Peak Resorts Inc
Form 10-K
July 13, 2017

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended April 30, 2017.

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from to

Commission file number 001-35363

Peak Resorts, Inc.

(Exact name of registrant as specified in its charter)

Missouri (State or other jurisdiction of incorporation or organization)	43-1793922 (I.R.S. Employer Identification No.)
17409 Hidden Valley Drive Wildwood, Missouri (Address of principal executive offices)	63025 (Zip Code)

(636) 938-7474
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, $0.01 par value per share	NASDAQ Global Market

Securities registered pursuant to section 12(g) of the Act:

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

As of October 31, 2016, the last business day of the registrant's most recently completed second fiscal quarter, the aggregate market value of voting and non-voting common equity held by non-affiliates of the registrant was $50.1 million.

As of July 13, 2017, 13,982,400 shares of the registrant's common stock were outstanding.

Documents incorporated by reference:

Portions of the registrant's Definitive Proxy Statement for its 2017 Annual Meeting of Stockholders are incorporated by reference into Part III of this Annual Report on Form 10-K, to be filed within 120 days of the registrant's fiscal year ended April 30, 2017.

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Forward-Looking Statements

Except for any historical information contained herein, the matters discussed in this Form 10-K contain certain “forward-looking statements" within the meaning of the federal securities laws. This includes statements regarding our future financial position, economic performance, results of operations, business strategy, budgets, projected costs, plans and objectives of management for future operations, and the information referred to under “Management's Discussion and Analysis of Financial Condition and Results of Operations".

These forward-looking statements generally can be identified by the use of forward-looking terminology, such as “may," “will," “expect," “intend," “estimate," “anticipate," “believe," “continue" or similar terminology, although not all forward-looking statements contain these words. These forward-looking statements are not historical facts, and are based on current expectations, estimates and projections about our industry, management's beliefs and certain assumptions made by management, many of which, by their nature, are inherently uncertain and beyond our control. Accordingly, you are cautioned that any such forward-looking statements are not guarantees of future performance and are subject to certain risks, uncertainties and assumptions that are difficult to predict. Although we believe that the expectations reflected in such forward-looking statements are reasonable as of the date made, expectations may prove to have been materially different from the results expressed or implied by such forward-looking statements. Unless otherwise required by law, we also disclaim any obligation to update our view of any such risks or uncertainties or to announce publicly the result of any revisions to the forward-looking statements made in this Form 10-K. Important factors that could cause actual results to differ materially from our expectations include, among others:

- weather, including climate change;
- seasonality;
- availability of funds for capital expenditures and operations;
- competition with other indoor and outdoor winter leisure activities and ski resorts;
- the leases and permits for property underlying certain of our ski resorts;
- ability to integrate new acquisitions;
- environmental laws and regulations;
- our dependence on key personnel;
- the effect of declining revenues on margins;
- the future development and continued success of our Mount Snow and Hunter Mountain ski resorts;
- our reliance on information technology;
- our current dependence on our primary lender and the lender's option to purchase certain of our ski resorts;
- our dependence on a seasonal workforce;
- our ability to avoid or recover from cyber and other security breaches and other disruptions; and
- the securities markets.

You should also refer to Part I, Item 1A, “Risk Factors”, of this Form 10-K for a discussion of factors that may cause our actual results to differ materially from those expressed or implied by our forward-looking statements, As a result of these factors, we cannot assure you that the forward-looking statements in this Form 10-K will prove to be accurate, Furthermore, if our forward-looking statements prove to be inaccurate, the inaccuracy may prove to be material, In light of the significant uncertainties in these forward-looking statements, you should not regard these statements as a representation or warranty by us or any other person that we will achieve our objectives and plans in any specified time-frame, or at all.

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PART I

Item 1. Business.

General

Peak Resorts, Inc. was incorporated in Missouri on September 24, 1997 as a holding company to own or lease and operate day ski and overnight drive ski resorts through its wholly owned subsidiaries. Throughout the history of the Company, including the development of the Hidden Valley and Snow Creek ski resorts before the incorporation of Peak Resorts, Inc., the Company has acquired or developed a total of 14 ski resorts. In this annual report, Peak Resorts, Inc., together with its subsidiaries, is referred to as "we," "us," "our" or the "Company."

