature of its amenities from standard or basic hotel/motel accommodations to high-end resort-type suites. This change, coupled with continued expansion of the golf course, will continue Jay's transition to a year-round tourist destination in the northeastern section of Orleans County.

The operation of this Hotel Suite project and related resort improvements will boost year-round visitation at Jay Peak which will, in turn, increase employment in the Towns of Jay, Montgomery Center, North Troy, Newport and surrounding areas. Based upon employment data obtained from the Quarterly Census of Employment and Wages (QCEW), there is a demonstrated average 270% seasonal decrease in the number of jobs in the Town of Jay at the end of the winter months—January, February and March. The larger critical mass of activities associated with the proposed project and the projected creation of 358 jobs in the high impact area (see Table 1) in the year 2009¹ will likely serve to reduce at least some of these seasonal job losses.

To examine the employment impacts of the proposed development of the Resort, Economic & Policy Resources, Inc. (hereafter "EPR") performed economic modeling using the Regional Dynamics Economic Analysis Model (hereafter "REDYN"). This is the newest, most advanced input/output model of its kind. The

¹ The first full year that the Hotel Suites will be open.

REDYN Model has been used to assess the net job and other economic benefits associated with economic development projects, the impact of new businesses, and the impact of a wind power project in various states (see discussion in "REDYN's Model Advantages" on pages 6 and 7. A full description of the REDYN Model is found in attached Exhibits #4-#8).

For this assignment, the REDYN model was used to forecast the employment impacts of the expenditures generated by the additional visitors the new resort amenities will generate. Table 1 outlines the results of this analysis.

Table 1: Jay Peak Resort Suite Hotel Construction and Operation Impact

	2009	2010	2011
Northwest Four Region			
Direct - At Jay Peak Resort	280	282	292
Indirect	78	79	82
Total Northeast Four Region	358	361	374
Balance of Vermont			
Direct	0	0	0
Indirect	20	20	21
Total Balance of Vermont	20	20	21
Vermont Impact			
Direct	280	282	292
Indirect	98	99	103
Total Vermont Impact	378	381	395

Prepared by Economic & Policy Resources, Inc.

Years 2009 through 2011 show the estimated impacts resulting from visitor spending only. The increase in both direct and indirect employment effects over that period are the result of occupancy at the hotel and the estimated spending by the visitors at the facilities. While construction employment impacts are expected to be significant and positive during the calendar year 2007-08 period, these impacts were not included in this impact assessment analysis because they would have only temporary employment impacts in the state.

In 2009, the first full year of resort operations, shows an impact of 378 permanent project non-construction positions created in Vermont during that calendar year. This includes 280 direct jobs at the resort with 98 indirect jobs in the adjacent communities (high impact area) and the remaining eight counties of the State of Vermont. In calendar year 2010, the job impact increases by 3 permanent jobs to 381 as 2 additional direct jobs and 1 indirect job are anticipated. In calendar year 2011, this study estimates there will be 14 more permanent jobs added, including 10 more direct jobs and 4 additional indirect jobs as a result of the proposed project development. Overall, these estimates imply an indirect job multiplier of 0.35 in-direct jobs for each direct job created in 2009.



State of Vermont
Agency of Commerce and Community Development
National Life Building, Drawer 20
Montpelier, VT 05620-0501
www.dca.state.vt.us

(phone) 802-828-3211
(fax) 802-828-3383

October 23, 2006

Bill Stenger
President and Chief Operating Officer
Jay Peak Resort
Jay, VT 05859-9621

Dear Mr. Stenger:

I am pleased to learn that the Jay Peak Hotel Suite Project is gaining popularity with investors interested in the EB-5 foreign entrepreneur investment program here in Vermont.

The State of Vermont was designated a Regional Center by the U.S. Immigration and Naturalization Service in 1997. As you know, Jay Peak's proposed expansion was included in the State's application to illustrate the type of project that would benefit from accessing new capital through the EB-5 program. Because Jay Peak is in a targeted employment area – a rural area outside the Burlington SNSA – investments in the expansion project made through Vermont's Regional Center Immigrant Investor Pilot Program will enjoy certain added advantages. For example:

1. Investors need only commit \$500,000 U.S. instead of \$1 million;
2. Investors are under a relaxed job creation requirement, as they are permitted to count jobs created directly as well as indirectly; and
3. Investors may be added at any time and need not be involved at the project's inception.

The Agency of Commerce and Community Development looks forward to seeing the Jay Peak Project continue to have success and I look forward to welcoming the investors to Vermont when the opportunity arises.

If the Agency can be of any additional assistance, please do not hesitate to contact me – we are eager to support your efforts.

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin L. Dorn".

Kevin L. Dorn
Secretary



PATRICK LEAHY
VERMONT

COMMITTEES:
AGRICULTURE, NUTRITION, AND
FORESTRY
APPROPRIATIONS
JUDICIARY

United States Senate

WASHINGTON, DC 20510-4502

August 31, 2006

Mr. Bill Stenger, President
Jay Peak Resort
Jay, Vermont 05859

Dear Bill,

I understand that you have several investors who are interested in Jay Peak's business plan for a four-season resort and are considering the Alien Investor Program. I believe that this program is a perfect fit for your investors, and I know it will have a positive economic impact for the Northeast Kingdom.

The USCIS has consolidated the processing of the Alien Investor applications to ensure that the procedures related to the adjudication of these highly technical petitions remain uniform and streamlined. Officers have been appropriately trained in the relevant areas of investment, financial, and economic policy and analysis, and they have the expertise necessary to process these complex matters.

I hope this information is helpful to you in reassuring your investors that the Investor Program continues to be an option for your developmental needs. Bill, please let me know when you have submitted an application, and I will be happy to write a letter of support on your behalf.

Sincerely,



PATRICK LEAHY
United States Senator

PJL/krb

PROPOSED
MANAGEMENT AGREEMENT
JAY PEAK HOTEL SUITES

THIS AGREEMENT is entered into by and

BETWEEN: JAY PEAK MANAGEMENT INC. ("Manager"), a corporation duly organized and existing under the laws of the State of Vermont, the principal office of which is at 4850 VT Route 242, Jay, Vermont 05859-9621 ("Hotel Agent");

AND: JAY PEAK, INC., a corporation duly organized and existing under the laws of the State of Vermont, the principal office of which is at 4850 VT Route 242, Jay, Vermont 05859-9621 ("Hotel Agent").

RECITALS:

WHEREAS, Manager is the general partner in a Vermont limited partnership known as "Jay Peak Hotel Suites L.P." (the "Owner"), pursuant to a limited partnership agreement (the "Partnership Agreement"); and

WHEREAS, Owner has purchased land at the Jay Peak Resort in Jay, Vermont (the "Resort") for the purpose of constructing a six-floor building (the "Building"); and

WHEREAS, the Building will be dedicated to condominium ownership consisting of three units, pursuant to a Declaration of Condominium to be executed by the Owner, two of which units will be conveyed to the owner of the Resort;

WHEREAS, Owner will retain ownership of the third unit and operate the unit as a hotel to be known as "Jay Peak Hotel Suites" (such hotel, excluding the appurtenant interests in the Common Elements, referred to herein as the "Hotel"); and

WHEREAS, in the Partnership Agreement the Manager is delegated the duty to operate and manage the Hotel, either directly or through a designee, which designee may include any affiliates of the Manager; and

WHEREAS, Manager desires to retain Hotel Agent to manage the Hotel; and,

WHEREAS, Hotel Agent is willing to accept such employment on the terms and conditions set forth in this Agreement;

NOW, THEREFORE, in consideration of the mutual premises and the covenants herein contained, the parties agree each with the other as follows:

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1. Designation of Hotel Agent. On behalf of Owner, Manager hereby appoints and designates Hotel Agent as Manager's sole and exclusive agent to manage and rent the Hotel as a hotel accommodation.

2. Hotel Agent's Authority. On behalf of Manager and in accordance with the desires and directives of the Manager, Hotel Agent shall use its best efforts in its management and operation of the Hotel to provide quality service, increase Hotel occupancy and use of function rooms, maximize distributions to Owner and comply with this Agreement, all to the full extent reasonable and prudent in consideration of the location of the Hotel and the facilities in and at the Hotel and the surrounding area in the Resort, and consistent with sound business practices.

In furtherance of the exercise of this authority, Hotel Agent, pursuant to directives from Manager, shall perform any and all acts which are necessary or desirable to operate the Hotel efficiently and economically and shall have the continuing right to institute controls, operating procedures and such other regulations. In this connection, Hotel Agent shall:

(a) Book nightly reservations at the Hotel and demand, collect, receive and receipt for nightly accommodation proceeds on Owner's behalf, in accordance with the rate structure set forth in this Agreement;

(b) Hire, train, supervise, pay and discharge all personnel required to operate a first class hotel. The terms, conditions and policies of employment of such personnel shall be determined by Hotel Agent. Such policies of employment shall include, without limitation, hiring and firing of employees, wages, profit sharing, benefit plans and insurance plans;

(c) Obtain all licenses necessary for the operation of the Hotel. Such licenses shall be held in Hotel Agent's name for the benefit of Owner and the original cost and renewal costs of such licenses shall be borne by Owner as an Operating Expense of the Hotel;

(d) Coordinate with the efforts of the Jay Peak Hotel Suites Owners Association, Inc. ("COA") and permit it to maintain and replace its furniture, fixtures and equipment ("FF&E") and to maintain all condominium Common Elements consistent with the expected standards of a first-class hotel;

(e) Allocate to and negotiate payment from the COA those portions of Hotel Operating Expenses that are reasonably deemed to benefit the COA and its members;

(f) Pursuant to budgets adopted by the Owner, replace and augment the FF&E in the Hotel, so as to maintain the standards of a first class hotel;

(g) Develop and maintain Hotel operating procedures, including, without limitation, budget, personnel and training programs, management supervisory programs and advertising/promotional campaigns;

(h) Negotiate the provisions of service and equipment contracts as Hotel Agent believes in the exercise of good judgment are usual or required in the operation of a first class hotel;

(i) Oversee the provision to all guests and others upon the Hotel premises of all food, beverages and room service; and

(j) Comply with the laws and regulations of any governmental agency having jurisdiction, as any of the foregoing may be amended from time to time.

3. Booking the Hotel. The Hotel shall be managed and reserved nightly as a hotel guests' accommodation. Manager shall cooperate with Hotel Agent in promoting and booking reservations of rooms in the Hotel.

4. Hotel Rental Rates. The Hotel Agent will periodically set rates for reserving nightly accommodations at the Hotel based on financial projections for the Hotel provided by Manager.

5. Hotel Income and Expense Allocation.

5.1 Owner's Hotel Account. Hotel Agent shall establish a hotel account (ledger account) for Owner ("Owner's Hotel Account"), which account shall be held by Hotel Agent in accordance with the terms of this Agreement, in a depository bank and type of account regarding which Hotel Agent shall make deposits in, deductions from, and distribution of, such account in accordance with the terms of this Agreement.

5.2 Hotel Agent's Fee. Hotel Agent shall pay itself from the gross revenue generated from Hotel nightly room accommodations and telephone service, on a monthly basis in arrears, a fee of fifty percent (50%) for all such gross revenues while this Agreement is in effect (the "Hotel Agent Fee").

5.3 Allocation of Rental Income. After paying itself the Hotel Agent Fee, monthly in arrears Hotel Agent shall distribute to Owner's Hotel Account the net revenues from the rental of the Hotel for the prior month. If the Hotel becomes unrentable and, therefore, payments pursuant to a business interruption insurance policy are made, those payments shall be treated as Hotel Rental Income as though paying guests occupied the Hotel.

5.4 Hotel Operating Expenses. Manager shall pay from Owner's Hotel Account the fixed expenses of operating the Hotel as a hotel ("Hotel Fixed Operating Expenses"). These Hotel Fixed Operating Expenses include taxes, utilities, insurance, maintenance, repairs and condominium assessments. All other operating expenses of running the Hotel

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("Hotel Variable Operating Expenses"), will be borne and paid by Hotel Agent out of the Hotel Agent Fee. The Hotel Variable Operating Expenses include, without limitation, housekeeping, food, beverage, sales and marketing and administrative staff, costs of food, beverage, laundry, cleaning supplies, uniforms, front desk materials, reservation service fees, if any, guest room supplies, advertising, marketing, travel agent's commissions, credit card charges, legal and accounting fees, compensation of hotel personnel and other usual and customary expenses. The sum of the Hotel Fixed Operating Expenses and Hotel Variable Operating Expenses will equal the "Operating Expenses".

5.5 Owner's Net Hotel Income. The amount remaining in Owner's Hotel Account after Manager pays the Hotel Fixed Operating Expenses, but subject to any reserve allocations required under the Partnership Agreement, shall be Owner's Net Hotel Income.

5.6 Deficits. If the gross revenues generated by the Hotel for any month shall be less than the Hotel Variable Operating Expenses for such month, Hotel Agent shall be responsible for paying the amount of such deficiency out of its own funds or out of the Working Capital Reserve set forth in Section 5.7.

5.7 Working Capital Reserve. The Owner shall make an initial contribution to a Working Capital Reserve for the Hotel as projected in the financial projections for the Hotel or such lesser amount as remains after the Hotel is developed. This fund shall always be allocated to Owner and shall always remain the Owner's fund and shall be conveyed to any successor in interest to the Hotel, but Hotel Agent shall be given authority to issue checks out of this fund to cover deficiencies in monthly Operating Expenses. Hotel Agent is also responsible for replenishing the Working Capital Reserve out of its own funds to replace any funds disbursed out of the Working Capital Reserve as set forth herein.

6. Books of Account; Budgets; Financial Reports.

(a) Gross revenues and other funds used in the operation of the Hotel will be the property of Owner but in the exclusive possession and control of Hotel Agent, subject to the provisions of this Agreement. Such funds shall be maintained exclusively for Owner in a bank determined annually by Manager on behalf of Owner. Hotel Agent shall not commingle its funds with those of Owner. According to the provisions of this Agreement, Hotel Agent shall disburse funds from these accounts on behalf of Owner and shall allocate revenue and expenses as required hereunder. No funds shall be withdrawn unless by someone authorized to do so by Hotel Agent.

(b) Hotel Agent shall periodically prepare such reports, budgets or other financial data reasonably requested by Manager to meet Manager's obligations under Article XIII of the Partnership Agreement.

(c) Upon five (5) days written notice to Hotel Agent, Manager shall have the right at any time during ordinary business hours to examine, at the place where they

regularly are kept, such books of Hotel Agent related to the operations of the Hotel and of any person, firm or corporation acting for, and performing the duties, functions and discretions of, Hotel Agent hereunder.

Unless the Manager on Owner's behalf disputes computation or other information within forty-five (45) days after Hotel Agent mails statements or reports, the accuracy of such reports and financial statement shall be deemed to have been accepted by Manager on Owner's behalf.

7. Taxes. Hotel Agent shall not be liable to Owner (a) for any sales tax or room tax assessed and levied by any governmental body, which tax Hotel Agent will collect separately from the room rental gross income and pay to the appropriate authority; (b) for either federal or state income or corporate excise taxes attributable to income earned by, or paid to, Owner under this Agreement; (c) for Owner's ad valorem personal and real property taxes; (d) for any assessment of any kind assessed or levied by a governmental body; or (e) all assessments by the COA against Owner or the Hotel.

8. Insurance. To the extent not already provided by the COA, Hotel Agent shall obtain and maintain such additional types of insurance such as innkeeper's liability, business interruption, completed operations, bailee-for-hire, products liability, auto liability and other coverage in such amounts and upon such terms as Hotel Agent shall determine to be prudent under the circumstances having due regard for the liability of Owner and, at a minimum, comparable to that carried on other comparable hotel properties. Owner shall be named as an additional insured on all such insurance policies. Except as stated above, Hotel Agent shall not be required to provide or maintain fire or casualty insurance of any kind with respect to the Hotel or the Common Elements and the furnishings and personal property in such Hotel and Common Elements, this being a responsibility of the COA. Premiums paid for insurance procured under this section shall be Hotel Fixed Operating Expenses.

9. Furniture, Furnishings, and Equipment.

9.1 Acquisition. Manager shall at all times maintain the Hotel and its furniture, furnishings and equipment sufficient in number, design and quality in order to operate said Hotel effectively as a first-class hotel accommodation. All such items shall remain the separate property of Owner and Hotel Agent shall not be liable for the loss, theft, damage or destruction thereof; provided, however, that such items as linens, bedspreads, glassware, chinaware, kitchen utensils, eating utensils, television sets and small appliances shall be of a standard design selected by Hotel Agent.

9.2 Replacements and Additions. On behalf of Owner, Hotel Agent shall (as a Hotel Variable Operating Expense), replace, or add to, the linens, bedspreads, glassware, chinaware, silverware, and small appliances ("Consumable FF&E") in the Hotel so as to maintain the standards of a first-class hotel. Hotel Agent shall not be required to identify and segregate in the Hotel the exact items owned by Owner, but merely to provide Hotel

with the requisite number thereof, subject to the loss, damage or theft thereof for which Hotel Agent is not liable.

10. Hotel Agent's Occupancy. Manager and Hotel Agent shall each have the right to provide complimentary accommodations to such extent as Manager and Hotel Agent, respectively, may reasonably deem necessary to promote or publicize the Hotel.

11. Management Term. The agency created hereby shall commence immediately upon execution hereof and shall continue indefinitely until termination. Hotel Agent shall begin to market the Hotel at least six (6) months prior to the month Hotel is expected to open. Manager may terminate this Agreement at any time for Hotel Agent's fraud, gross negligence, willful misconduct or a material breach of this Agreement. Such termination shall be effective at the end of ten (10) days after written notice of such decision to Hotel Agent.

In addition to the foregoing methods of termination of this Agreement, it may be terminated as follows:

- (a) At any time by the mutual consent of the parties hereto.
- (b) Upon the dissolution of Owner. In such circumstances, subject to the order of a court of appropriate jurisdiction, Hotel Agent will continue to manage and operate the Hotel, pursuant to the provisions of this Agreement, on behalf of the Owner.
- (c) Upon the appointment of a receiver, trustee or liquidating agent for, or the assignment for the benefit of creditors of, all or substantially all of Hotel Agent's assets, or the bankruptcy or dissolution of Hotel Agent.

If this Agreement is terminated or the Hotel ceases to operate, then Hotel Agent shall provide to Manager on Owner's behalf a final financial statement, shall make the payment of balances in Owner's Hotel Account to Owner or as Owner shall otherwise direct, and shall yield up the Hotel in good condition and repair, excepting only reasonable wear and tear and damage by fire or other casualty.

12. Interest. Reserve funds established hereunder shall be deposited to interest-bearing accounts chosen by Manager, until withdrawn by Hotel Agent pursuant to provisions of this Agreement. Earned interest shall be credited to Owner quarterly. Advance reservation deposits shall be held by Hotel Agent as advance room revenues until earned.