On November 20, 2014, we completed our initial public offering of our common stock, selling 10 million shares at $9.00 per share. After deducting $6.3 million of underwriting discounts and commissions and $1.4 million of offering expenses payable by us, we received net proceeds of $82.3 million. Our common stock is traded on the NASDAQ Global Market under the symbol "SKIS".

We are a leading owner and operator of high-quality, individually branded ski resorts in the U.S. We currently operate 14 ski resorts primarily located in the Northeast and Midwest, 13 of which we own. The majority of our resorts are located within 100 miles of major metropolitan markets, including New York City, Boston, Philadelphia, Cleveland and St. Louis, enabling day and overnight drive accessibility. Our resorts are comprised of nearly 1,860 acres of skiable terrain that appeal to a wide range of ages and abilities. We offer a breadth of activities, services and amenities, including skiing, snowboarding, terrain parks, tubing, dining, lodging, equipment rentals and sales, ski and snowboard instruction and mountain biking, zip tours and other summer activities. We believe that both the day and overnight drive segments of the ski industry are appealing given their stable revenue base, high margins and attractive risk-adjusted returns. We have successfully acquired and integrated 11 ski resorts since our incorporation in 1997, and we expect to continue executing this strategy.

We have built an award-winning portfolio of individually branded entertainment properties, most of which are recognized as leading ski resorts in their respective markets. Our devotion to maintaining high quality standards across our portfolio through strategic investments and upgrades has created a loyal customer base that contributes to a significant number of repeat visits at each of our resorts. In particular, our investment over the last decade in the latest high-efficiency snowmaking equipment has earned us the reputation as an industry leader in snowmaking efficiency, capacity and quality. Our strong branding reinforces customer loyalty and serves to attract new visitors through focused marketing campaigns and word of mouth.

Combined, our ski resorts generated approximately 1.7 million visits in the 2016/2017 ski season. Despite unfavorable weather during the 2016/2017 ski season, we recorded record revenue of $123.2 million for fiscal 2017, an increase of 28.7% over fiscal 2016. Revenue for fiscal 2017 was up from the prior year due to growth in visits and season pass sales, as well as the contribution of a full year of revenues from Hunter Mountain, which we acquired in January 2016. As the U.S. economy continues to improve, our resorts are well-positioned to benefit from increased consumer spending on leisure activities, and we expect to continue to increase our lift ticket prices and drive more skier visits to our resorts.

The U.S. ski industry is highly fragmented, with less than 15% of the 479 ski resorts being owned by companies with four or more ski resorts. We believe that our proven ability to efficiently operate multiple resorts as well as our track record of successful acquisitions has created our reputation in the marketplace as a preferred buyer. We believe that our extensive experience in acquiring ski resorts and investing in snowmaking, lifts and other skier services, as well as the synergies we create by operating multiple resorts, drives increased revenues and profitability. Our capabilities serve as a competitive advantage in sourcing and executing investment opportunities as sellers will often provide us a "first look" at opportunities outside of a broader marketing process, allowing us to expand both within our existing markets and into new markets.

We operate in a single business segment—resort operations. We are not dependent on any single customer, the loss of which would have a material impact on our financial statements, and we derive no revenue from foreign sources.

Our Resorts

Our 14 ski resorts consist of six overnight drive ski resorts and eight day ski resorts located across seven states, ranging from Missouri to New Hampshire, and appeal to a wide range of visitors. All of our ski resorts employ high-capacity snowmaking capabilities on over 90% of their terrain as well as food and beverage, equipment rental and retail outlets. All of our properties offer alternative snow activities, such as terrain parks and tubing, in addition to skiing and snowboarding. The diversity of our services and amenities allows us to capture a larger proportion of customer spending as well as ensure product and service quality at our resorts.

New for the 2016/2017 ski season, the Company introduced the Peak Pass, a new season pass which features a total of six pass options valid at seven different mountain locations across four states in the Northeast. Participating resorts include Mount Snow in Vermont; Attitash, Wildcat and Crotched Mountains in New Hampshire; Hunter Mountain in New York; and Jack Frost and Big Boulder in Pennsylvania. The Company believes the variety of each resort's on-mountain experience, as well as the proximity of these resorts, makes the Peak Pass a unique and affordable product for the vast majority of skiers and riders in the Northeastern U.S.