13. Assignment. This Agreement may not be assigned unless by the consent of the parties, except that Hotel Agent may, from time to time, assign some or substantially all of its rights, functions and discretions to affiliated or unaffiliated subcontractors or to

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hotel management companies familiar with hotel operations. Such assignment shall not excuse Hotel Agent's performance under this Agreement.

Hotel Agent shall recognize and consent to a transfer of Manager's interest in this Agreement by virtue of a transfer to a controlled entity of Manager. Otherwise, Hotel Agent shall not consent to an assignment of this contract by Manager except as set forth herein.

Until Hotel Agent is satisfied that a transferee of the Hotel was fully acquainted with operations of the Hotel prior to the transfer of the Hotel and until Hotel Agent is satisfied that such transfer does not violate federal or state securities laws (and in this connection Hotel Agent may require an opinion of legal counsel satisfactory to Hotel Agent and provided by Owner at Owner's expense), Hotel Agent shall not be required to consent to such transfer.

Hotel Agent may charge the transferee an agency transfer fee of not more than 1% of the sales price for services in obtaining such consent.

Ownership of reserve accounts established hereunder shall, in the event of transfer of the Hotel, be assigned to the transferee; the transferring Owner shall thereafter have no entitlement to such funds.

14. Arbitration. Any dispute between Manager and the Hotel Agent, which has not been resolved by mediation, may be submitted to arbitration. Such submission shall be made by a disputant providing notice of arbitration to other disputants within ten (10) days after receipt of notice of the failure of mediation; or, in the matter of termination of the Hotel Agent, within ten (10) days of notice called for in Section 11.

Within ten (10) days of the giving of notice of arbitration, Hotel Agent shall choose one arbiter, the Manager shall choose one arbiter and there arbiters shall choose a third arbiter within a second period of ten (10) days. The arbiters shall apply the then current, appropriate rules of the American Arbitration Association ("AAA") and the laws of the State of Vermont, if they are not inconsistent with the rules of the AAA, and shall take testimony offered by the parties. When all evidence has been presented, the arbiters shall by majority vote resolve the issues upon application of testimony they believe is relevant and reliable. As well, they may make awards, including a determination of liability for attorneys' fees, arbitration costs, and compensation to arbiters. Their decision shall bind the parties and may be entered as a judgment under the Arbitration Act of the State of Vermont.

Hotel Agent may begin within thirty (30) days to cure diligently the basis of any arbitration decision against it. Such diligence shall include, if appropriate, the termination of subcontractors or assignees. Failing appropriate diligent actions by Hotel Agent, the Manager may decide to terminate this Agreement.

15. Right to Compete and Contract. Hotel Agent and Manager, and in the event that Hotel Agent or Manager assigns its rights and duties hereunder pursuant to Section 13, such assignee, their partners, stockholders, officers, directors and affiliated companies, or any of them:

- (a) May build, own or manage other motels, motor inns, hotels, condominiums, restaurants or resorts and that such establishments may compete with the Hotel for convention, tourist or commercial business. None of the foregoing entities shall be disqualified from so competing with the Hotel.
- (b) Shall not be disqualified from contracting with the Hotel as vendor, purchaser, contractor, supplier, purveyor of goods or services, or otherwise; provided that the charges to Hotel under such contracts shall be competitive in light of the prevailing rates for such services and goods as may be involved. All such material affiliated relationships and services shall be disclosed in reasonable detail.

16. Manager's Acknowledgements and Election. By the execution hereof, Manager recognizes that (i) Hotel Agent is not a partner or joint venturer with Manager but is the agent and independent contractor of Manager; and (ii) the relationship between Hotel Agent and Manager does not create a corporation in law or in fact. Manager on behalf of Owner further acknowledges that this Hotel operation is a speculative venture with no guaranty, in fact or by implication, that Owner shall receive any, or any specific, sum of money in any given period of time on account of its entry into this operation.

Manager further acknowledges and agrees that if, contrary to the intent of this Agreement, the relationship hereby created be deemed a general partnership, the scope thereof shall be solely the operation of the Hotel as rental accommodations and that all powers and authority of Manager to act within the scope of the partnership are vested by Manager in Hotel Agent exclusively, subject to the rights set forth in this Agreement in the Owner to operate the Hotel.

Owner expressly retains both legal title and beneficial ownership of its Hotel and its contents and its appurtenant interests in the Common Elements and their contents, and Owner is not contributing such property, or any thereof, or the use thereof, to any imagined or assumed entity. If, contrary to the intent of this Agreement, the agency relationship of Hotel Agent with Owner at the Hotel or such relationship through the Hotel Agent is deemed a partnership for federal income tax purposes, then Owner shall be deemed only to have contributed the use of the Hotel and its contents and its appurtenant interests in the Common Elements and their contents to such partnership and not to have contributed the Hotel itself or its contents or its appurtenant interest in the Common Elements or their contents or any title thereto or interest therein to such assumed partnership and Hotel Agent shall be deemed the tax management partner of any such assumed partnership. Legal and accounting fees reasonably incurred by the Hotel

Agent and other such expenses incurred by Hotel Agent acting as tax managing partner shall be Hotel Variable Operating Expenses. Hotel Agent shall vigorously deny partnership status for general law or tax purposes and may litigate to obtain refunds from the Internal Revenue Service imposed by it on account of the failure to file a partnership return.

Acknowledging that the Hotel is restricted to nonresidential hotel use, Manager agrees that if this Agreement is terminated, other rental or agency alternatives must be established to comply with use restrictions set forth by the COA.

Manager acknowledges that Hotel Agent has not given legal or tax advice.

17. Notices. Notices hereunder to Manager or Hotel Agent shall be delivered personally, or deposited in the United States Mail, certified mail, return receipt requested, postage fully paid, addressed to Manager or Hotel Agent, as the case may be, at the address first set forth above (or such more recent address of which the party addressed shall have given written notice to the other party), and shall be deemed to be given when delivered personally, or when the notice has been delivered as evidenced by the return receipt.

18. Attorneys' Fees. In litigation or arbitration arising out of this Agreement, the parties shall be responsible for their own costs and attorneys' fees incurred in such litigation, both at trial and upon appeal, if any.

19. Applicable Law. This Agreement shall be construed under, and shall be governed by, the laws of the State of Vermont.

20. Entire Agreement. This Agreement, together with any other writings signed by the parties expressly stated to be supplemental hereto and together with any instruments to be executed and delivered under this Agreement, constitutes the entire agreement between the parties with respect to the agency created hereunder and supersedes all prior understandings and writings, and may be changed only by a writing signed by the parties hereto.

21. Severability. The invalidity in whole or in part of any term, covenant or provision hereof shall not affect the validity of the remainder hereof. Any portion of this Agreement determined to be invalid or unenforceable shall, to the extent possible, be reformed to accomplish its intended effect.

22. Miscellaneous. The terms "Manager" or "Hotel Agent" wherever herein used shall include the person, or persons, named and its or their successors and permitted assignees. Where the context so admits or requires, use of the singular includes the plural, and vice versa, and use of any gender includes any or all other genders. Capitalized terms used herein not otherwise defined shall have the meanings ascribed to them in the Declaration of Condominium.

23. Acknowledgement of Arbitration. Hotel Agent and Manager understand that this Agreement contains an agreement to arbitrate; and, unless a question of constitutional or civil rights law is involved, Hotel Agent and Manager understand that they will not be able to litigate any dispute covered by the arbitration provisions of this Agreement. Instead, Hotel Agent and Manager agree to submit such disputes to impartial arbitration.

DATED _____

Manager:
JAY PEAK MANAGEMENT INC.

Hotel Agent:
JAY PEAK, INC.

By: _____
William Stenger, President and
Duly Authorized Agent

By: _____
William Stenger, President and
Duly Authorized Agent

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**DRAFT 012207
GRANT OF EASEMENT AND MAINTENANCE AGREEMENT**

THIS GRANT OF EASEMENT AND MAINTENANCE AGREEMENT (this "Agreement") is made and entered into as of the ____ day of _____, 2007 by and among **SAINT-SAUVEUR VALLEY RESORTS, INC.**, a Canadian corporation with its place of business in Jay, Vermont ("SS"), **JAY PEAK, INC.**, a Vermont corporation with its place of business in Jay, Vermont ("JP" and collectively with SS, the "Owner"), **JAY PEAK HOTEL SUITES L.P.**, a Vermont limited partnership with its place of business in Jay, Vermont ("LP"), and **JAY PEAK HOTEL SUITES OWNERS ASSOCIATION, INC.**, a Vermont non-profit corporation for itself and for the benefit of its members, with its place of business in Jay, Vermont (the "Association").

WITNESSETH:

WHEREAS, SS is the developer of certain real property located in the Town of Jay, County of Orleans, State of Vermont, commonly known as the Jay Peak Resort (the "Resort"), operated and managed by JP and which contains various recreational amenities and open space areas, including without limitation golf course and related facilities, ski trails and ski-in ski-out access trails (the "Recreational and Open Space Areas"); and

WHEREAS, SS is the owner of a parcel of land located within the Resort (the "Project Land"), as more particularly described on Exhibit A attached hereto and incorporated herein by reference; and

WHEREAS, SS is in the process of deeding the Project Land to LP (the "Deed") and LP plans to construct a commercial building dedicated to condominium ownership, and associated infrastructure and other improvements, on the Project Land (collectively, the "Project Improvements") (the Project Land and the Project Improvements collectively referred to herein as the "Project"); and

WHEREAS, the Project Improvements, at buildout, are projected to comprise up to three (3) condominium units ("Units") and appurtenant common and limited common elements housed in one (1) structure (the "Building"); and

WHEREAS, concurrent herewith or subsequent hereto, LP has created or will create the condominium regime for the Project by recordation of that certain Declaration of Condominium for Jay Peak Hotel Suites in the land records of the Town of Jay, Vermont (the "Declaration"); and

WHEREAS, it is possible that Owner may develop other improvements within the Resort; and

WHEREAS, the owners of condominium units ("Unit Owners") in the Building and their guests will need to cross over and use various portions of the Project and the Resort in order to provide access, ingress and egress to and from their Units and the Project common areas; and

WHEREAS, LP and SS have agreed to grant certain non-exclusive easements of access and use over the Project (SS to the extent it has reserved various easements and rights of access and use in its Deed to LP), for the Association and for the benefit of its members, and directly to the Unit Owners for their benefit and the benefit of their guests; and

WHEREAS, it is important that Owner, in its capacity as the master developer of the Resort, maintain and operate the Project in connection with its maintenance and operation of the Recreational and Open Space Areas and the recreational amenities located on portions of the Recreational and Open Space Areas, and in order to maintain the uniform look and feel of the Resort; and

WHEREAS, as such, with LP's and Association's consent as set forth herein, Owner has agreed to operate and maintain the roadways and other improvements located thereon which will provide access to the Project Improvements, and in consideration thereof, the Association, on behalf of its members, has agreed to pay for a portion of the cost of operating and maintaining the Easement Area; and

WHEREAS, SS and LP, by recordation of this Agreement, now wish (i) to grant an easement to the Unit Owners, the Association for the benefit of its members, over all of the Project for the purpose of access, ingress and egress to and from the Project and other improvements which may be located on the Project Land; and (ii) to set forth the obligation of the Association and its members to pay for a portion of the cost of operating and maintaining the easements and the roadways and other improvements located thereon;

NOW THEREFORE, for and in consideration of the mutual premises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. **Definitions.** Unless the context otherwise requires, the capitalized terms used in this Agreement shall have the meanings ascribed to them in the Declaration.

2. **Grant of Easement.** Subject to all covenants, conditions, restrictions, reservations, encumbrances, rights-of-way, public dedications, easements and other matters of record in the Land Records of the Town of Jay, Vermont or the applicable District Environmental Conservation office, Owner and LP hereby grant (i) to the Association, and its successors and assigns, for the Association's benefit and for the benefit of its members, employees, agents, invitees, guests; and (ii) to the Unit Owners, their successors, assigns, for their benefit and for the benefit of their respective invitees and guests (collectively, the "Grantees"), a perpetual, non-exclusive easement on, over, along, across, through, above and below the Project and the Resort, as described in Exhibits A and B; including without limitation an easement to use all walkways, hallways and any other connecting passageways between the Project Improvements and other improvements located on the Resort. Said easement is granted for the following purposes: (a) ingress and egress to and from the Building, Units and any other Project Improvements, and other improvements located on the Project Land, from Town Highway No. 242, and from the interior roadways lying within the Resort; (b) motor vehicle parking and lighting; (c) the use of walkways, hiking, downhill and cross country ski and snowboarding trails

within the Resort, subject to the rights of Owner and LP to restrict or limit access to, and charge fees in connection with the use of such areas as provided in Sections 3 and 4 below; and (d) the construction, installation, maintenance, repair and use of overhead and underground utilities and other appurtenant works, including without limitation, electricity, water, sewer, telephone and cable utilities in those locations as finally constructed and in such additional locations as may be reasonably necessary from time to time to provide reliable and adequate utility services to the Project Improvements. The easement granted hereby shall not by itself entitle any of the Grantees to enter or use the facilities and structures located within the Resort, and shall not preclude Owner from constructing further permanent structures and other improvements in the Resort.

3. Use of Project and Resort by Owner, LP and Others. Except as provided in Section 4 hereof, nothing contained in this Agreement shall limit the ability of Owner or LP, or their employees, agents, invitees, guests, staff, prospects, licensees, lessees, and customers from using the Project or Resort for all lawful purposes authorized by Owner or LP, including without limitation for constructing, installing, laying, re-laying, operating, restoring, repairing, using and maintaining: (i) structures and improvements located or to be located on or adjacent to the Project; (ii) roads, walkways, culverts, stormwater drainage works, parking areas, lighting, and directional and sales signage; (iii) downhill skiing, snowboarding, cross country skiing and hiking trails, golf and other recreational facilities in existing locations on the Resort and in other locations that may be established in the future by Owner in its sole discretion; (iv) landscaping and gardens in such locations and in such vegetative varieties as Owner or LP in their sole discretion may determine from time to time; (v) overhead and underground utilities, including without limitation, electricity, water, sewer, telephone and cable utilities, hookups, connections, pipelines, electrical wires, and appurtenant works; and to grant to the appropriate utility service providers such easements as they may reasonably require in connection therewith; and (vi) other structures and works reasonably necessary to effectively obtain the benefit of the aforesaid easement rights; and in connection therewith, to use maintenance and other equipment in the Project or in the Resort. In addition, nothing contained in this Agreement shall prohibit LP or Owner from granting other easements or licenses to use the Project or Resort to third parties. Further, all use of the Resort is subject to Owner's right, in its sole discretion, to limit or restrict access to, or charge fees in connection with the usage of, certain portions of the Resort that are part of its systems of ski or snowboarding trails or other recreational or maintenance facilities, provided that such limitations or restrictions do not unreasonably restrict access to Project Improvements or other improvements located on the Project Land; and use of the Project and Resort shall be subject to such reasonable rules and regulations as Owner may impose in connection with the health, welfare and safety of the residents and visitors to the Resort, in order to preserve and protect the natural beauty of the Resort, and in connection with the operation by Owner of the recreational aspects of the Resort, including without limitation golf facilities and ski and snowboarding trails.

4. Limitations on Use of Project. The Project shall not be used by Owner, LP or any of the Grantees for any uses which would materially interfere with any other parties' use of the Project as provided herein and they shall not construct or place any structures or objects on the Project (other than by LP or Owner for the purposes of roadway and building construction, paving, grading, landscaping or the like, or construction and renovation of improvements as

contemplated in this Agreement). The Grantees shall not permit or license any use of the Project except as may otherwise be allowed under this Agreement.

5. **Character of Easements.** The easements granted and reserved herein are and shall run with the land and be appurtenant to, and run to the benefit of the Project Land then existing from time to time and of the Resort.

6. **Maintenance and Costs of Project.**

(a) The Project Land and all improvements thereon shall be managed, operated and maintained by Owner or its designee. All improvements and landscaping, roads, trails, walkways, signage, area lighting, utilities and parking areas shall be maintained by Owner in good condition and repair, including, but not limited to, keeping the access roads plowed and in a generally safe condition, and keeping such areas reasonably free and clear of debris, rubbish and other similar material, and in compliance with all applicable federal, state and municipal laws and ordinances.

(b) The Association agrees to pay Owner all of the annual costs incurred in connection with such management, operation and maintenance, including without limitation, the cost of repairing, replacing and maintaining the landscaping, parking lots (including overlays and striping of asphalt), roads (including overlays of asphalt), stormwater works, walkways, lighting (including electrical charges), the replacement of dead plants, bushes, flowers and trees and the planting of annual flowers, mowing of grass, snowplowing, property taxes and assessments imposed by any regulatory authority, utility charges and fees of local governments, insurance, fire protection fees, and any other related costs (the "Costs").

(c) The Owner or its designee shall prepare and distribute to the Association an estimated budget of the Costs at least 3 months prior to the beginning of each calendar year. The Association shall include the Costs in the Association's annual budget each year, to be paid by the Owners as an Assessment under the Declaration. One-twelfth (1/12th) of the annual Costs shall be paid each month by the Association to Owner. The Association's obligation to pay such monthly amounts shall continue irrespective of whether or not the Association has collected such amounts from its Owners. At the end of each calendar year, Owner shall render an accounting of the Costs and send a notice to the Association of (i) any additional annual Costs to be paid if the actual Costs for that year exceeds the proposed budgeted Costs, or (ii) any overpayment to be credited against the Association's portion of the next year's Costs. Any additional annual Costs due shall be paid by the Association within 60 days of receipt of the notice of underpayment.

7. **Owner's and LP's Right to Transfer and Assign.** Owner and LP shall have the right to: (i) transfer, convey or assign all or a portion of Owner's or LP's right, title and interest in and to the Resort and/or Project Land which is subject to the easements granted herein, pursuant to deed, agreement, assignment, lease, sublease or other instrument, including, but not limited to, the right to dedicate and transfer from time to time all or portions of the streets and roads to governmental entities for public use as public highways, at which time all private rights in said roads (including without limitation the rights granted under this Agreement), shall thereupon terminate and be of no further force and effect; and (ii) assign and delegate all or any

portion of Owner's or LP's rights, duties and obligations under this Agreement to any third party, or to the Association, which assignment and delegation the Association agrees to accept and assume upon request by Owner or LP. Upon the delivery of a fully executed, written assignment and assumption agreement, executed by Owner and LP and the Association (or other third party), Owner and LP shall be fully released from any rights, duties or obligations hereunder, and the Association (or other third party, as applicable) shall be Owner's or LP's lawful and valid successors and assigns, as applicable.

8. **Failure to Perform Obligations.** Should any of the parties hereto fail to perform its obligations (the "Defaulting Party") as set forth in this Agreement within thirty (30) days after receipt of written notice from the other party (the "Nondefaulting Party"), or, in the event of an emergency, within six (6) hours after verbal notice by such Nondefaulting Party, then the Nondefaulting Party shall have the right and license, but not the obligation, to remedy the default, which in the case of maintenance and repair may involve entering upon the affected Easement Area and performing the obligations of the Defaulting Party. Such Nondefaulting Party shall thereafter be entitled to be, and shall be, reimbursed by the Defaulting Party for any and all of the costs and expenses actually and reasonably incurred in the performance of said obligations, together with interest thereon at the maximum rate permitted by law, within ten (10) days after the Nondefaulting Party delivers to the Defaulting Party a written demand therefor; provided that said costs and expenses are verifiable with copies of invoices. If the Defaulting Party does not so reimburse the Nondefaulting Party, the Nondefaulting Party shall have the right to all legal and equitable remedies allowed by law, including without limitation, payment of all costs of enforcement of the provisions of this paragraph. In addition to the foregoing, in the event the Association shall breach its payment obligations under Section 6 hereof, Owner shall have the right, if such default is not remedied within thirty (30) days of written notice thereof to the Association, to cease all performance of its obligations hereunder, in addition to taking all other actions as may be allowed by law.

9. **Successors and Assigns.** The terms, covenants and conditions herein contained shall apply to and be binding upon and inure to the benefit and the burden, as the case may be, of the employees, tenants, subtenants, agents, invitees, guests, licensees, lessees, grantees, heirs, grantees, successors and assigns of Owner, LP, the Grantees, and any mortgagees as their interest may appear.

10. **Insurance.** LP and the Association each hereby covenant and agree to maintain comprehensive general liability coverage over the Project with limits of liability in the amount of \$ _____ per occurrence or such other amount as is subsequently agreed to in writing between the parties, and naming the other party as an additional named insured. LP hereby covenants and agrees to maintain fire and hazard insurance covering all improvements located within the Project, said coverage to be in the full replacement value of such improvements. Said insurance policies may be under one or more umbrella policies of insurance.

11. **No Agency.** It is hereby expressly agreed and understood that in the performance of the terms herein provided, each party hereto shall be deemed to be independent of the other party and not agents, partners, employees or co-venturers of such other party.

12. **Notices.** All notices which either party hereto desires or is required to give the other party under this Agreement shall be in writing and shall be deemed to have been duly given upon being delivered personally or three (3) business days after being deposited in the United States mail as certified or registered mail, postage prepaid, receipt requested, and addressed as follows:

TO THE ASSOCIATION: Jay Peak Hotel Suites Owners Association, Inc.
4850 VT Route 242
Jay, Vermont 05859-9621

TO LP: Jay Peak Hotel Suites L.P.
4850 VT Route 242
Jay, Vermont 05859-9621

TO OWNER
(on behalf of SS and JP) Jay Peak, Inc.
ATTN: William Stenger, President
4850 VT Route 242
Jay, Vermont 05859-9621

13. **Indemnification.** Each party hereto shall hold harmless and indemnify the other party, and as the case may be, its employees, agents, directors, shareholders, Owners, members, officers and legal representatives (collectively, the "Indemnitees") from and against any and all losses, expenses, damages, claims, costs (including reasonable attorneys' fees), liabilities and judgments (collectively, the "Claims") which the Indemnitees may suffer or incur in connection with, resulting or arising from, in any manner whatsoever, directly or indirectly, from the willful misconduct of the indemnifying party, its agents, employees, and with respect to the Association, its members; provided that said indemnification shall not include any Claims resulting from the Indemnitees' gross negligence or willful misconduct with respect thereto.

14. **Mortgage Protection Clause.** No breach of any of the terms and conditions herein contained, nor the enforcement of any of the provisions herein, shall defeat, render invalid, diminish or impair the lien of any mortgage on any part of the Easement Area made in good faith and for value.

15. **Amendment.** This Agreement may be amended jointly by Owner and LP at any time, without the prior consent of Association, for the following purposes: (i) to modify the provisions of Section 6 and other provisions of this Declaration in the event there exist, from time to time, owners of property and improvements within the Project Land other than Unit Owners subject to the condominium regime created by the Declaration, in order to provide for an equitable allocation of the costs of operating and maintaining the Project, and to amend or modify any other provisions of this Agreement in connection therewith; (ii) to clarify any ambiguity in this Agreement, or inconsistency between this Agreement and the Declaration; (iii) in connection with any registration for offer and sale of the Project or other improvements located from time to time on the Project Land with any local, state or federal authority, or in connection with the permitting for any improvements to be constructed on the Project Land; and (iv) for any other purpose that does not result in a material change or modification in the rights of

the Grantees. All other amendments to this Agreement must be agreed to by Owner, LP and the Association. All amendments to this Agreement shall be recorded in the land records of the Town of Jay, Vermont.

16. Miscellaneous Provisions.

(a) If any term or provision of this Agreement is determined by a court of competent jurisdiction to be illegal, invalid or unenforceable, then such term shall be deemed severed herefrom and all other remaining terms and provisions of this Agreement shall be deemed valid and enforceable to the fullest extent possible.

(b) The provisions of this Agreement shall not be deemed to constitute a dedication for public use or to create any right in the general public.

(c) In any legal or equitable proceeding for the enforcement of, or to restrain the violation of, this Agreement or any provision hereof, the losing party shall pay the attorneys' fees of the prevailing party in such amount as shall be fixed by the court in such proceedings.

(d) This Agreement is made in the State of Vermont and its validity, construction, and all rights under it shall be governed by Vermont law.

(e) This Agreement, executed as of the date hereof, shall take effect only upon, from and after its recordation in the Land Records of the Town of Jay, Vermont, and thereafter any and all other documents purporting to grant the rights conferred herein shall terminate and be of no further force or effect.

(f) This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

IN WITNESS WHEREOF, the parties hereunto execute this instrument as of date first above written.

In presence of:

JAY PEAK, INC.

Witness

By: _____
William Stenger, President and
Its duly authorized agent

STATE OF VERMONT
COUNTY OF ORLEANS, SS.

At Jay this _____ day of _____, 2007, William Stenger personally appeared and acknowledged this instrument, by him sealed and subscribed, to be his free act and deed and the free act and deed of Jay Peak, Inc.

Before me _____

Notary Public
My commission Expires: _____

SAINT-SAUVEUR VALLEY RESORTS, INC.

By _____
Name/Title: _____
Its duly authorized agent

Witness

STATE OF VERMONT
COUNTY OF ORLEANS, SS.

At Jay this ____ day of _____, 2007, _____ personally appeared and acknowledged this instrument, by him sealed and subscribed, to be his free act and deed and the free act and deed of Saint-Sauveur Valley Resorts, Inc.

Before me _____
Notary Public
My commission Expires: _____

JAY PEAK HOTEL SUITES L.P.
By: Jay Peak Management, Inc., its
General Partner

By _____
William Stenger, President and
Its duly authorized agent

Witness

STATE OF VERMONT
COUNTY OF ORLEANS, SS.

At Jay this ____ day of _____, 2007, William Stenger personally appeared and acknowledged this instrument, by him sealed and subscribed, to be his free act and deed and the free act and deed of Jay Peak Management, Inc. and of Jay Peak Hotel Suites L.P.

Before me _____
Notary Public
My commission Expires: _____

JAY PEAK HOTEL SUITES OWNERS ASSOCIATION, INC.
By: JAY PEAK HOTEL SUITES L.P., Declarant

By: JAY PEAK MANAGEMENT, INC.,
its General Partner

Witness

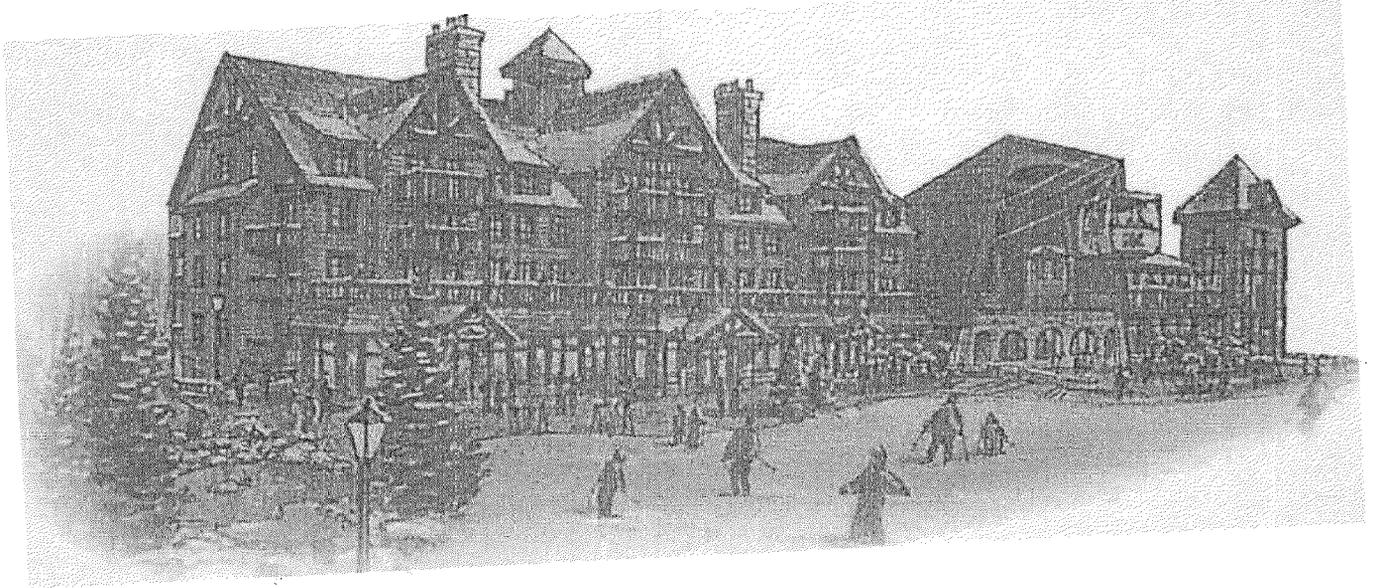
By _____
William Stenger, President and
Its duly authorized agent

STATE OF VERMONT
COUNTY OF ORLEANS, SS.

At Jay this _____ day of _____, 2007, William Stenger personally appeared and acknowledged this instrument, by him sealed and subscribed, to be his free act and deed, the free act and deed of Jay Peak Hotel Suites L.P., of Jay Peak Management, Inc., and of Jay Peak Hotel Suites Owners Association, Inc.

Before me _____
Notary Public
My commission Expires: _____

VERMONT



Jay Peak Hotel Suites L.P.

Limited Partnership Agreement

A limited partnership chartered in the State of Vermont



AGREEMENT OF LIMITED PARTNERSHIP OF JAY PEAK HOTEL SUITES L.P.

CONTENTS

Recitals.....4

ARTICLE I - Definitions and Rules of Construction.....4

 Section 1.01. Definitions.....4

 Section 1.02. Rules of Construction.....9

 Section 1.03. Imputation of Knowledge and Notice.....10

 Section 1.04. Successor Statutes and Agencies.....10

ARTICLE II - Partnership Business Purpose.....10

 Section 2.01. Formation of Partnership.....10

 Section 2.02. Partnership Name.....10

 Section 2.03. Principal Place of Business.....10

 Section 2.04. Registered Agent.....10

 Section 2.05. Title to Partnership Property.....10

 Section 2.06. Purposes of the Partnership.....11

 Section 2.07. Partnership Term and Dissolution.....11

 Section 2.08. Filing of Certificate.....11

ARTICLE III - Partnership Interests and Sources of Funds.....11

 Section 3.01. Identity of Partners and Percentage Interests.....11

 Section 3.02. Capital Contributions.....11

 Section 3.03. No Interest on Capital Contributions.....13

 Section 3.04. Right to Require Repayment of Capital.....13

 Section 3.05. Deficit Restoration.....13

 Section 3.06. No Third-Party Beneficiary.....14

ARTICLE IV - Right to Mortgage.....14

 Section 4.01. Right to Mortgage.....14

ARTICLE V - Rights, Powers and Obligations of the General Partner.....14

 Section 5.01. Authority of General Partner.....14

 Section 5.02. Limitations on the Authority of the General Partner.....17

 Section 5.03. Tax Matters Partner.....18

 Section 5.04. Outside Activities.....18

 Section 5.05. Liability to Partnership and Limited Partner.....19

 Section 5.06. Indemnification of General Partner.....19

 Section 5.07. Dealing with Affiliates: Fees.....20

ARTICLE VI - Rights and Obligations of the Limited Partner.....20

 Section 6.01. Management of the Partnership.....20

 Section 6.02. Limitation on Liability of the Limited Partner.....20

 Section 6.03. Outside Activities.....20

Jay Peak Hotel Suites Limited Partnership Agreement

Section 6.04. Inspection of the Project.....21
 Section 6.05. Representations.....21
ARTICLE VII - Allocations of Profits and Losses.....22
 Section 7.01. Maintenance of Capital Accounts.....22
 Section 7.02. Profits and Losses.....22
 Section 7.03. Special Allocations and Limitations.....22
ARTICLE VIII - Cash Distributions.....23
 Section 8.01. Distributions of Cash Flow.....23
 Section 8.02. Distributions of Proceeds from Capital Transaction.....23
**ARTICLE IX - Admission of Successor and Additional General Partners: Removal
 and Withdrawal of General Partner.....23**
 Section 9.01. Admission of Successor or Additional General Partners.....23
 Section 9.02. Removal of General Partner/Admission of Additional General Partner
 Under Certain Circumstances.....24
 Section 9.03. Event of Bankruptcy of a General Partner.....25
 Section 9.04. Continuation of the Business of the Partnership.....26
ARTICLE X- Assignability of Interests of Limited Partner26
 Section 10.01. Substitution and Assignment of a Limited Partner's Interest.....26
 Section 10.02. Withdrawal of Initial Limited Partner.....27
 Section 10.03. Sale or Other Disposition of Hotel.....27
ARTICLE XI - Management Compensation, Etc.....28
 Section 11.01. Management Compensation, Etc.....28
ARTICLE XII- Dissolution of Partnership.....28
 Section 12.01. Dissolution.....28
 Section 12.02. Distribution of Partnership Assets.....29
 Section 12.03. Termination of the Partnership.....29
ARTICLE XIII- Accounting and Reports.....29
 Section 13.01. Bank Accounts.....29
 Section 13.02. Books of Account.....29
 Section 13.03. Reports.....29
ARTICLE XIV - Meetings of the Partnership.....30
 Section 14.01. Meetings of the Partnership.....30
ARTICLE XV - Amendments30
 Section 15.01. Generally.....30
 Section 15.02. Signatures.....30
ARTICLE XVI - Miscellaneous Provisions30
 Section 16.01. Notices, etc.....31
 Section 16.02. Survival of Representations.....31

Jay Peak Hotel Suites Limited Partnership Agreement

Section 16.03. Entire Agreement 31

Section 16.04. Applicable Law 31

Section 16.05. Severability 31

Section 16.06. Binding Effect 31

Section 16.07. Counterparts 31

Section 16.08. No Implied Waiver 32

Section 16.09. Power of Attorney 32

Section 16.10. Partition 32

Section 16.11. Confidentiality 32

Section 16.12. Approval of Agreement 33

Section 16.13. No Guarantees or Redemption Rights 33

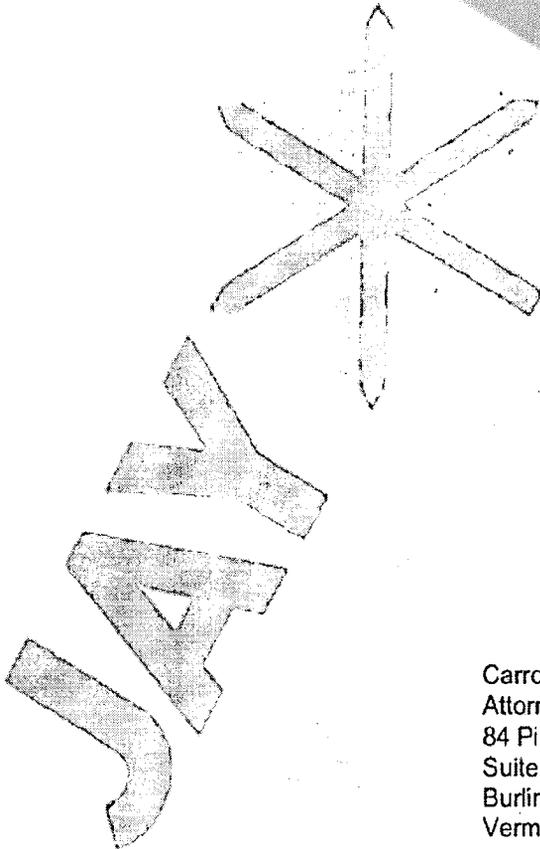
Section 16.14. Arbitration Clause 33

Section 16.15. Reimbursement of Expenses and Costs 33

Section 16.16. Translation of Agreement, Etc. 34

Section 16.17. Gender Clause 34

Exhibit A 35



CONFIDENTIAL

Carroll & Scribner, P.C.
 Attorneys at Law
 84 Pine Street
 Suite 300
 Burlington
 Vermont VT 05401

Phone: 802.862.2855

AGREEMENT OF LIMITED PARTNERSHIP OF JAY PEAK HOTEL SUITES L.P.

The parties to this Agreement of Limited Partnership of Jay Peak Hotel Suites L.P. are:

Jay Peak Management Inc., a Vermont corporation with its principal place of business at 4850 VT Route 242, Jay, Vermont 05859-9621, in its respective capacities as the General Partner and the Initial Limited Partner.

Recitals

WHEREAS, the parties desire to form a limited partnership to enable investors to become eligible for admission to the United States of America as lawful permanent residents with their spouses and unmarried, minor children, and to acquire title to real estate from Saint-Sauveur Valley Resorts, Inc. (the "Resort Owner") at the Jay Peak Resort in Jay, Vermont (the "Resort"), for the purpose of owning and constructing a six-floor condominium building (and related improvements), which will comprise (i) one commercial condominium unit to be furnished, fit up and operated as an all suites hotel to be known as Jay Peak Hotel Suites (the "Hotel"), to be owned and operated by the Partnership, and (ii) two other commercial condominium units to be conveyed to, and with build-out, furnishing and fit up to be done by, the Resort Owner (the "Resort Owner Units"); and

WHEREAS, the parties expect to raise substantial funds from persons who are not United States' citizens or lawful permanent residents of the United States and who desire to become limited partners in the Partnership; and

WHEREAS, this Agreement sets forth the terms and provisions of the Partnership;

NOW THEREFORE, in consideration of the foregoing, of the mutual promises of the parties hereto, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending legally to be bound, hereby agree as follows:

ARTICLE I - Definitions and Rules of Construction

Section 1:01. Definitions.