The following table summarizes key statistics relating to each of our resorts as of April 30, 2017:

Property	State	Developed/ Acquired	Nearest Metro MSA	Population Base (millions)	Skiable Acres	Total Lifts	Vertical Drop (ft.)
Hidden Valley	MO	1982	St Louis	3.9	60	9	310
Snow Creek	MO	1985	Kansas City	2.9	40	6	300
Paoli Peaks	IN	1997	Louisville, Nashville	3.0	65	8	300
Mad River*	OH	2001	Columbus, Dayton	2.8	60	12	300
Boston Mills	OH	2002	Cleveland, Akron, Canton	7.1	40	8	264
Brandywine	OH	2002	**	**	48	10	264
Crotched Mountain	NH	2003	Boston	13.9	105	5	1,000
Jack Frost	PA	2005	Philadelphia, New York City	27.3	80	12	600
Big Boulder	PA	2005	***	***	65	11	475
Attitash	NH	2007	Boston	13.9	307	11	1,750
Mount Snow	VT	2007	New York City, Boston, Albany	27.4	490	20	1,700
Wildcat Mountain	NH	2010	Boston	13.9	225	5	2,112
Alpine Valley	OH	2012	Cleveland, Akron, Canton	7.1	54	7	260
Hunter Mountain	NY	2016	New York City, Boston, Albany	27.4	220	12	1,600

* Leased property
** Marketed with Boston Mills
*** Marketed with Jack Frost

We operate portions or all of certain of our resorts pursuant to lease agreements with third parties or pursuant to Forest Service Special Use Permits with the federal government. We own the remaining land underlying our resorts. For a description of our ownership and use of the land underlying our resorts, see Item 2, “Properties” of this annual report.

In December 2011, we acquired the Jack Frost ski resort through the purchase of the assets of Blue Ridge Real Estate Company for $5.65 million. Also in December 2011, we purchased the assets of Big Boulder Corporation to acquire the Big Boulder ski resort, for total consideration of $3.35 million. Prior to that time, we had operated these resorts pursuant to leases since 2005.

In October 2012, we purchased the outstanding common stock of Sycamore Lake, Inc. (doing business as Alpine Valley Ski Area in Cleveland, Ohio) for $2.6 million. This acquisition enables us to employ pricing strategies and cost synergies with Boston Mills and Brandywine, our other two Cleveland resorts.

On January 6, 2016, we completed the acquisition of the Hunter Mountain ski resort located in Hunter, New York, through the purchase of all of the outstanding stock of each of Hunter Mountain Ski Bowl, Inc., Hunter Mountain Festivals, Ltd., Hunter Mountain Rentals, Inc., Hunter Resort Vacations, Inc., Hunter Mountain Base Lodge, Inc., and Frosty Land, Inc. (collectively, “Hunter Mountain”) pursuant to the terms of the Stock Purchase Agreement (the “Hunter Mountain Purchase Agreement”) with Paul Slutzky, Charles B. Slutzky, David Slutzky, Gary Slutzky and Carol Slutzky-Tenerowicz entered into on November 30, 2015. The Company acquired Hunter Mountain for total cash consideration of $35.0 million plus the assumption of two capital leases estimated at approximately $1.7 million.

A portion of the Hunter Mountain acquisition price was financed pursuant to the Master Credit and Security Agreement (the “Hunter Mountain Credit Agreement”) entered into between the Company and EPR Properties, the Company’s primary lender (“EPR”), on January 6, 2016. The remainder was financed with funds drawn on the Company’s line of credit with Royal Banks of Missouri pursuant to the Credit Facility, Loan and Security Agreement (the “Line of Credit Agreement”) between the Company and Royal Banks of Missouri, effective as of December 22, 2015. See Part II, Item

7A,"Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Significant Sources of Cash" for additional information.