The following defined terms used in this Agreement shall have the meanings specified below:

"Accountants" - Mudgett Jennett & Krogh-Wisner P.C., 141 Main Street, Montpelier, Vermont 05602 (802-229-9193), or such other firm of independent certified public accountants selected by the General Partner that is reasonably acceptable to the Limited Partner.

"Act" - the Vermont Revised Uniform Limited Partnership Act (11 V.S.A. ch. 23) and any corresponding provision or provisions of succeeding law, as it or they may be amended from time to time.

"Adjusted Capital Account Deficit" - with respect to any Limited Partner, the deficit balance, if any, in the Partner's Capital Account as of the end of the relevant Fiscal Year, after giving effect to the following adjustments:

- (i) credit to such Capital Account any amounts that such Partner is obligated to

Jay Peak Hotel Suites Limited Partnership Agreement

restore pursuant to any provision of this Agreement, is otherwise treated as being obligated to restore under Treasury Regulation Section 1.704-1 (b)(2)(ii)(c), or is deemed to be obligated to restore pursuant to the penultimate sentences of Treasury Regulation Sections 1.704-2(g) and 1.704-2(i)(5); and

- (ii) debit to such Capital Account the items described in Treasury Regulation Sections 1.704-1(b)(2)(ii)(d)(4), (5), and (6).

The foregoing definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Treasury Regulation Section 1.704-1 (b)(2)(ii)(d) and shall be interpreted consistently therewith.

"Admission Date" - the date on which a Limited Partner is admitted to the Partnership, which shall be deemed to be the date of payment by the Limited Partner of its Capital Contribution, which except for the Initial Limited Partner shall be the date each Limited Partner's Capital Contribution is released by the Escrow Agent (as defined and set forth in Section 3.02(b)) and a limited partnership certificate (or other evidence of ownership) is issued to the Limited Partner.

"Affiliate" - as to the General Partner, any Person who controls, is controlled by or is under common control of the General Partner, including but not limited to the Resort Owner and Jay Peak, Inc. ("Resort Operator").

"Agreement" - this Agreement of Limited Partnership, including the Recitals and all of the exhibits attached hereto and made a part hereof, as amended and in effect from time to time.

"Building" - the improvement to be constructed on the Partnership Property by the Partnership that will contain the Hotel and other condominium units.

"Capital Account" - the capital account maintained by the Partnership for each Partner, determined in accordance with Section 7.01.

"Capital Contribution" - the total amount of cash or any cash equivalents contributed or agreed to be contributed to the Partnership by each Partner, including all adjustments thereto, as provided in this Agreement.

"Capital Transaction" - the sale or other disposition of all or substantially all of the Partnership Property in a single transaction or a series of related transactions, other than the initial intended conveyance to Resort Owner of the Resort Owner Units.

"Cash Flow" - the excess of all cash revenues, determined for any Fiscal Year or portion thereof, over the amount of such cash disbursed or set aside in such period, including but not limited to the fixed costs of operating the Hotel, in connection with the business of the Partnership.

"Certificate" - the certificate of limited partnership for the Partnership, as it may be amended from time to time, that is prepared and filed in accordance with the Act.

"Code" - the Internal Revenue Code of 1986, as amended from time to time, or any corresponding provision or provisions of succeeding law.

Jay Peak Hotel Suites Limited Partnership Agreement

"Consent of the General Partner" - the written consent or approval of the General Partner, which shall be obtained prior to the taking of any action for which it is required hereunder; if there is more than one General Partner, "Consent of the General Partner" shall require the affirmative consent of General Partners holding at least a majority of the aggregate Percentage Interests of the General Partners.

"Consent of the Limited Partner" - the written consent or approval of the Limited Partner, which shall be obtained prior to the taking of any action for which it is required hereunder; if there is more than one Limited Partner, "Consent of the Limited Partner" shall require the affirmative consent of sixty-six and two-thirds percent (66.67%) of the Limited Partners.

"Declarant" - Jay Peak Hotel Suites L.P.

"Environmental Hazard" - any hazardous or toxic substance, waste or material, or any other substance, pollutant, or condition that poses a risk to human health or the environment, including, but not limited to: (a) any "hazardous substance" as that term is defined under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. Section 9601, et seq. as amended; (b) petroleum in any form, lead-based paint, asbestos, urea formaldehyde insulation, methane gas, polychlorinated biphenyls ("PCB's"), radon, or lead in drinking water, except for ordinary and necessary quantities of office supplies, cleaning materials and pest and insect control supplies stored in a safe and lawful manner and petroleum products contained in motor vehicles or otherwise properly stored; (c) any underground storage tanks; or (d) accumulations of debris, mining spoil or spent batteries, except for ordinary trash and garbage stored in receptacles for regular removal.

"Event of Bankruptcy" - with respect to any Person,

- (1) the entry of a decree or order for relief by a court having jurisdiction in respect of such Person in an involuntary case under the federal bankruptcy laws, as now constituted or hereafter amended, or any other applicable federal or state bankruptcy, insolvency or similar law, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or other similar official) for such Person or for any substantial part of its property, or ordering the winding-up or liquidation of its affairs, and the continuance of any such decree or order unstayed and in effect for a period of sixty (60) consecutive days;
- (2) the commencement by such Person of a voluntary case under the federal bankruptcy laws, as now constituted or hereafter amended, or any other applicable federal or state bankruptcy, insolvency or similar law, or the consent by such Person to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or other similar official) for such person or for any substantial part of its property, or the making by such Person of any assignment for the benefit of creditors, or the taking of action by such Person in furtherance of any of the foregoing;
- (3) the commencement against such Person of an involuntary case under the federal bankruptcy laws, as now constituted or hereafter amended, or any other applicable federal or state bankruptcy insolvency or similar laws which has not been vacated, discharged or bonded within sixty (60) consecutive days;
- (4) the admission by such Person of its inability to pay its debts as they become due;

Jay Peak Hotel Suites Limited Partnership Agreement

or

- (5) such Person becoming "insolvent" by the taking of any action or the making of any transfer or otherwise, as insolvency is or may be defined pursuant to federal bankruptcy laws, the Uniform Fraudulent Transfer Act, any state or federal act or law, or the ruling of any court.

"Event of Default" - as set forth in Section 9.02(b).

"Final Determination" - with respect to any issue, the earliest to occur of (a) a decision, judgment, decree, or other order being issued by any court of competent jurisdiction, which decision, judgment, decree, or other order has become final (i.e., all allowable appeals requested by the parties to the action have been exhausted, or the time for such appeals has expired); (b) the IRS having entered into a binding agreement with the Partnership or having reached a final administrative or judicial determination which, whether by law or agreement, is not subject to appeal; or (c) the expiration of the applicable statute of limitations.

"Fiscal Year" - the calendar year or such other year that the Partnership is required by the Code to use as its taxable year.

"Gain" - the income and gain of the Partnership for federal income tax purposes arising from a sale or other disposition of all or any portion of the Partnership Property.

"General Partner" - Jay Peak Management Inc. and any additional or substitute general partners of the Partnership named in any duly adopted amendment to this Agreement; if there is more than one general partner, "General Partner" shall refer collectively to all such general partners.

"Hotel" - Jay Peak Hotel Suites, a hotel to be owned and operated by the Partnership within the Building and a part of the Partnership Property.

"Initial Limited Partner" - Jay Peak Management Inc.

"Interest" - as to any Partner, the Partner's right, title, and interest in the Partnership, including any and all assets, distributions, losses, profits and shares of the Partnership, whether cash or otherwise, and any other interests and economic incidents of ownership whatsoever of such Partner in the Partnership. May also sometimes herein or in the Related Documents be referred to as a Partnership Unit.

"IRS" - the Internal Revenue Service of the United States of America.

"Land" - the land to be acquired by the Partnership from the Resort Owner and on which the Building will be constructed.

"Limited Partner" - Jay Peak Management Inc., as the Initial Limited Partner, and any additional or substitute limited partner or partners of the Partnership as provided herein, in each such person's capacity as a limited partner. If there is more than one limited partner, "Limited Partner" or "Limited Partners" shall refer collectively to all such limited partners. In no event, however, shall there be more than thirty-five (35) Limited Partners at any one time.

"Loss" - the loss of the Partnership for federal income tax purposes arising from a sale or other disposition of all or any portion of the Partnership Property. If the value at which an asset is carried on the books of the Partnership pursuant to the capital account maintenance rules of Treasury Regulation Section 1.704-1(b) differs from its adjusted tax basis and loss is

Jay Peak Hotel Suites Limited Partnership Agreement

recognized from a disposition of such asset, the loss shall be computed by reference to the asset's book basis rather than its adjusted tax basis.

"Net Cash Flow" - the amount, determined for any Fiscal Year or portion thereof, equal to the excess, if any, of Cash Flow over the sum of the amounts payable from Cash Flow in such year described in Section 8.01.

"Net Loss" - the net loss of the Partnership for federal income tax purposes for each Fiscal Year.

"Net Profit" - the taxable income of the Partnership for federal income tax purposes for each Fiscal Year.

"Notice" - a writing containing the information required by this Agreement and sent by registered or certified mail, postage prepaid, return receipt requested, or sent by commercial delivery service, by hand delivery, or by telecopy, paid for by the sender, to a Partner at the last address or addresses designated for such purpose by such Partner in Section 16.01 or as provided therein, the date of receipt of such registered mail or certified mail or the date of actual receipt of such writing by commercial delivery service, hand delivery or telecopy, being deemed the date of the Notice.

"Partner" or "Partners" - the General Partner and the Limited Partner, either individually or collectively, and their successors.

"Partnership" - Jay Peak Hotel Suites L.P., a limited partnership formed under and pursuant to the Act, and governed by this Agreement. Also sometimes referred to herein as the Limited Partnership.

"Partnership Property" - the Partnership's interest in real property, including without limitation a condominium ownership interest in the Building, that will be operated by the Partnership as the Jay Peak Hotel Suites, developed by Partnership and located at the Jay Peak Resort in Jay, Vermont.

"Percentage Interest" - as to a Partner, the percentage in the Partnership shown opposite the name of such Partner in Exhibit A, as it may be amended from time to time in accordance with this Agreement.
Each Limited Partner shall own a 1/35th Percentage Interest in the Partnership.

"Person" - an individual or entity, such as, but not limited to, a corporation, general partnership, joint venture, limited partnership, limited liability company, trust, cooperative, or association and the heirs, executors, administrators, legal representatives, successors, and assigns of the Person where the context so requires.

"Project" - the aggregate of all of the buildings, other improvements and Land, comprising the Partnership Property, at the Jay Peak Resort in Jay, Vermont;

"Related Documents" - the Confidential Memorandum and exhibits thereto, as defined in Section 2.06(a).

"Resort" - Jay Peak Resort in Jay, Vermont.

Jay Peak Hotel Suites Limited Partnership Agreement

"State" - The State of Vermont.

"Term" - The period of time the Partnership shall continue in existence as stated in Section 2.07.

"Treasury Regulations" - the temporary and final regulations promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

Section 1.02. Rules of Construction.

(a) Unless the context clearly indicates to the contrary, the following rules apply to the construction of this Agreement:

- (1) words importing the singular number include the plural number and words importing the plural number include the single number;
- (2) words of the masculine gender include correlative words of the feminine and neuter genders, and vice-versa;
- (3) the headings or captions used in this Agreement are for convenience of reference and do not constitute a part of this Agreement, nor affect its meaning, construction, or effect;
- (4) any reference in this Agreement to a particular "Article," "Section" or other subdivision shall be to such Article, Section, or subdivision of this Agreement unless the context shall otherwise require;
- (5) Words such as "herein", "hereinbefore," "hereinafter," "hereof" and "hereunder" refer to this Agreement as a whole and not merely to a subdivision in which such words appear unless the context otherwise requires; each reference in this Agreement to an agreement or contract shall include all amendments, modifications, and supplements to such agreement or contract unless the context shall otherwise require; and
- (6) when any reference is made in this Agreement or any of the schedules or exhibits attached hereto to the Agreement, it shall mean this Agreement, together with all other schedules and exhibits attached hereto, as though one document.

(b) In the event there is more than one Limited Partner or more than one General Partner, the following additional rules of construction shall apply unless otherwise provided:

- (1) allocations to the General Partner and Limited Partner of Gain, Net Profits, Net Losses and Loss under Article VII, and distributions of Net Cash Flow and Capital Proceeds under Article VIII shall be further allocated and/or distributed between or among the General Partners and/or Limited Partners in proportion to each General or Limited Partner's respective Percentage Interest as set forth on Exhibit A, as amended. Unless otherwise provided herein, no General Partner shall have a superior right to receive distributions than any other General Partner and no Limited Partner shall have a superior right to receive distributions than any other Limited Partner;

Jay Peak Hotel Suites Limited Partnership Agreement

(2) with respect to any matter on which the approval or ratification of the General Partner or the Limited Partner is required or may be given, such approval or ratification shall not be deemed to have been given unless given by Consent of the General Partner or the Consent of the Limited Partner, as the case may be; and

(3) with respect to any matter on which the approval or ratification of the General Partner or the Limited Partner is required or may be given, each General Partner or Limited Partner, as the case may be, shall be entitled to vote.

Section 1.03. Imputation of Knowledge and Notice.

Notice or knowledge received by the Partnership is effective for a particular transaction from the time when it is brought to the attention of the individual conducting that transaction or event, and in any event from the time when it would have been brought to its or her attention if the Partnership had exercised due diligence. The Partnership exercises due diligence if it maintains reasonable routines for communicating significant information to the person conducting the transaction or event and there is reasonable compliance with the routines. Due diligence does not require an individual acting for the Partnership to communicate information unless such communication is part of its or her regular duties or unless he or she has reason to know of the transaction or event and that the transaction or event would be materially affected by the information.

Section 1.04. Successor Statutes and Agencies.

Any reference contained in this Agreement to specific statutory or regulatory provisions or to specific governmental agencies or entities shall include any successor statute or regulation, or agency or entity, as the case may be.

ARTICLE II - Partnership Business Purpose

Section 2.01. Formation of Partnership.

The General Partner and the Limited Partner hereby form the Partnership.

Section 2.02. Partnership Name.

The name of the Partnership is "Jay Peak Hotel Suites L.P."

Section 2.03. Principal Place of Business.

The principal office of the Partnership and the office to be maintained pursuant to the Act shall be located at the offices of Jay Peak Management Inc., 4850 VT Route 242, Jay, VT 05859-9621.

Section 2.04. Registered Agent.

The name and address of the registered agent and registered office of the Partnership for service of process are Jay Peak Management Inc., 4850 VT Route 242, Jay, VT 05859-9621.

Section 2.05. Title to Partnership Property.

Legal title to Partnership Property shall be in the name of the Partnership, and no Partner, individually, shall have any ownership of such Partnership Property, except in its capacity as a Partner.

Jay Peak Hotel Suites Limited Partnership Agreement

Section 2.06. Purposes of the Partnership.

The purposes, nature, and general character of the business of the Partnership shall consist of:

(a) enabling no more than thirty-five (35) qualified investors at any one time (each a "Qualified Investor") to make qualifying "at risk" investments in a commercial enterprise (each a "Qualifying Investment") to meet the requirements under 8 U.S.C. § 1153 (b)(5)(A) - (D); INA § 203 (b)(5)(A) - (D) of the Immigration & Nationality Act (the "IN Act") and qualify under this program (the "EB-5 Program") to become eligible for admission to the United States of America as lawful permanent residents with their spouses and unmarried, minor children, as more fully described in the Jay Peak Hotel Suites Private Offering Memorandum, a copy of which has been distributed to each Limited Partner and each Limited Partner acknowledges receiving (the "Confidential Memorandum");

(b) in connection with the investment by the Limited Partner and the requirements of the EB-5 Program, creating the requisite number of jobs in the State of Vermont, Regional Center designated under the EB-5 Program;

(c) acquiring, owning, constructing, developing, leasing, managing, operating, and, if appropriate or desirable, selling or otherwise disposing of the Partnership Property or any substantial part thereof;

(d) operating a Hotel using a portion or all of the Partnership Property and hiring such managers, consultants and other advisers, including without limitation the General Partner or its designee, as the Partnership deems necessary to run such Hotel; and

(e) carrying on any and all activities related to the foregoing in accordance with this Agreement.

Section 2.07. Partnership Term and Dissolution.

The Partnership shall continue in full force and effect until December 31, 2056 unless sooner terminated in accordance with Article XII. Upon termination of the Partnership, the General Partner shall take all actions necessary to terminate the Partnership in accordance with requirements of this Agreement and the Act.

Section 2.08. Filing of Certificate.

Immediately after the execution of this Agreement by the Partners, the General Partner shall cause the Certificate to be filed with the State in accordance with the Act.

ARTICLE III - Partnership Interests and Sources of Funds**Section 3.01. Identity of Partners and Percentage Interests.**

The names and business addresses of the General Partner and the Limited Partner are as identified on Exhibit A, as such Exhibit may be amended from time to time in accordance with this Agreement and each such Partner has the Percentage Interest indicated next to its name.

Section 3.02. Capital Contributions.

(a) **General Partner.** Subject to the provisions of this Section, the General Partner shall be obligated to (and does hereby covenant and agree to) contribute to the capital of the Partnership the cash or property set forth after the General Partner's name on Exhibit A. The General Partner shall be obligated or permitted to make additional Capital

Jay Peak Hotel Suites Limited Partnership Agreement

Contributions to the Partnership only in accordance with this Agreement.

(b) Limited Partner. Subject to the provisions of this Section, the Limited Partner shall be obligated to (and does hereby covenant and agree to) contribute to the capital of the Partnership, by wire transfer or other form of available funds, the aggregate amount set forth herein. The Partnership shall admit no more than thirty-five (35) investors at any one time to become a Limited Partner. The Capital Contribution of each Limited Partner shall equal \$550,000 in cash (the "Escrow Funds"), of which \$500,000 shall be applied to the Project as investor funds (the "investment") and initially held in escrow in an Investor Subscription Escrow Account (the "Subscription Escrow Account"), and \$50,000 will be applied to cover administrative expenses, legal and other expenses in the preparation and distribution of the Confidential Memorandum, including but not limited to accounting fees, expenses of escrow and miscellaneous marketing and other expenses incurred by the Partnership and the General Partner (the "administration fees"), and initially held in escrow in an Investor Administrative Fees Escrow Account (the "Administrative Fees Escrow Account", and together with the Subscription Escrow Account, the "Escrow Accounts"). The Escrow Accounts will be subject to the provisions of separate escrow agreements, attached as exhibits to the Confidential Memorandum (the "Escrow Agreements"). The Escrow Accounts have been opened on behalf of the investors and the Partnership by the General Partner with Chittenden Bank, Burlington, Vermont, as the escrow agent (the "Escrow Agent").

The Limited Partner shall not be obligated to make any additional Capital Contributions to the Partnership. All required Capital Contributions shall be subject to any applicable adjustments if otherwise permitted by this Agreement. Investment as a Limited Partner is available as a means of financing the planning, Land acquisition, construction and start-up of the Building, Hotel and infrastructure at the Project. This investment may be beneficial to investors who seek lawful permanent residence pursuant to the EB-5 Program under the IN Act, as more fully described in the Confidential Memorandum. There are other requirements of the EB-5 Program and other relevant immigration laws which the investor must observe or risk denial of lawful permanent residence pursuant to the EB-5 Program.

Investors may begin the process to purchase a Limited Partnership Interest by completing the subscription procedure mandated by the Partnership, including depositing the Investment into the Subscription Escrow Account, depositing the Administration Fees into the Administrative Fees Escrow Account and executing the respective Escrow Agreements.

The amount of \$25,000 of the investor's contribution into the Administrative Fees Escrow Account, and any interest accrued on said portion (together, the "Administrative Petition Fees"), will be irrevocably released to the Resort Operator or its designee when the investor's I-526 Immigrant Petition by Alien Entrepreneur (an "I-526 Petition") is filed with the U.S. Citizenship and Immigration Services (CIS).

The release by the Escrow Agent of an investor's Investment to the Limited Partnership and of the investor's Administrative Fees, less the Administrative Petition Fees previously disbursed, to the Resort Operator or its designee (the "Closing") is conditional upon: (i) approval by the General Partner of the Limited Partner, and (ii) approval of the investor's I-526 Petition by CIS. Upon satisfaction of the foregoing conditions, the Closing will occur within seven (7) business days of the conditions being satisfied, at which time the Escrow Funds will be released from the Escrow Accounts by Chittenden Bank pursuant to the Escrow Agreements and transferred as set forth above. Upon Closing, the investor will be issued an Interest in the Partnership (and upon issuance and receipt of such Interest, each Limited Partner will be deemed to confirm its acceptance of all of the provisions and

Jay Peak Hotel Suites Limited Partnership Agreement

terms in this Agreement) and the investor's investment will be final and irrevocable, unless a substitute partner is found as set forth in Section 10.01.

The Escrow Funds will earn interest while in the Escrow Accounts. The interest on the Subscription Escrow Account will be distributed to the Partnership at Closing, to be distributed as part of the Income to the Limited Partner as set forth in this Agreement. Interest on the remaining \$25,000 deposited by the investor in the Administrative Fees Escrow Account will be distributed at Closing to the Resort Operator or its designee.

If the Closing does not occur because of the failure of any of the conditions set forth above, including without limitation the denial of the I-526 petition, the interest that has accrued on the Escrow Funds, other than the interest comprising a portion of the Administrative Petition Fees previously disbursed to the Resort Operator or its designee, will be refunded to the investor along with the Investment, less (i) required withholding of up to thirty percent (30%) of said interest to the IRS (calculated pursuant to the Code and Treasury Regulations and paid with IRS form W-8), and (ii) any administrative fees and expenses incurred by the Partnership to refund monies to the Limited Partner.

Notwithstanding the foregoing, if CIS denies an investor's I-526 petition and in the notice of denial says that a basis of denial is fraud or material misrepresentation, the Limited Partnership will be entitled to receive payment from the Escrow Agent of all funds, including interest, paid by the investor and remaining in the Administrative Fees Escrow Account. If following Closing, and disbursement of both the investment funds and balance of administration fee from the escrow accounts, a Limited Partner's visa application is denied for any reason, such Limited Partner is not entitled to any refund of the investment funds unless and until a substitute partner is found as set forth in Section 10.01, and in any event there shall be no refund of the Administration Fees either in whole or in part.

Notwithstanding anything herein to the contrary, in the event that the Resort Owner or an affiliate invests funds or makes financial commitments to complete the Project, the Resort Owner or its affiliate will be issued the remaining unsold Interests in the Partnership for no additional consideration and thereafter hold its Interest(s) subject to the terms of this Agreement.

Section 3.03. No Interest on Capital Contributions.

Following Closing, no interest shall accrue or be payable to any Partner by reason of its Capital Contribution or its Capital Account.

Section 3.04. Right to Require Repayment of Capital.

No Partner shall have the right to withdraw from the Partnership all or any part of its Capital Contribution. No Partner shall have any right to demand and receive property of the Partnership in return for its Capital Contribution or in respect of its Interest, except as provided in this Agreement. No Limited Partner shall have priority over any other Limited Partner as to any return of Capital Contributions or as to any distributions made by the Partnership pursuant to Article VIII.

Section 3.05. Deficit Restoration.

If, upon liquidation of

(a) the General Partner's Interest (whether or not in connection with the liquidation of the Partnership), the General Partner has a negative balance in its Capital Account (as

Jay Peak Hotel Suites Limited Partnership Agreement

determined after taking into account Capital Account adjustments pursuant to Section 7.01 as well as adjustments for the Partnership Fiscal Year during which the liquidation of the General Partner's Interest occurs, other than those for contributions made pursuant to this

Section), then the General Partner shall be required to contribute to the capital of the Partnership, immediately prior to the liquidation of its General Partner's Interest, the amount necessary to restore its Capital Account to zero. Such contributions shall be receipts of the Partnership available for payment of operating expenses and debts of the Partnership or distribution to the Partners, in accordance with the terms of this Agreement; and

(b) the Limited Partner's Interest (whether or not in connection with the liquidation of the Partnership), the Limited Partner has a negative balance in its Capital Account, the Limited Partner shall have no obligation to make any contribution to the capital of the Partnership and the negative balance of the Limited Partner's Capital Account shall not be considered a debt owed by the Limited Partner to the Partnership or any other Person for any reason whatsoever.

Section 3.06. No Third-Party Beneficiary.

None of the provisions of this Agreement shall be construed as existing for the benefit of any creditor of the Partnership or for the benefit of any creditor of the Partners, and no provision shall be enforceable by a party not a signatory to this Agreement.

ARTICLE IV - Right to Mortgage

Section 4.01. Right to Mortgage.

(a) In the event the Resort Owner must step in and purchase one or more Interests in the Partnership, or otherwise with the consent of the Limited Partner, the General Partner may, in the name and on behalf of the Partnership, borrow money and issue evidences of indebtedness and to secure the same by granting mortgages and security interests in the real and personal property of the Partnership and to pay, prepay, extend, amend or otherwise modify the terms of any such borrowing.

(b) To the extent reasonably practicable, no General Partner shall have any personal liability for the payment of all or any part of secured indebtedness of the Partnership, except for customary exclusions for fraud, misappropriation of funds or waste, and except for any documents evidencing or securing the indebtedness.

ARTICLE V - Rights, Powers and Obligations of the General Partner

Section 5.01. Authority of General Partner.

(a) Subject to the terms of this Agreement, the General Partner shall be further responsible for the overall management and control of the business assets and affairs of the Partnership, and the General Partner shall have the right, power, and authority, acting for and on behalf of and in the name of the Partnership, to: (i) execute and deliver on behalf of the Partnership any contract, agreement, or other instrument or document required or otherwise appropriate to acquire, construct, lease, operate, encumber, mortgage or refinance the Partnership Property (or any part thereof); (ii) convey less than

Jay Peak Hotel Suites Limited Partnership Agreement

substantially all of the Partnership Property by deed, mortgage, certificate, bill of sale, agreement, or otherwise, as appropriate; (iii) bring, compromise, settle, and defend actions at law or in equity; (iv) delegate its authority, power, and right to manage the Partnership Property provided, however, that any such delegation shall not relieve the General Partner of its obligations and responsibilities to ensure the proper management of the Partnership Property unless it finds a suitable replacement General Partner as governed by Section 9.01; and (v) use Partnership funds in performance of its rights, duties and powers, and reimburse itself for its incurred costs to exercise its rights and perform its duties.

- (b) The General Partner shall
- (i) cause the Partnership to do all things necessary to maintain its status as a limited partnership in good standing and to enable the Partnership to engage in its business;
 - (ii) not act in any manner that will cause the Partnership to fail to qualify as a limited partnership under the Act, or the Limited Partner to be liable for Partnership obligations;
 - (iii) cause the Partnership to take all commercially reasonable actions under the laws of the State and any other applicable jurisdiction that are necessary to protect the limited liability of the Limited Partner under the Act;
 - (iv) during and after the period in which he is a Partner, provide the Partnership with such information and sign such documents as are reasonably necessary for the Partnership to make timely, accurate and complete submissions of federal and state income tax returns;
 - (v) furnish to counsel for the Limited Partner promptly as and when requested in connection with the rendering of any legal opinion concerning federal income tax relating to the Limited Partner's investment in the Partnership all documents reasonably requested by counsel for the Limited Partner;
 - (vi) promptly inform the Limited Partner of any litigation, action, investigation, event, or proceeding that is pending which, if adversely resolved, would have a material adverse effect on the Partnership, Hotel or the Partnership Property; have a material adverse effect on the ability of the General Partner to perform its obligations under this Agreement; or have a material adverse effect on the financial condition of the General Partner;
 - (vii) promptly inform the Limited Partner if it receives notice of any violation with respect to the Hotel or the Partnership Property of any law, rule, regulation, order, or decree of any governmental authority having jurisdiction, which would have a material adverse effect on the Partnership Property or Hotel or the use, occupancy, or operation thereof;
 - (viii) develop and operate the Partnership Property and Hotel, in compliance with all applicable federal, state and local governmental regulations, ordinances, laws and rules, and this Agreement;
 - (ix) cause the Partnership to maintain necessary insurance against risks that are of a character usually insured by Persons engaged in a similar business and in form and amount and covering such risks as is

Jay Peak Hotel Suites Limited Partnership Agreement

usually carried by such Persons;

- (x) take all actions necessary to ensure that the Partnership Property contains no, and is not affected by the presence of, any Environmental Hazard, and to ensure that the Partnership Property is not in violation of any federal, or local statute, law, regulation, rule, or ordinance. It shall promptly deliver to the Limited Partner a copy of any notice received from any source whatsoever of the existence of any Environmental Hazard on the Partnership Property or of a violation of any federal, state, or local statute law, regulation, rule or ordinance, including any Environmental Law with respect to the Partnership Property. If any Environmental Hazard is found to exist or be present, it shall commence promptly the taking of action to assure it will be either removed from the Partnership Property and disposed of or encapsulated and/or otherwise corrected, contained and made safe and inaccessible, all in strict accordance with federal, state and local statutes, laws, regulations, rules and ordinances;
- (xi) investigate and report to the Limited Partner any bona fide proposal or offer of any Person, including any Partner, to acquire the Partnership Property or any part thereof;
- (xii) set up one or more reserve fund accounts with Partnership funds and disburse funds from such accounts in an amount sufficient, so far as it is able, to insure the daily operation of the Hotel and meet the obligations of the Partnership.
- (xiii) identify additional Limited Partners and provide information on the Project and the Partnership to them;
- (xiv) perform services in connection with the acquisition of the Partnership Property, including negotiating the purchase and sale agreement with the Resort Owner for the purchase of the Land on which the Building will be built, for a purchase price not to exceed \$2,850,000 (which shall be paid in a combination of cash in the amount of \$1,800,000 and the Resort Owner Units as conveyed to be valued collectively at \$1,050,000). Upon the conveyance of the Resort Owner Units, all obligations and liability of the Partnership for the value of the Resort Owner Units, specifically \$1,050,000, shall be extinguished. The cash portion of the Land purchase shall be structured as an installment sale if required by the Resort Owner. Further services of the General Partner shall include, but not be limited to, the conveyance of the Resort Owner Units to the Resort Owner, when such Resort Owner Units are ready to be conveyed, and which said conveyance is hereby approved by the Limited Partners; act on behalf of the Partnership with federal, state and local authorities with respect to the Project; monitor compliance with zoning, land use and other requirements; and prepare or cause to be prepared such third party studies as it deems necessary in connection with the acquisition of the Partnership Property and construction of the Building and other necessary improvements on the Partnership Property;
- (xv) deal with and, if appropriate, use Partnership funds to purchase or otherwise redeem a Limited Partner Interest that is the subject of an insolvency or bankruptcy proceeding; and

Jay Peak Hotel Suites Limited Partnership Agreement

- (xvi) oversee construction of the Building and operate and manage the Hotel, using its reasonable best efforts to maximize occupancy rates and income in the Hotel, and overseeing any third parties' operation of the Hotel under management agreements, and negotiate third party agreements to construct the Building, to submit the Building and Land underneath to condominium ownership, and to landscape the property adjoining the Building, and contribute Partnership funds to the costs thereof (pursuant to a Grant of Easement and Maintenance Agreement, among the Resort Owner, Partnership and other necessary parties thereto, or otherwise); and

In consideration for its services set forth in this Agreement, the General Partner has received its Interest.

(c) Except for matters for which Consent of the Limited Partner is required as set forth in Section 5.02(b), all decisions made for and on behalf of the Partnership by the General Partner shall be binding upon the Partnership. Except as expressly otherwise set forth in this Agreement, the General Partner (acting for and in the name and on behalf of the Partnership), in extension and not in limitation of the rights and powers given it by law or by the other provisions of this Agreement, shall, in its sole discretion, have the full and entire right, power and authority, in the management of the Partnership's day-to-day business, to do any and all acts and things necessary, proper, ordinary, customary or advisable to effectuate the purposes and to conduct the business of the Partnership.

Section 5.02. Limitations on the Authority of the General Partner.

(a) Notwithstanding any other provision of this Agreement, the General Partner shall have no authority to perform any act in violation of any applicable law or regulations; to do any act required to be approved, consented to, voted on, or ratified by the Limited Partner under the Act or under this Agreement unless such approval, vote, consent, or ratification has been obtained; to cause the Partnership to engage in any business other than as set forth in Section 2.06; or do any act that would make it impossible to carry out the business of the Partnership as contemplated herein.

(b) In addition, the prior Consent of the Limited Partner is required before the General Partner may:

- (i) sell, mortgage or convey all or any substantial portion of the Partnership Property, other than (a) the conveyance of the Resort Owner Units to the Resort Owner or (b) as otherwise set forth in Section 10.03;
- (ii) lease as an entirety the Partnership Property, or lease or rent out any portion of the Partnership Property except in the Partnership's normal course of business, which shall be defined as operating the Hotel;
- (iii) acquire any real property in addition to the Partnership Property (other than land, easements, rights of way or similar rights required by governmental rule or regulations, or necessary or convenient for the development of the Partnership Property, the operation of the Hotel and the interrelationship between the Hotel, Partnership Property and Resort);
- (iv) voluntarily file a bankruptcy petition on behalf of the Partnership;
- (v) dissolve or wind up the Partnership except as set forth in Article 12;

Jay Peak Hotel Suites Limited Partnership Agreement

- (vi) confess any judgment;
 - (vii) modify or amend this Agreement except as expressly provided in this Agreement;
 - (viii) admit any Person as a Partner, except as otherwise provided in this Agreement;
 - (ix) borrow from the Partnership or commingle Partnership funds with the funds of any Person; or
 - (x) receive any rebates or give-ups or participate in any reciprocal business relationships in circumvention of this Agreement.
- (c) In addition, the General Partner may be replaced by the Limited Partner pursuant to Section 9.02.

Section 5.03. Tax Matters Partner.

Jay Peak Management Inc., in its capacity as General Partner, is hereby designated as the tax matters partner and shall maintain the books and records of the Partnership, and shall be responsible, on a timely basis, for (i) preparing all required tax returns and related information, (ii) making all tax elections, if appropriate, and (iii) preparing all financial information, all in accordance with this Agreement. It shall keep the Partners informed of all administrative and judicial proceedings, shall furnish to each Partner (within five days after receipt) a copy of each notice or other communication received by it from the IRS, and shall not respond to any notice or other communication from the IRS which questions or challenges any item which has been or may be reported on a Partnership tax return until after notice of the proposed response is given to the Limited Partner. It shall have no authority, without the Consent of the Limited Partner, to (i) enter into a settlement agreement with the IRS which purports to bind Partners other than the General Partner, (ii) file a petition as contemplated in Section 6226(a) or 6228 of the Code, (iii) intervene in any action as contemplated in Section 6226(b) of the Code, (iv) file any request contemplated in Section 6227(b) of the Code, (v) enter into an agreement extending the period of limitations as contemplated in Section 6229(b)(1)(B) of the Code, (vi) to file any tax related litigation in a court other than the United States Tax Court, or (vii) submit any report to the IRS.

Section 5.04. Outside Activities.

The General Partner shall devote to the management of the business of the Partnership so much of its time as it deems reasonably necessary to the efficient operation of the Partnership Property and the Hotel and in order to comply with this Agreement. The General Partner and its Affiliates, and their officers, directors, agents, employees, representatives, attorneys, accountants and other persons operating on its behalf may engage in and possess any interest in other business ventures (including limited partnerships) of every kind, nature, and description whatsoever, independently or with others, whether existing at the date hereof or hereafter coming into existence, including, without limitation, acting as general partner or limited partner of other partnerships that own, directly or through interests in other partnerships, hotels and conference center projects similar to, or in competition with, the Project. Neither the Partnership nor the Partners shall have any rights by virtue of this Agreement in or to such other business ventures or to the income or profits derived therefrom and nothing shall be construed to render them partners in any such business venture.

Section 5.05. Liability to Partnership and Limited Partner.

The General Partner, and its Affiliates, and their officers, directors, agents, employees, representatives, attorneys, accountants and other persons operating on its behalf shall not be liable, responsible, or accountable in damages or otherwise (including attorneys fees and expenses) to the Limited Partner or to the Partnership for any acts performed in good faith and within the scope of authority of the General Partner, or its Affiliates if any of the General Partner's duties have been contractually delegated to them, pursuant to this Agreement.

Section 5.06. Indemnification of General Partner.

(a) To the maximum extent permitted by law, the Partnership shall indemnify, defend, and hold harmless each General Partner and its Affiliates, and their officers, directors, agents, employees, representatives, attorneys, accountants, consultants and other persons operating on its behalf from and against any loss, liability, damage, cost, or expense (including reasonable attorney's fees) arising out of or alleged to arise out of any demands, claims, suits, actions, or proceedings against the General Partner, by reason of any act or omission performed by it (including its employees and agents) while acting in good faith on behalf of the Partnership and within the scope of the authority of the General Partner pursuant to this Agreement, and any amount expended in any settlement of any such claim of liability, loss, or damage; provided, however, that (i) the General Partner must have in good faith believed that such action was in the best interests of the Partnership, and such course of action or inaction must not have constituted breach of its fiduciary duty; and (ii) any such indemnification shall be recoverable from the assets of the Partnership, not from the assets of the Limited Partner, and no Partner shall be personally liable therefore. This indemnity shall be operative only in the context of third-party suits, and not in connection with demands, claims, suits, actions or proceedings initiated by any Partner or any Affiliate thereof against another Partner. In no event, however, shall a Limited Partner bring suit against the General Partner, or recover damages from the General Partner, in an amount that exceeds the amount invested by the Limited Partner in the Partnership.