Private Placement and Financings

At the beginning of fiscal 2017, the Company experienced lower than normal liquidity levels. The unfavorably warm weather during the 2015/2016 ski season resulted in fewer ski days and lower profitability for the Company. Furthermore, the Company experienced unexpected delays in the release of funds raised pursuant to the U.S. government's Immigrant Investor Program (the "EB-5 Program"), as more fully discussed in Part II, Item 7A, "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources – Significant Uses of Cash," to finance the development of two capital projects at our Mount Snow resort—the West Lake Water Project and the Carinthia Ski Lodge Project. We raised $52.0 million for the Mount Snow development projects, which was sitting in escrow pending the approval of the first program investor's I-526 Petition, as defined herein, at the beginning of fiscal 2017.

Based on the timeline originally anticipated for approval of the first investor's I-526 Petition and corresponding release of EB-5 Program funds from escrow, we commenced construction of the West Lake Water Project in the second half of calendar year 2015. Through the second quarter of fiscal 2017, we had funded approximately $15.0 million of the West Lake Water Project costs, for which we were reimbursed in full once the EB-5 Program funds were released from escrow in December 2016.

Due to our constrained liquidity position and delay in the release of EB-5 Program funds, the Company took a number of steps in fiscal 2017 to manage cash flow and improve the Company's liquidity position. The Company borrowed additional funds for working capital and received significant capital in connection with a private placement, as discussed in more detail below. See Part II, Item 7A, "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Significant Sources of Cash" for additional information regarding the Company's additional borrowings during fiscal 2017.

On August 22, 2016, the Company entered into the securities purchase agreement (the "Securities Purchase Agreement") with CAP 1 LLC (the "Investor") in connection with the sale and issuance (the "Private Placement") of $20 million in Series A Cumulative Convertible Preferred Stock, par value $0.01 per share (the "Series A Preferred Stock"), and three warrants (the "Warrants") to purchase shares of the Company's common stock, as follows: (i) 1,538,462 shares of common stock at $6.50 per share; (ii) 625,000 shares of common stock at $8.00 per share; and (iii) 555,556 shares of common stock at $9.00 per share. In order to close the Private Placement, the Company's stockholders were required to approve amendments to the Company's amended and restated articles of incorporation to provide for an increase in the number of authorized shares of common stock and authorize the creation of preferred stock. Pursuant to applicable rules of The Nasdaq Stock Market, the Company's stockholders were also required to approve the issuance of the Series A Preferred Stock and the Warrants, as well as the issuance of shares of common stock upon the conversion of the Series A Preferred Stock and exercise of the Warrants pursuant to the terms of the Private Placement. The Company's stockholders approved these matters on October 24, 2016 at the Company's 2016 Annual Meeting of Stockholders. On November 2, 2016, the Company completed the sale and issuance of the Series A Preferred Stock and the Warrants to the Investor in the Private Placement.

The Securities Purchase Agreement grants to the Company the right to require the Investor to purchase an additional 20,000 shares of Series A Preferred Stock for $1,000 per share, along with additional warrants, all on the same terms and conditions as the Private Placement, as long as (i) there is no material adverse effect; (ii) the average closing price of the common stock for the ten trading days prior to the execution of the documents for such additional shares is not less than the average closing price of the common stock for the ten trading days prior to the execution of the Securities Purchase Agreement; (iii) the Investor is reasonably satisfied with the manner in which the Company intends to use the net cash proceeds of such issuance; and (iv) the Company has successfully implemented an EB-5 Program with respect to Mount Snow and one investor's application has been approved. The Company's right to require the additional purchase expires two years from the closing of the Private Placement.

The terms of the Series A Preferred Stock are set forth in the Certificate of Designation filed by the Company with the Missouri Secretary of State on October 26, 2016. The key terms of the Series A Preferred Stock are as follows:

- $1,000 per share liquidation value (the “Liquidation Value”);
- Convertible upon a change of control, or after nine months, into a number of shares of common stock equal to the number of shares to be converted times the Liquidation Value, divided by $6.29 (the “Conversion Price”);
- Initial nine-month, dividend-free period with a subsequent cumulative dividend of 8.0% per annum on the Liquidation Value;

- Redeemable by the Company after three years at 125% of the Liquidation Value, plus accrued and unpaid dividends if the common stock trades at more than 130% of the Conversion Price for a 30-day period;
- Senior as to dividends, liquidation and redemption, with limitations on the Company's ability to issue convertible debt and senior securities; and
- Voting rights on an as-converted basis with holders of outstanding shares of common stock, voting together as a single class, with respect to any and all matters presented to the stockholders of the Company.