(b) Notwithstanding anything contained in this Section, the General Partner shall not be indemnified or saved harmless from any liability, loss, damage, cost, or expense incurred by it in connection with: (i) any civil or criminal fines or penalties imposed by law; (ii) any claim or settlement involving the allegation that federal or state securities laws were violated by the General Partner or the Partnership, except as to a claim asserted by the Limited Partner; or (iii) any claim involving breach of a fiduciary duty, unless (A) the General Partner is successful in defending such action on the merits, or (B) such claims have been dismissed in favor of the General Partner with prejudice on the merits by a court of competent jurisdiction, or (C) a court of competent jurisdiction approves a settlement and determines that the General Partner is entitled to costs.

(c) The General Partner, when entitled to indemnification pursuant to this Section, shall be entitled to receive, upon application therefore, reasonable advances to cover the costs of defending any proceedings against it but only if (i) the action relates to the performance of the duties or services by the General Partner on behalf of the Partnership; (ii) the action is commenced by a third party who is not a Partner or Affiliate thereof; and (iii) the General Partner covenants in advance to repay the advance of funds to the Partnership in accordance with this Section in the event it is determined that the General Partner is not entitled to indemnification hereunder. All rights of the General Partner to indemnification

Jay Peak Hotel Suites Limited Partnership Agreement

shall survive the dissolution of the Partnership and the death, retirement, incompetency, insolvency, bankruptcy, or withdrawal of the General Partner.

Section 5.07. Dealing with Affiliates: Fees.

The General Partner may, in the name and on behalf of the Partnership, enter into agreements or contracts for performance of services for the Partnership with an Affiliate of the General Partner, including without limitation services necessary to construct the Building and other improvements and for the operation of the Hotel, and the General Partner may obligate the Partnership to pay compensation for and on account of any such services; provided, however, such compensation and services shall be at costs to the Partnership not in excess of those disclosed in the Confidential Memorandum. In addition, the General Partner shall pay the Resort Operator its development fees disclosed in the Confidential Memorandum.

ARTICLE VI - Rights and Obligations of the Limited Partner

Section 6.01. Management of the Partnership.

To the full extent permitted by the Act and without being deemed a general partner, the Limited Partner shall participate in the management of the business of the Partnership by making suggestions or recommendations to the General Partner on issues of policy important to the Partnership, by participating in one or more of the activities set forth in 11 V.S.A. §3423(b), and as otherwise set forth in Section 5.02(b) and Section 9.02. The Limited Partner shall not have the power or authority, however, to bind the Partnership or to sign any agreement or document in the name of the Partnership.

Section 6.02. Limitation on Liability of the Limited Partner.

Notwithstanding any other provision of this Agreement, the liability of the Limited Partner shall be limited to its Capital Contributions at any given time, as and when payable under the provisions of this Agreement. The Limited Partner shall not have any other liability to contribute money to or in respect of the liabilities, obligations, debts or contracts of the Partnership, nor shall the Limited Partner be personally liable for any liabilities, obligations, debts or contracts of the Partnership. A Limited Partner shall be liable to the Partnership only to make payment of its Capital Contribution as and when due and, after its Capital Contribution shall be fully paid, no Limited Partner shall, except as otherwise required by the Act, be required to make any further Capital Contributions or lend any funds to the Partnership.

Section 6.03. Outside Activities.

Nothing herein contained in this Agreement shall be construed to constitute the Limited Partner the agent of any other Partner hereof or to limit in any manner the Limited Partner in the carrying on of its own businesses or activities. The Limited Partner may engage in and possess any interest in other business ventures (including limited partnerships) of every kind, nature and description, independently or with others, whether existing as of the date hereof or hereafter coming into existence, including, without limitation, acting as general partner or limited partner of other partnerships which own, directly or through interests in other partnerships, hotel and conference center projects similar to, or in competition with, the Project. Neither the Partnership nor any of the Partners shall have any rights by virtue of this Agreement in or to any such other business ventures or to the income or profits derived therefrom and nothing shall be construed to render them partners in any such business ventures.

Jay Peak Hotel Suites Limited Partnership Agreement

Section 6.04. Inspection of the Project.

The Limited Partner and/or its agent or designee shall have the right to inspect the Project upon reasonable notice to the General Partner and the General Partner shall provide all reasonable assistance to the Limited Partner in such effort.

Section 6.05. Representations.

The Limited Partner represents, warrants, and covenants to the Partnership and the General Partner as follows:

(a) He is an "accredited investor" within the meaning of the definition in Rule 501(a), promulgated under the Securities Act of 1933 (the "Securities Act");

(b) He is responsible for obtaining his own advice, including without limitation income tax advice, regarding the investment, can bear the economic risk of his investment, and has such knowledge and experience in financial and business matters that he is capable of evaluating the merits and risks of the investment in an Interest in the Partnership;

(c) He is acquiring his Interest in the Partnership for investment for his own account, and not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, and that he has no present intention to sell, grant any participation in, or otherwise distribute the same;

(d) None of the Interests in the Partnership have been registered under the Securities Act or any applicable state securities laws on the basis that the sale provided for in this Agreement and the issuance of the Interests hereunder are exempt from registration under the Securities Act and any applicable state securities laws;

(e) He has received and reviewed, and understands and is fully satisfied with, all of the information and documentation he considers necessary or appropriate when deciding whether to purchase an Interest in the Partnership, including but not limited to the Confidential Memorandum, all exhibits thereto and all financial information disclosed therein or under this Agreement; has had the opportunity to ask questions and receive answers from the General Partner and the Partnership regarding the terms and conditions of the purchase of an Interest in the Partnership and the business, properties, prospects, and financial condition of the Partnership; and has had the opportunity to review the books and records of the Partnership and to obtain additional information (to the extent the Partnership possessed such information or could acquire it without unreasonable effort or expense) necessary to verify the accuracy of any information furnished to it or to which it had access;

(f) Its Interest in the Partnership may not be sold, transferred, or otherwise disposed of without registration under the Securities Act and any applicable state securities laws or an exemption therefrom and, in the absence of an effective registration statement covering its Interest in the Partnership or an available exemption from registration under the Securities Act and any applicable state securities laws, its Interest must be held indefinitely;

(g) Any certificate or other document evidencing a partnership interest in the Partnership shall be endorsed with a legend substantially in the form set forth below:

THE INTEREST IN THE PARTNERSHIP REPRESENTED HEREBY HAS NOT

BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR UNDER THE VERMONT UNIFORM SECURITIES ACT (2002) OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION AND MAY NOT BE SOLD, TRANSFERRED, ASSIGNED, PLEDGED, OR HYPOTHECATED UNLESS AND UNTIL REGISTERED UNDER SUCH ACTS, OR UNLESS THE PARTNERSHIP HAS RECEIVED AN OPINION OF COUNSEL OR OTHER EVIDENCE SATISFACTORY TO THE PARTNERSHIP AND ITS COUNSEL THAT SUCH REGISTRATION IS NOT REQUIRED; and

(h) No representation, warranty or statement by it in this Agreement or in any document, certificate or schedule furnished or to be furnished to the General Partner pursuant hereto contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary to make the statements or facts contained therein not misleading.

ARTICLE VII - Allocations of Profits and Losses

Section 7.01. Maintenance of Capital Accounts.

The Partnership shall maintain a Capital Account for each Partner. Each Capital Account shall be maintained in accordance with Treasury Regulation Section 1.704-1 (b)(2)(iv). To each Partner's Capital Account there shall be credited such Partner's Capital Contributions, and its distributive share of Net Profits and Gains and any item in the nature of income or gain allocated to such Partner pursuant to Section 7.02. From each Partner's Capital Account there shall be debited the amount of cash and the fair market value (as of the date of distribution) of any Partnership property (net of liabilities securing the distributed property that such Partner assumes or subject to which such Partner takes the distributed property) distributed to such Partner pursuant to any provision of this Agreement and the Partner's distributive share of Net Losses and Loss and any items in the nature of expenses or deductions that are allocated to the Partner pursuant to Section 7.02.

Section 7.02. Profits and Losses.

After giving effect to the special allocations set forth in Section 7.03, the Net Profits, Net Losses, Gain and Loss of the Partnership shall be allocated 1/35th to each Limited Partner provided; however, that no Net Profits, Net Losses, Gain and Loss of the Partnership for any Fiscal Year shall be allocated to a Limited Partner to the extent such allocation would cause or increase an Adjusted Capital Account Deficit with respect to that Partner, and those Net Losses, Losses or Partnership deductions shall instead be allocated to the General Partner.

Section 7.03. Special Allocations and Limitations.

(a) Notwithstanding the provisions of Section 7.02, Partners shall be specially allocated items of Partnership Net Profits, Net Losses, Gain and Loss to comply with the Code and with all applicable Treasury Regulations regarding special allocations for partners of a partnership (the "Regulatory Allocations"). Such provisions include, but are not limited to, minimum gain chargeback requirements, changes in recourse and nonrecourse debts and liabilities, and elimination of Adjusted Capital Account Deficits. The Regulatory Allocations shall be taken into account in allocating other profits, losses and other items of income, gain, loss and deduction to the Partners so that, to the extent possible, the net amount of such allocations of profits and losses and other items shall be equal to the amount that would have been allocated to each Partner had the Regulatory Allocation not occurred. The Tax Matters Partner shall have the absolute discretion to apply the Regulatory Allocations in a manner consistent with this Agreement, and to make

Jay Peak Hotel Suites Limited Partnership Agreement

any and all determinations of special allocations thereunder.

(b) The respective interest of the Partners in the Net Profits, Net Losses, Gain, and Loss or items thereof shall remain as set forth above unless changed by amendment to this Agreement.

ARTICLE VIII - Cash Distributions

Section 8.01. Distributions of Cash Flow.

Cash Flow, to the extent available, shall be distributed by the General Partner to and among the Partners and for the purposes below, within thirty (30) days after the close of each calendar month, as follows:

- (a) first, to the repayment or part thereof of any remaining unpaid loans made by the General Partner or its Affiliates or third-party interests to the Partnership;
- (b) second, to the payment of any debts owed to the Limited Partners; and
- (c) the balance to the Partners according to their Percentage Interests.

Notwithstanding the foregoing, it will be up to the General Partner in its sole discretion and if in the best interest of the Partnership to make any distributions.

Section 8.02. Distributions of Proceeds from Capital Transaction.

Proceeds from a Capital Transaction (defined as the net proceeds, after all costs, expenses and payments to Affiliates and any third party interests, upon liquidation of the Partnership resulting from the sale of the Partnership Property as set forth in Article XII, or upon sale or other disposition of the Hotel, in the entirety or otherwise as set forth in Section 10.03), shall be distributed to and among the Partners in the following amounts and order of priority:

- (a) first, to the payment of all matured debts and liabilities of the Partnership other than debts, liabilities and fees owed to Partners or their Affiliates;
- (b) second, to the repayment of any remaining unpaid loans from the General Partner or its Affiliates to the Partnership;
- (c) third, to the payment of any debts owed to the Limited Partner and their Affiliates;
- (d) fourth, to the Partners to the extent of their Adjusted Capital Account Deficits;
- and
- (e) last, to the Partners according to their Percentage Interests.

ARTICLE IX - Admission of Successor and Additional General Partners: Removal and Withdrawal of General Partner

Section 9.01. Admission of Successor or Additional General Partners.

Jay Peak Hotel Suites Limited Partnership Agreement

(a) The General Partner shall not have any right to retire or withdraw voluntarily from the Partnership or to sell, transfer, or assign all or any portion of its Interest, without the Consent of the Limited Partner, which consent shall not be unreasonably withheld, delayed or conditioned. In the event that the Consent of the Limited Partner has been obtained by the General Partner, the General Partner shall designate one or more persons to be its successor. In no event shall the Interests of the other Partners be affected thereby. The designated successor General Partner shall be admitted as such to the Partnership upon approval of the Limited Partner and upon satisfying the conditions of this Agreement. Any voluntary withdrawal by the General Partner from the Partnership or any sale, transfer, or assignment by the General Partner of its Interest shall be effective only upon the admission of the successor General Partner in accordance with this Agreement.

(b) A successor General Partner shall by its execution of an amendment to this Agreement and as a condition precedent to receiving any Interest in the Partnership or the Partnership Property agree to be bound by this Agreement to the same extent and on the same terms as the predecessor General Partner.

(c) Upon the admission of a successor General Partner, an amendment to this Agreement in compliance with the requirements of the Act shall be executed and an amendment to the Certificate shall be executed and filed in accordance with the Act.

Section 9.02. Removal of General Partner/Admission of Additional General Partner Under Certain Circumstances.

(a) Upon the occurrence of an Event of Default, as defined herein, the Limited Partner shall have the right to cause a Person to be admitted to the Partnership as an additional General Partner and to remove a defaulting General Partner or both. The Limited Partner shall have the right in the name of the General Partner to take all actions and do all things necessary or appropriate to implement and carry out the provisions of this Section, provided that the replacement or addition of a General Partner must be an Affiliate of the Initial General Partner.

(b) The following shall each be an Event of Default:

- (1) the General Partner or any Affiliate of such General Partner has, in connection with the Partnership or the Property, performed an act or failed to perform any act constituting fraud, intentional misconduct, material breach of fiduciary duty, misappropriation or commingling of funds, or dishonesty;
- (2) the General Partner has breached any material written representation, covenant or warranty made to the Limited Partner that substantially impairs the performance or purpose of the Partnership;
- (3) the General Partner has failed to observe or perform any material obligation or covenant to be observed or performed under this Agreement by the General Partner that substantially impairs the performance or purpose of the Partnership; and
- (4) an Event of Bankruptcy shall have occurred with respect to the General Partner;

(c) If the Limited Partner elects to

Jay Peak Hotel Suites Limited Partnership Agreement

- (1) admit a Person as an additional General Partner upon the occurrence of an Event of Default, such admission shall occur automatically and without further action by the General Partner upon the giving of notice thereof by the Limited Partner to the General Partner, and each of the Partners hereby agrees and consents in advance to the foregoing admission. Upon the occurrence of such admission, any delegation of authority given to the General Partner (whether expressly set forth in this Agreement or otherwise) shall be canceled and of no further force and effect, and instead the General Partner shall be deemed to have delegated, automatically and without the requirement of a writing or any other action other than as set forth above, all its powers and authority (including, without limitation, all right to deposit to, withdraw from and otherwise control all Partnership bank accounts) to the Person so designated by the Limited Partner in its capacity as an additional General Partner. Notwithstanding its admission to the Partnership, the additional

General Partner may withdraw as a General Partner without the consent of any other Partner.

- (2) remove the General Partner, then the Limited Partner shall have the right, without the consent of any of the General Partner, to designate a successor General Partner and elect to continue the business of the Partnership; such removal shall occur automatically and without further action by any Partner upon the giving of notice thereof by the Limited Partner to the General Partner. Upon such removal, (A) the removed General Partner shall have the obligation to sell its Partnership Interest to the General Partner or its designee for \$10,000US; and (B) such removed General Partner shall thereafter cease to have any interest in the capital, profits, losses, distributions, and all other economic incidents of ownership of the Partnership.

(d) The Limited Partner shall not have the right to exercise any remedies pursuant to this Section as a result of any Event of Default if the failure or violation is curable and if the General Partner shall cure such failure or violation within 30 days after notice.

Section 9.03. Event of Bankruptcy of a General Partner.

(a) The General Partner shall cease to be the General Partner upon an Event of Bankruptcy with respect to the General Partner, or, with the Consent of the Limited Partner, upon the occurrence of the General Partner's insolvency. Upon such an Event of Bankruptcy, or, with the Consent of the Limited Partner, such insolvency, the remaining or successor General Partner shall cause the Partnership to redeem the General Partner's Interest for \$10,000US and the General Partner shall thereafter cease to have any interest in the capital, profits, losses, distributions, and all other economic incidents of ownership of the Partnership.

(b) If, at the time of an Event of Bankruptcy with respect to the General Partner, the General Partner is the sole General Partner, the Limited Partner shall have the right, in its sole discretion, to designate a successor General Partner and the Limited Partner may, within the maximum number of days permitted by the Act after the General Partner's ceasing to be a General Partner of the Partnership, elect to continue the business of the Partnership.

Section 9.04. Continuation of the Business of the Partnership.

(a) If, at the time of an event described in Section 9.02 or Section 9.03 or any other event described in the Act with respect to a General Partner, the General Partner was not the sole General Partner, the remaining General Partner or General Partners may elect to continue the business of the Partnership and shall immediately: (i) give Notice to the Limited Partner of such event; and (ii) subject to the Consent of the Limited Partner, make any amendments to this Agreement and execute and file for recording any amendments or other documents or instruments necessary to reflect the termination of the Interest of the General Partner as to which such event has occurred and such General Partner having ceased to be a General Partner and in order to comply with the requirements of the Act.

(b) A Person shall be admitted as a successor or additional General Partner with the Consent of the Limited Partner if an amendment to the Certificate evidencing the admission of such Person as a General Partner shall have been filed with the Secretary of State of the State. Each General Partner hereby agrees to execute promptly any such amendment to the Certificate, if required, in the event of its withdrawal or removal pursuant to the provisions of this Article. The Limited Partner shall have the right in the name of the General Partner to execute any such amendment in the event of the General Partner's withdrawal or removal. The election by the Limited Partner to remove any General Partner or admit any additional General Partner under Section 9.02 shall not limit or restrict the availability and use of any other remedy that the Limited Partner or any other Partner might have with respect to any General Partner in connection with its undertakings and responsibilities under this Agreement.

ARTICLE X: Assignability of Interests of Limited Partner**Section 10.01. Substitution and Assignment of a Limited Partner's Interest.**

(a) Other than as set forth herein, no Limited Partner shall have the right to assign, sell, transfer, convey, encumber or pledge its Interest. In no event shall any Interest of a Limited Partner, or any portion thereof, be sold, transferred or assigned to a minor or incompetent, and any such attempted sale, transfer or assignment shall be void and ineffectual and shall not bind the Partnership or the General Partner. This investment may be beneficial to investors who seek lawful permanent residence pursuant to the EB-5 Program under the IN Act, as more fully described in the Confidential Memorandum. Failure of a Limited Partner to remain invested fully in the Limited Partnership may result in the denial of lawful permanent residence as an outcome of this investment. There are other requirements of the EB-5 Program which the investor must observe or risk denial of lawful permanent residence pursuant to the EB-5 Program, as further set forth in the Confidential Memorandum.

(b) No assignment of the Interest of a Limited Partner shall be made if, in the opinion of counsel to the Partnership, such assignment (i) may not be effected without registration under the Securities Act, (ii) would result in the violation of any applicable state securities laws, (iii) would result in a termination of the Partnership under Section 708 of the Code (unless consented to by the General Partner), (iv) would result in the treatment of the Partnership as an association taxable as a corporation or as a "publicly-traded limited partnership" for tax purposes (unless consented to by the General Partner), or (v) would jeopardize the ability of any other Limited Partner to qualify under the EB-5 Program to become a lawful permanent resident of the United States. The Partnership shall not be required to recognize any such assignment until the instrument conveying such interest has

Jay Peak Hotel Suites Limited Partnership Agreement

been delivered to the General Partner the Consent of the General Partner and for recordation on the books of the Partnership. Unless an assignee becomes a substitute Limited Partner in accordance with the provisions of subsection (c), he shall not be entitled to any of the rights granted to a Limited Partner hereunder, other than the right to receive all or part of the share of the Net Profits, Net Losses, cash distributions or returns of capital to which its assignor would otherwise be entitled. Without limiting the foregoing, no assignment of an Interest of a Limited Partner shall be made to anyone other than an individual who is eligible as a Qualified Investor to seek lawful permanent residence pursuant to the EB-5 Program.

(c) An assignee of the Interest of a Limited Partner, or any portion thereof, shall become a substitute Limited Partner entitled to all the rights of a Limited Partner if, and only if:

- (i) the assignor (or, if the assignor is a defaulting Limited Partner, the General Partner pursuant to the power of attorney granted in Section 16.09) gives the assignee such right;
- (ii) the assignee pays to the Partnership all costs and expenses howsoever incurred in connection with such substitution, including, specifically, without limitation, costs incurred in the review and processing of the assignment and in amending the Partnership's then current Certificate and/or Agreement of Limited Partnership, if required; and
- (iii) the assignee executes and delivers such instruments, in form and substance satisfactory to the General Partner, as the General Partner may deem necessary or desirable to effect such substitution and to confirm the agreement of the assignee to be bound by all the terms and provisions of this Agreement.

(d) The Partnership and the General Partner shall be entitled to treat the record owner of any Partnership Interest as the absolute owner thereof in all respects, and shall incur no liability for distribution of cash or other property made in good faith to such owner until such time as a written assignment of such interest has been received and accepted by the General Partner and recorded on the books of the Partnership. The General Partner may refuse to accept an assignment until the end of the next successive quarterly accounting period.

Section 10.02. Withdrawal of Initial Limited Partner.

Notwithstanding the provisions of Article X, the Interest of the Initial Limited Partner shall be terminated and of no further force or effect upon the first admission of a Limited Partner other than the Initial Limited Partner. The termination of the interest of the Initial Limited Partner shall be automatic and require no action on his part or on the part of any other Person, and the General Partner shall cause to be prepared appropriate amendments to Exhibit A of this Agreement and to the Certificate.

Section 10.03. Sale or Other Disposition of Hotel.

Notwithstanding anything herein to the contrary, beginning in the fourth quarter of 2011, or earlier once all conditions have been removed under the EB-5 Program for all Qualified Investors who have invested into the Partnership, the General Partner shall review market conditions to determine if it is appropriate to market the Hotel and, if so, to decide upon a plan of disposition of the Hotel (which may, but need not, include the sale of fractional interests, subdivision of the Hotel into separate condominiums or other common interest

Jay Peak Hotel Suites Limited Partnership Agreement

ownership units, and sale, or redemption by the Partnership, of Limited Partner Interests), to be managed and conducted exclusively by the General Partner or its designee on terms to be determined by General Partner in its sole discretion. Without limiting the foregoing, said terms will include brokerage fees payable to General Partner or its designee of eight percent (8%) if whole units are sold, or if the Hotel is sold in its entirety as an operating business, and fifteen percent (15%) if fractional interests are sold. The Consent of the Limited Partner to the disposition shall only be required if the Hotel is sold in its entirety as an operating business.

ARTICLE XI - Management Compensation, Etc.

Section 11.01. Management Compensation, Etc.

Other than receiving its interest herein, being reimbursed for all of its expenses and costs incurred related directly or indirectly to the development of the Project (including but not limited to permitting fees, professional fees and third party consultant fees), and receiving reimbursement for expenses and other costs incurred directly or indirectly by the General Partner to fulfill its duties hereunder, the General Partner shall not be entitled to compensation for its services rendered pursuant to this Agreement. While maintaining overall control hereunder, the General Partner shall, however, delegate its duty to operate the Hotel to an Affiliate for compensation to be paid by the Partnership in an amount equal to fifty percent (50%) of the gross income of the Hotel, from which the Affiliate will pay all of the day to day operating, management, and marketing costs of the Hotel, and ensure adequate staffing levels. In addition, the General Partner shall delegate its duty to develop the Project, including but not limited to the construction and build out of the Project, to the Resort Operator or another Affiliate for a fee to be paid by the Partnership in an amount equal to fifteen percent (15%) of the overall cost of the Project, excluding the cost of the Land acquisition. Further, the General Partner shall delegate its duty to market the Hotel to an Affiliate on the terms and fees as defined in Section 10.03 herein. Each Limited Partner has been given a copy of the Confidential Memorandum, including without limitation the financial pro formas attached thereto, in which the proposed fee structure to compensate the General Partner or its Affiliate(s), as identified in this section, is disclosed and agreed to without limitation by each Limited Partner.

ARTICLE XII - Dissolution of Partnership

Section 12.01. Dissolution.

The Partnership shall be dissolved, and the business of the Partnership shall be terminated in accordance with the Act, upon the occurrence of any of the following events:

(a) the dissolution, liquidation, withdrawal, retirement, removal, death, insanity, disability and/or Event of Bankruptcy of a General Partner, under such circumstances where no other remaining General Partner desires to continue the Partnership; provided, however, that the Partnership shall not be dissolved as aforesaid if the Limited Partner shall, within the maximum number of days permitted by the Act, elect to continue the Partnership and the Partnership business, and shall designate a successor General Partner;

(b) an election to dissolve the Partnership made in writing by all of the Partners in accordance with the Act;

(c) the sale or other disposition of all or substantially all of the Partnership Property, whether under Section 10.03 or otherwise;

Jay Peak Hotel Suites Limited Partnership Agreement

(d) the expiration of the Term; or

(e) The occurrence of any other event causing the dissolution of a limited partnership under the laws of the State.

Section 12.02. Distribution of Partnership Assets.

Upon the dissolution of the Partnership, the Partnership business shall be wound up and its assets liquidated; and the net proceeds of such liquidation shall be distributed to the Partners as set forth in Section 8.02.

Section 12.03. Termination of the Partnership.

The Partnership shall terminate when all Partnership Property shall have been disposed of (except for any liquid assets not so disposed of), and the net proceeds therefrom, as well as any other liquid assets of the Partnership, have been distributed to the Partners as provided in this Article and in accordance with the Act.

ARTICLE XIII - Accounting and Reports

Section 13.01. Bank Accounts.

The General Partner shall deposit the funds of the Partnership in the name of the Partnership in such separate bank account or accounts, and with such bank or banks whose deposits are insured by an agency of the federal government, as shall be determined by and in the sole reasonable discretion of the General Partner. The General Partner shall arrange for the appropriate operation of such account or accounts.

Section 13.02. Books of Account.

The General Partner shall keep at the principal office of the Partnership true, correct, and complete books of account, maintained in accordance with generally accepted accounting principles, consistently applied, in which shall be entered fully and accurately each and every transaction of the Partnership. For federal income tax and financial reporting purposes, the Partnership shall use the accrual method of accounting. Each Partner shall have access thereto to inspect and copy such books of account at all reasonable times upon reasonable advance notice to the General Partner. The Partnership shall retain all books and records for the longest of the periods required by applicable laws and regulations.

Section 13.03. Reports.

The General Partner shall cause to be prepared and delivered to the Limited Partner and, when required, shall cause the Partnership to file with relevant governmental agencies, each of the following:

(a) by March 1 of each calendar year, the Partnership's federal income tax return including Schedule K-1's to form 1065 and all other information from the Partnership necessary for the preparation of the Limited Partner's federal income tax return;

(b) by March 1 of each calendar year, a financial statement and report prepared in accordance with generally accepted accounting principles, which financial statement and report shall include a balance sheet, income statement, statement of cash flow, and statement of Partners' capital; and

(c) in addition, General Partner at its sole discretion may distribute interim financial reports.

ARTICLE XIV - Meetings of the Partnership**Section 14.01. Meetings of the Partnership.**

Meetings of the Partnership may be called for any matters upon which the Partners may vote as set forth in this Agreement. The calling of a meeting shall be made:

(a) by the General Partner, which shall give Notice to the Partners setting forth (i) a statement of the purposes of the meeting, and (ii) the date of the meeting (which shall be a date no fewer than 15 days and no more than 30 days after the date of the Notice); or

(b) by the Limited Partner (which for the limited purpose of this subsection shall require at least sixty-six percent (66 2/3%) of the Limited Partners agreeing to such call for a meeting), which shall give Notice to the Partners setting forth a statement of the purposes of the meeting. No more than 15 days after receipt of such Notice, the General Partner shall provide Notice of the meeting to the other Partners in accordance with subsection (a).

ARTICLE XV - Amendments**Section 15.01. Generally.**

In addition to amendments otherwise authorized in this Agreement, this Agreement may be amended from time to time as follows:

- (a) by the General Partner, without the Consent of the Limited Partner, to
- (1) add to its duties or obligations or to surrender any right or power given to him by this Agreement;
 - (2) cure any ambiguity, correct or supplement any provision of this Agreement which may be inconsistent with any other provision of this Agreement or make any other provisions with respect to matters or questions arising under this Agreement which are not inconsistent with the provisions of this Agreement;
 - (3) reflect on Exhibit A the removal, addition or substitution of the General Partner or the Limited Partner;
 - (4) correct or modify any provision to comply with the Act or satisfy CIS; or
 - (5) any other amendment in the General Partner's sole discretion, so long as the amendment does not allow the Limited Partner to take part in the control of the Partnership's business in a manner that would reduce or eliminate the limited liability of the Limited Partner, or otherwise modify the limited liability of the Limited Partner, or increase the liability or obligations of the Limited Partner, or dilute the Interest of the Limited Partner.

Section 15.02. Signatures.

The General Partner shall sign any amendment to this Agreement adopted in accordance with the terms of this Agreement.

ARTICLE XVI - Miscellaneous Provisions

Jay Peak Hotel Suites Limited Partnership Agreement

Section 16.01. Notices. etc.

All notices, requests, consents, and other communications hereunder shall be in writing and shall be deemed to have been duly given if (i) delivered or mailed by first-class registered or certified mail, postage prepaid, to the respective parties hereto at their respective addresses set forth in Exhibit A or in each case at such other address as such party may have furnished to the Partnership in writing, (ii) delivered in hand to a party, (iii) on the business day next following delivery to a nationally recognized overnight courier, or (iv) when transmitted by facsimile with electronic confirmation of transmission receipt.

Section 16.02. Survival of Representations.

All representations, warranties, and indemnifications contained herein shall survive the dissolution and final liquidation of the Partnership.

Section 16.03. Entire Agreement.

This Agreement contains the entire understanding between and among the parties and supersedes any prior understandings and agreements between and among them respecting the subject matter of this Agreement.

Section 16.04. Applicable Law.

It is the intention of the parties hereto that all questions with respect to the construction, enforcement, and interpretation of this Agreement and the rights and liabilities of the parties hereto shall be determined in accordance with the laws of the State without regard to principles of conflicts of laws.

Section 16.05. Severability.

This Agreement is intended to be performed in accordance with, and only to the extent permitted by, all applicable statutes, laws, ordinances, rules, and regulations. If any provision of this Agreement or the application thereof to any Person or circumstance shall, for any reason and to any extent, be invalid or unenforceable, the remainder of this Agreement and the application of such provision to other Persons or circumstances shall not be affected thereby, but rather shall be enforced to the greatest extent permitted by law.

Section 16.06. Binding Effect.

(a) Each Partner, including any additional General Partner, Successor General Partner, additional Limited Partner and Substitute Limited Partner, shall be deemed to have adopted, and to have agreed to be bound by, all the provisions of this Agreement.

(b) When entered into by a Partner, this Agreement is binding upon, and inures to the benefit of, the parties hereto and their respective spouses, heirs, executors and administrators, personal and legal representatives, successors and assigns.

Section 16.07. Counterparts.

This Agreement and any amendments hereto may be executed in several counterparts, each of which shall be deemed to be an original copy, and all of which together shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties shall not have signed the same counterpart.

Jay Peak Hotel Suites Limited Partnership Agreement

Section 16.08. No Implied Waiver.

No failure on the part of any Partner to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right under this Agreement preclude any other or further exercise thereof or the exercise of any other right. No term or provision of this Agreement shall be deemed waived and no breach excused unless such waiver or excuse shall be in writing and signed by the party claimed to have so waived or excused.

Section 16.09. Power of Attorney.

Each Limited Partner, including any additional or substituted Limited Partner, by the execution of this Agreement or any counterpart thereof, does hereby irrevocably constitute and appoint the General Partner's president William Stenger, alternatively Robert Chimileski, with full power of substitution, acting alone or jointly, its true and lawful agent and attorney-in-fact, with full power and authority in its name, place and stead, to make, execute, acknowledge, swear to, deliver, file and record such documents and instruments as may be necessary or appropriate to carry out the provisions of this Agreement, including, but not limited to: (i) such amendments to this Agreement and the Partnership's Certificate of Limited Partnership, as amended from time to time, as are necessary to effectuate the provisions of this Agreement, including without limitation to admit to the Partnership a substituted Limited Partner or a substituted General Partner, (ii) such documents and instruments as are necessary to cancel the Partnership's Certificate of Limited Partnership, (iii) an amended Certificate of Limited Partnership reflecting the terms of this Agreement, (iv) all certificates and other instruments deemed advisable by the General Partner to permit the Partnership to become or to continue as a limited partnership or partnership wherein the Limited Partner has limited liability in the jurisdiction where the Partnership may be doing business, (v) all fictitious or assumed name certificates required or permitted to be filed on behalf of the Partnership and (vi) all other instruments which may be required or permitted by law to be filed on behalf of the Partnership. The foregoing power of attorney is coupled with an interest, shall be irrevocable and shall survive the death, bankruptcy or incapacity of any Limited Partner and the assignment by any Limited Partner of its limited partnership interest.

Section 16.10. Partition.

The Partners hereby agree that no Partner, nor any successor-in-interest to any Partner, shall have the right while this Agreement remains in effect to have the property of the Partnership partitioned, or to file a complaint or institute any proceeding at law or in equity to have the property of the Partnership partitioned, and each Partner, on behalf of himself, his successors, representatives, heirs, and assigns, hereby waives any such right. It is the intention of the Partners that during the term of this Agreement, the rights of the Partners and their successors-in-interest, as among themselves, shall be governed by the terms of this Agreement, and that the right of any Partner or successor-in-interest to assign, transfer, sell or otherwise dispose of its interest in the Partnership's Property shall be subject to the limitations and restrictions of this Agreement.

Section 16.11. Confidentiality.

A prospective investor into the Partnership, by accepting receipt of this Agreement, agrees not to duplicate or to furnish copies of this Agreement or to divulge information garnered from this Agreement or its exhibits to persons other than such investor's investment and tax advisors, accountants and legal counsel, and such advisors, accountants and legal counsel together with the prospective investors and any other persons to which this Agreement or the Related Documents come into their possession are prohibited from duplicating or using this Agreement, the Related Documents and all exhibits thereto in any manner other than to determine whether the investor wants to

Jay Peak Hotel Suites Limited Partnership Agreement

invest into the Partnership. Prospective investors are not to construe the contents of this Agreement as legal, investment, immigration or tax advice, or any other advice related to the efficacy of the investment to them. The General Partner has not engaged any legal or other advisors to represent prospective investors. Each prospective investor should consult their own advisors as to legal, tax and related matters concerning the efficacy of this investment and the appropriateness of this investment to them and any other matters concerning this investment. The expense of such consultations shall be paid separately by the investor.

Section 16.12. Approval of Agreement.

All Qualified Investors who invest in the Partnership and become a Limited Partner, by their receipt of this Agreement and investment into the Partnership hereby approve this Agreement, all Related Documents and all exhibits thereto, and approve without limitation the use of their investment proceeds, the investment itself, and all management and exit strategies, all as disclosed herein.

Section 16.13. No Guarantees or Redemption Rights.

Each Limited Partner acknowledges and agrees by their receipt of this Agreement and investment into the Partnership that no promises or guarantees of performance, investment results or returns, rights to redeem their Interests or removal of conditions under the EB-5 Program have been made to them by anyone, including but not limited to by the General Partner or any of its Affiliates, and their agents, representatives, officers, salesmen, managers, employees, attorneys, consultants and third party contractors, and they are not relying on anything from the General Partner or any of its Affiliates, and their agents, representatives, officers, salesmen, managers, employees, attorneys, consultants and third party contractors except this Agreement and the Related Documents in making the decision to invest.

Section 16.14. Arbitration Clause.

Any and all disputes arising under or relating to the interpretation or application of this Agreement shall be subject to arbitration in Vermont under the then existing rules of the American Arbitration Association and pursuant to the Vermont Arbitration Act, codified at 12 V.S.A. section 5651, et seq. (the "VAA"), and if any conflict exists between said rules and VAA, the VAA shall control. Judgment upon the award rendered may be entered in any court of competent jurisdiction. The cost of such arbitration shall be borne equally by the parties. Nothing contained in this Section shall limit the right of the General Partner, either on behalf of the Partnership or on its own behalf, and Limited Partner from seeking or obtaining the assistance of the courts in enforcing their constitutional or civil rights.

ACKNOWLEDGMENT OF ARBITRATION.

The parties to this Agreement understand that this Agreement contains an agreement to arbitrate. After signing this Agreement, or the investment subscription documents as set forth in Section 3.02(b) herein, each Partner understands that it will not be able to bring a lawsuit concerning any dispute that may arise which is covered by the arbitration agreement, unless it involves a question of constitutional or civil rights. Instead, each Partner agrees to submit any such dispute to an impartial arbitrator.

Section 16.15. Reimbursement of Expenses and Costs.

Notwithstanding anything herein to the contrary, the General Partner and its Affiliates will be

Jay Peak Hotel Suites Limited Partnership Agreement

reimbursed by the Partnership for all expenses and costs incurred by the General Partner or its Affiliates in exercising the duties and powers delegated to and granted the General Partner herein.

Section 16.16. Translation of Agreement, Etc.

Each prospective investor, by their receipt of this Agreement, acknowledges that it is their responsibility to obtain a translator of this Agreement, Related Documents and exhibits thereto if they cannot read or understand English.

Section 16.17. Gender Clause.

Common nouns and pronouns will be deemed to refer to the masculine, feminine, neuter, singular and plural, as the identity of the person or persons, firm or corporation may in the context require.