The terms of the Warrants issued in the Private Placement are all identical except for the number of shares for which the Warrants are exercisable and the exercise prices of each of the Warrants. Each of the Warrants may be exercised in whole or in part at any time for a period of 12 years from the date of issuance. The exercise price must be paid in cash. The exercise price of the Warrants and the number of shares of common stock issuable upon exercise of the Warrants are subject to adjustment in the event of a stock split, stock dividend, reorganization, reclassification, consolidation, merger, sale and similar transaction.

Concurrently with the closing of the Private Placement, the Company entered into the Registration Rights Agreement with the Investor providing the Investor with certain on-demand and piggy-back registration rights with respect to the common stock issuable upon conversion of the Series A Preferred Stock and exercise of the Warrants. In addition, the Company, management stockholders and the Investor executed the Stockholders' Agreement upon the Private Placement closing, generally granting the Investor pre-emptive rights, rights of first offer, director nomination rights and approval rights over certain changes in the Company's business and certain acquisitions and divestitures.

The Company used approximately $5.5 million of the proceeds from the offering to pay down a portion of its outstanding debt. The remainder is intended to be used for working capital purposes.

On November 2, 2016, the board of directors appointed Rory A. Held to serve as a director of the Company upon the nomination of the Investor pursuant to the terms of the Stockholders' Agreement and the recommendation of the Nominating and Corporate Governance Committee.

Capital Improvement Projects

As part of our mission to build value by investing in our current properties through expansions, new products, and amenities that will elevate our customers' skiing and off-season experiences, we recently announced our intent to undertake two new capital improvement projects. We intend to apply for construction permits at Hunter Mountain to increase the resort's skiable acreage by approximately 25-30%. The new area will feature a parking area and a detachable high speed chair lift and will consist of predominantly intermediate terrain. We are working to complete the project in time for the 2018/2019 ski season.

We also intend to apply for a permit to construct a zip tour at Hidden Valley in an effort to leverage underutilized capacity in the spring, summer and fall to generate additional sales and diversify Hidden Valley's revenue base. Our goal is to complete the project for use beginning in the fall of 2018.

Upon release of the EB-5 Program funds from escrow, as described above, we continued construction on the West Lake Water Project and Carinthia Ski Lodge Project at Mount Snow. The West Lake Water Project, expected to be completed prior to the 2017/2018 ski season, includes the construction of a new water storage reservoir for snowmaking with capacity of up to 120 million gallons, three new pump houses and the installation of snowmaking pipelines, trail upgrades and expansion, new ski lift and ancillary equipment. The Carinthia Ski Lodge Project, expected to be completed prior to the 2018/2019 ski season, includes the construction of Carinthia Ski Lodge, a new three-story, approximately 36,000-square foot skier service building located at the base of the Carinthia slopes. Carinthia Ski Lodge will include a restaurant, cafeteria and bars with seating for over 600 people, a retail store, convenience store and sales center for lift tickets and rentals.

Debt Restructure

On November 10, 2014, in connection with our initial public offering, we entered into a Restructure Agreement (the “Restructure Agreement”) with certain affiliates of EPR, providing for the (i) prepayment of approximately $75.8 million of formerly non-prepayable debt secured by the Crotched Mountain, Attitash, Paoli Peaks, Hidden Valley and Snow Creek resorts and (ii) retirement of one of the notes associated with the future development of Mount Snow (the “Debt Restructure”). On December 1, 2014, we entered into various agreements in order to effectuate the Debt Restructure, as more fully described in the Company’s Current Report on Form 8-K filed with the Securities and Exchange Commission (the “SEC”) on December 5, 2014. Pursuant to the Debt Restructure, we paid a defeasance fee of $5 million to EPR in addition to the consideration described below.

In exchange for the prepayment right, we granted EPR a purchase option on the Boston Mills, Brandywine, Jack Frost, Big Boulder and Alpine Valley properties, subject to certain conditions. If EPR exercises a purchase option, EPR will enter into an agreement with the Company for the lease of each such acquired property for an initial term of 20 years, plus options to extend the lease for two additional periods of ten years each. All previously existing option agreements between the Company and EPR were terminated.