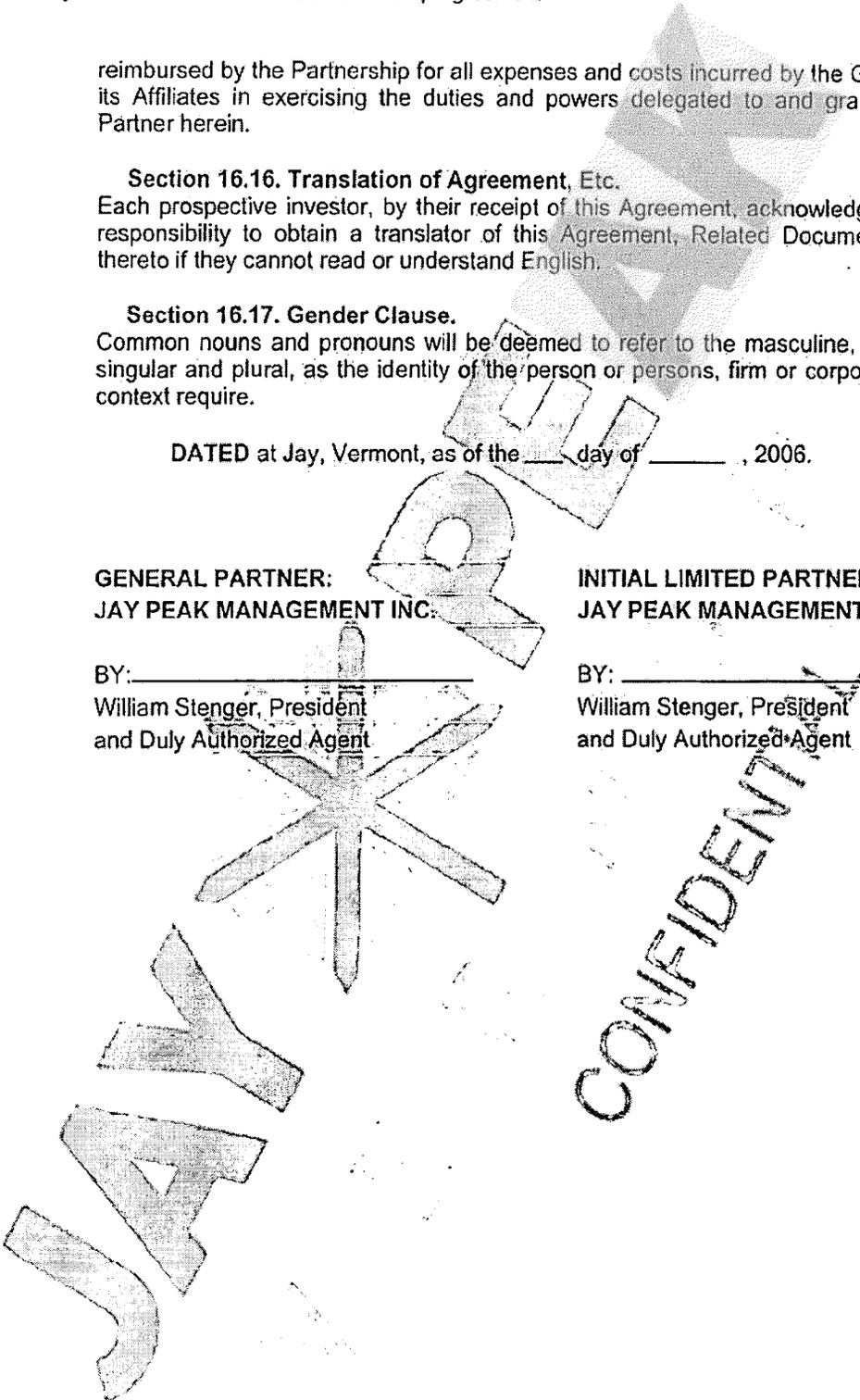
DATED at Jay, Vermont, as of the _____ day of _____, 2006.

**GENERAL PARTNER:
JAY PEAK MANAGEMENT INC.**

**INITIAL LIMITED PARTNER:
JAY PEAK MANAGEMENT, INC.**

BY: _____
William Stenger, President
and Duly Authorized Agent

BY: _____
William Stenger, President
and Duly Authorized Agent



Jay Peak Hotel Suites Limited Partnership Agreement

Exhibit A

<u>Name</u>	<u>Address</u>	<u>Initial Percentage Interest</u>	<u>Capital Contribution</u>
<u>General Partner</u>			
Jay Peak Management Inc.	4850 VT. Route 242 Jay, VT 05859-9621	0.01%	
<u>Limited Partner</u>			
Jay Peak Management Inc.	4850 VT. Route 242 Jay, VT 05859-9621	99.99%	

JAY PEAK HOTEL SUITES
CONFIDENTIAL

CERTIFICATE OF LIMITED PARTNERSHIP

Name of Limited Partnership: JAY PEAK HOTEL SUITES L.P.

Address of Office: 4850 VT Route 242, Jay, Vermont 05859-9621

The latest date upon which the limited partnership is to dissolve: December 31, 2056

The name and the business address of each GENERAL PARTNER:
JAY PEAK MANAGEMENT INC.
4850 VT Route 242, Jay, Vermont 05859-9621

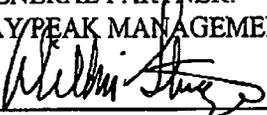
The name and place of residence of each LIMITED PARTNER:
JAY PEAK MANAGEMENT INC.
4850 VT Route 242, Jay, Vermont 05859-9621

Amount of cash, description, and agreed value of other property contributed by each limited partner: \$10.00 or more dollars.

Restrictions on transferability of interests of Limited Partners are set forth in the Limited Partnership Agreement, on file with the General Partner. The interest of the initial Limited Partner shall be terminated upon the admission of the next Limited Partner, per the terms of the Limited Partnership Agreement.

Process Agent's Name and address: (must be a resident of VT, or other registered entity in this state)
Jay Peak Management Inc.
4850 VT Route 242
Jay, Vermont 05859-9621

Signature(s)/date: GENERAL PARTNER:
JAY PEAK MANAGEMENT INC.

By: 
William Stenger, President
4850 VT Route 242
Jay, Vermont 05859-9621

12/13/06
Date

VERMONT
SECRETARY OF STATE
2006 DEC 15 PM 12:42

STATE OF VERMONT
OFFICE OF SECRETARY OF STATE

The Office of Secretary of State hereby grants a

Certificate of Incorporation

to

JAY PEAK MANAGEMENT INC.

a Vermont domestic corporation, effective December 15, 2006

December 19, 2006

Given under my hand and the seal
of the State of Vermont, at
Montpelier, the State Capital



Deborah Markowitz
Secretary of State



ARTICLES OF INCORPORATION (Vermont profit T.11A)

Vermont Secretary of State, 81 River Street, Montpelier, VT 05609-1104
Telephone: 802-828-2386; Fax: 828-2853

Corporate Name: Jay Peak Management Inc.

Corp type: General (T. 11A)

State a brief Purpose here: Real estate management and development, and anything legally permitted of corporations in State of Vermont.

Registered agent's name: William Stenger

Registered agent's address: (street, city and zip code in VT) 4580 VT Route 242 Jay, Vermont 05859-9621

Principal office address: (street, city, state and zip code): 4580 VT Route 242 Jay, Vermont 05859-9621

Fiscal operating year end (month): December

Number of shares the corporation is authorized to issue: 1000

Classes of shares (common/preferred/etc.) and number of shares authorized to issue, in each: Common / 1000

One or more classes of shares that together have unlimited voting rights: Common

One or more classes of shares (which may be the same class with voting rights) that together are entitled to receive the net assets of the corporation upon dissolution: Common

DIRECTORS' names and addresses: A board of directors of a corporation which is not a close corporation dispensing with a board of directors must consist of three or more individuals. If the number of shareholders in any corporation is less than three, the number of directors may be as few as the shareholders: William Stenger, 4580 VT Route 242 Jay, Vermont 05859-9621

One or more natural persons of majority age (18) may act as incorporator.

Incorporator's printed name: Mark H. Scribner

Incorporator's signature and address:



Mark H. Scribner
Carroll & Scribner, P.C.
84 Pine Street, Suite 300
Burlington, Vermont 05401

Fee is \$75.00. Print and file in duplicate. If a delayed effective date is not specified, it is effective the date it is approved.

E-mail address or phone number where you can be reached: m Scribner@cslaw.us
(802) 862-2855

VERMONT
SECRETARY OF STATE

2006 DEC 15 PM 12:42

Do Not Write in This Block - For USCIS Use Only (Except G-28 Block Below)		
Classification _____	Action Block	Fee Receipt
Priority Date _____	To be completed by Attorney or Representative, if any <input type="checkbox"/> G-28 is attached Attorney's State License No. _____	
Remarks:		

START HERE - Type or print in black ink.

Part 1. Information about you.

Family Name	Given Name	Middle Name	
Address:			
In care of _____			
Number and Street			Apt. #
City	State or Province	Country	Zip/Postal Code
Date of Birth (mm/dd/yyyy)	Country of Birth	Social Security # (if any)	A # (if any)
If you are in the United States, provide the following information:		Date of Arrival (mm/dd/yyyy)	I-94 #
Current Nonimmigrant Status	Date Current Status Expires (mm/dd/yyyy)	Daytime Phone # with Area Code	

Part 2. Application type. (Check one)

- a. This petition is based on an investment in a commercial enterprise in a targeted employment area for which the required amount of capital invested has been adjusted downward.
- b. This petition is based on an investment in a commercial enterprise in an area for which the required amount of capital invested has been adjusted upward.
- c. This petition is based on an investment in a commercial enterprise that is not in either a targeted area or in an upward adjustment area.

Part 3. Information about your investment.

Name of commercial enterprise in which funds are invested		_____	
Street Address			
Phone # with Area Code		Business organized as (corporation, partnership, etc.)	
Kind of business (e.g. furniture manufacturer)		Date established (mm/dd/yyyy)	IRS Tax #

RECEIVED: _____ RESUBMITTED: _____ RELOCATED: _____ SENT: _____ REC'D: _____

Part 3. Information about your investment. (Continued.)

Date of your initial investment (mm/dd/yyyy)	<input type="text"/>	Amount of your initial investment	\$ <input type="text"/>
Your total capital investment in the enterprise to date	\$ <input type="text"/>	Percentage of the enterprise you own	<input type="text"/>

If you are not the sole investor in the new commercial enterprise, list on separate paper the names of all other parties (natural and non-natural) who hold a percentage share of ownership of the new enterprise and indicate whether any of these parties is seeking classification as an alien entrepreneur. Include the name, percentage of ownership and whether or not the person is seeking classification under section 203(b)(5). **NOTE:** A "natural" party would be an individual person and a "non-natural" party would be an entity such as a corporation, consortium, investment group, partnership, etc.

If you indicated in Part 2 that the enterprise is in a targeted employment area or in an upward adjustment area, name the county and state:

County	<input type="text"/>	State	<input type="text"/>
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Part 4. Additional information about the enterprise.

Type of Enterprise (check one):

- New commercial enterprise resulting from the creation of a new business.
- New commercial enterprise resulting from the purchase of an existing business.
- New commercial enterprise resulting from a capital investment in an existing business.

Composition of the Petitioner's Investment:

Total amount in U.S. bank account	\$	<input type="text"/>
Total value of all assets purchased for use in the enterprise.....	\$	<input type="text"/>
Total value of all property transferred from abroad to the new enterprise.....	\$	<input type="text"/>
Total of all debt financing.....	\$	<input type="text"/>
Total stock purchases.....	\$	<input type="text"/>
Other (explain on separate paper).....	\$	<input type="text"/>
Total	\$	<input type="text"/>

Income:

When you made the investment.....	Gross	\$	<input type="text"/>	Net	\$	<input type="text"/>
Now.....	Gross	\$	<input type="text"/>	Net	\$	<input type="text"/>

Net worth:

When you made investment.....	Gross	\$	<input type="text"/>	Now	\$	<input type="text"/>
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Part 5. Employment creation information.

Number of full-time employees in the enterprise in U.S. (excluding you, your spouse, sons and daughters)

When you made your initial investment? Now Difference

How many of these new jobs were created by your investment? How many additional new jobs will be created by your additional investment?

What is your position, office or title with the new commercial enterprise?

Briefly describe your duties, activities and responsibilities.

What is your salary? \$

What is the cost of your benefits? \$

Part 6. Processing information.

Check One:

- The person named in Part 1 is now in the United States and an application to adjust status to permanent resident will be filed if this petition is approved.
- If the petition is approved and the person named in Part 1 wishes to apply for an immigrant visa abroad, complete the following for that person:

Country of nationality:

Country of current residence or, if now in the United States, last permanent residence abroad:

If you provided a United States address in Part 1, print the person's foreign address:

If the person's native alphabet is other than Roman letters, write the foreign address in the native alphabet:

Is a Form I-485, Application for Adjustment of Status, attached to this petition? Yes No

Are you in deportation or removal proceedings? Yes (Explain on separate paper) No

Have you ever worked in the United States without permission? Yes (Explain on separate paper) No

Part 7. Signature. Read the information on penalties in the instructions before completing this section.

I certify, under penalty of perjury under the laws of the United States of America, that this petition and the evidence submitted with it is all true and correct. I authorize the release of any information from my records that the U.S. Citizenship and Immigration Services needs to determine eligibility for the benefit I am seeking.

Signature

Date:

NOTE: If you do not completely fill out this form or fail to submit the required documents listed in the instructions, you may not be found eligible for the immigration benefit you are seeking and this petition may be denied.

Part 8. Signature of person preparing form, if other than above. (Sign below)

I declare that I prepared this application at the request of the above person and it is based on all information of which I have knowledge.

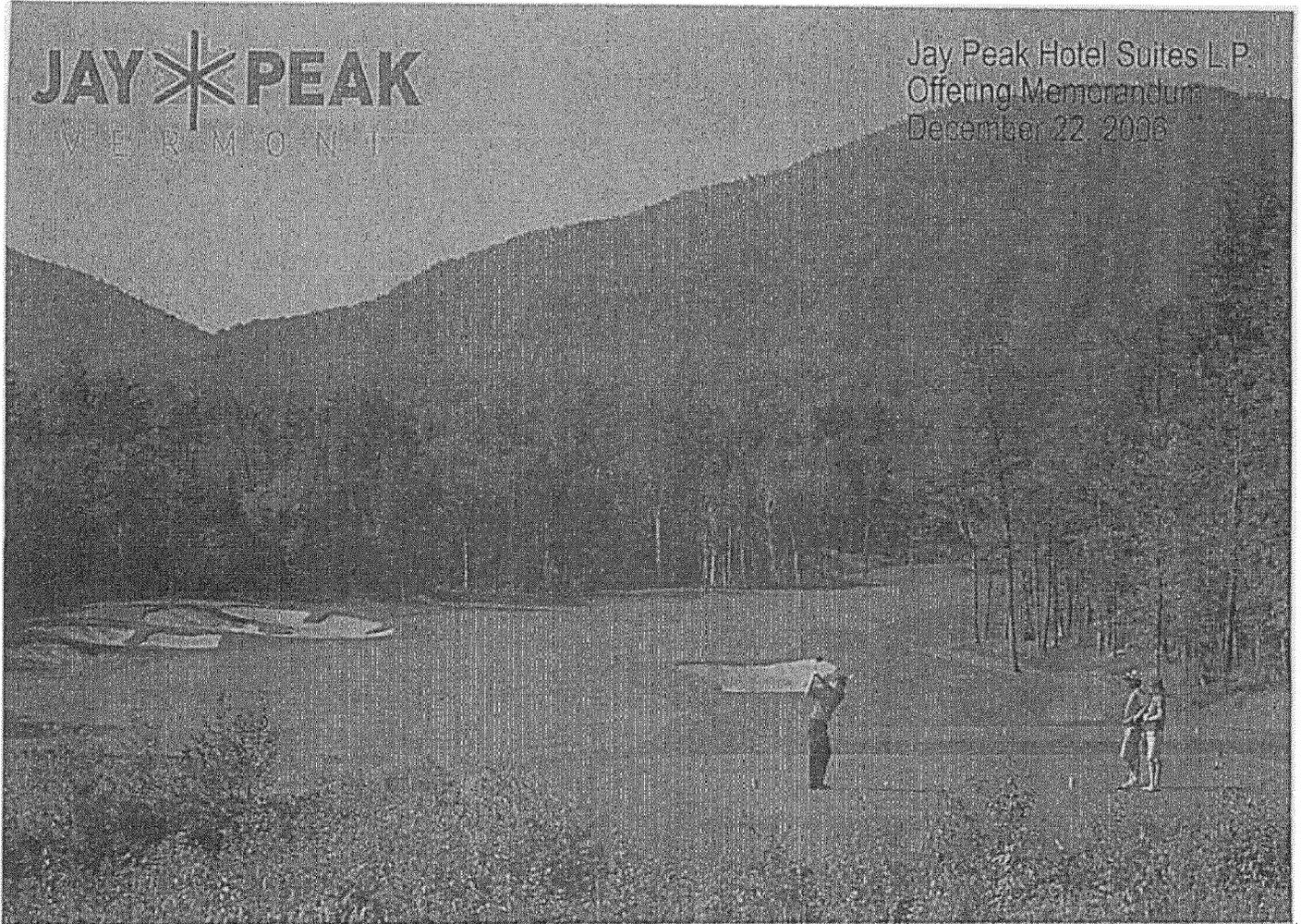
Signature Print Your Name

Date

Firm Name

Address

Daytime phone # with area code

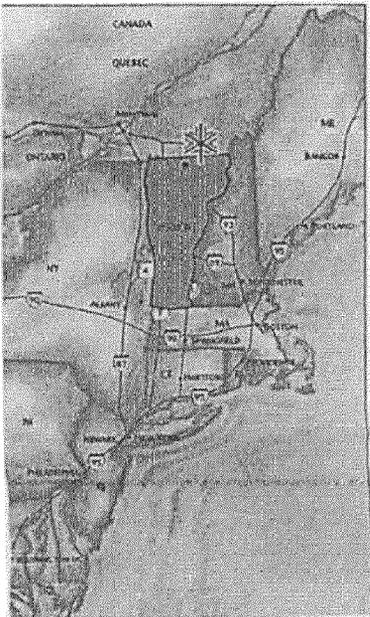


THE JAY PEAK CHAMPIONSHIP GOLF COURSE

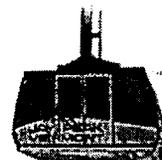
The course opened in 2006, and offers some of the most stunning views in the Northeast USA combined with a layout that will challenge and reward every level of player.

Designed by world-renowned golf architect Graham Cooke and Associates, the course at Jay Peak cuts over the epic terrain to create a completely natural golfing experience. 18 holes wind from the valley floor up and into the West Bowl Area, offering sweeping views of the forest below.

With 5 sets of tees allowing yardages between 5,000 and 7,000, the course at Jay Peak is the perfect challenge for any level of golfer.



JPI 001680



Jay Peak Resort
4850 VT Route 242
Jay, Vermont 05859