Additionally, we agreed to extend the maturity dates on all non-prepayable notes and mortgages secured by the Mount Snow, Boston Mills, Brandywine, Jack Frost, Big Boulder and Alpine Valley properties remaining after the Debt Restructure by seven years to December 1, 2034, and to extend the lease for the Mad River property, previously terminating in 2026, until December 31, 2034.

We also granted EPR a right of first refusal to provide all or a portion of the financing associated with any purchase, ground lease, sale/leaseback, management or financing transaction contemplated by the Company with respect to any new or existing ski resort property for a period of seven years or until financing provided by EPR for such transactions equals or exceeds $250 million in the aggregate. Proposed financings from certain types of institutional lenders providing a loan to value ratio of less than 60% (as relates to the applicable property being financed) are excluded from the right of first refusal. We granted EPR a separate right of first refusal in the event that the Company wishes to sell, transfer, convey or otherwise dispose of any or all of the Attitash ski resort for seven years. The Attitash right excludes the financing or mortgaging of Attitash.

In connection with the Debt Restructure, we entered into a Master Credit and Security Agreement with EPR containing additional terms and conditions governing our restructure debt with EPR, including restrictions on certain transactions and the payment of dividends and required financial covenants. See Part II, Item 7A, “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Significant Sources of Cash” for additional information regarding the Company’s debt agreements in general and modifications to the Master Credit and Security Agreement.

Ski Industry

The National Ski Areas Association (“NSAA”) Kottke National End of Season Survey (Preliminary Report) estimated the U.S. ski industry had approximately 54.7 million skier visits in the 2016/2017 ski season. The U.S. ski industry reported total skier visits of 52.8 million in the 2015/2016 ski season. The NSAA Kottke National End of Season Survey (Preliminary Report) also reported that there were 479 ski resorts operating during the 2016/2017 ski season in the U.S. Given the consistency and strength of annual skier visits over the last 30 years as well as the state of the recovering economy, we believe that skier participation will remain strong in the coming years.

The ski industry divides ski resorts into three distinct categories: overnight fly, overnight drive and day ski resorts. Overnight fly ski resorts are defined as ski resorts which primarily serve skiers who fly or drive considerable distances and stay for multiple nights. These resorts depend, in large part, on long-distance travel by their visitors and on the development of adjacent real estate for housing, hospitality and retail uses. Overnight drive ski resorts are ski resorts which primarily serve skiers from the regional drive market who stay overnight. Day ski resorts are typically located within 50 miles of a major metropolitan statistical area (“MSA”) and do not generally offer dedicated lodging.

Day and overnight drive ski resorts tend to be smaller in size and are usually located near metropolitan areas. As an owner and operator of primarily day and overnight drive ski resorts, we focus on selling lift tickets, renting ski equipment, selling ski lessons, offering food and beverage services and catering to the targeted local market. We target skiers of all levels from beginners who are skiing for the first time to intermediate and advanced skiers who are honing their skills.

An important statistic used to gauge the performance of companies operating within the ski industry is revenue per skier visit. The revenue per skier visit of our resorts for the 2007/2008 ski season (the first season subsequent to the Mount Snow and Attitash acquisitions) to the 2015/2016 ski season (the most current ski season for which data is available) increased at a compounded annual growth rate of 5.6% compared to an increase of 4.0% for the U.S. ski industry for the same period. Revenue per skier visit is calculated as total resort revenue divided by skier visits.

The ski industry statistics stated in the foregoing sections have been derived from data published by the Kottke National End of Season Survey 2015/2016 and other industry publications, including those of the NSAA.

Revenue Components

We, like other day ski resorts and overnight drive ski resorts operators, earn our revenues in seven principal categories. In order of their contribution, they are: (i) lift and tubing tickets; (ii) food and beverage sales; (iii) equipment rentals; (iv) ski instruction; (v) hotel/lodging; (vi) retail; and (vii) summer activities. Each revenue center is discussed in more detail below:

	Year ended April 30, 2017	2016	2015
Revenues			
Lift and tubing tickets	$ 58,100	$ 45,541	$ 50,821
Food and beverage	23,078	15,816	18,927
Equipment rental	8,582	7,036	8,017
Ski instruction	8,562	6,580	7,242
Hotel/lodging	9,731	7,972	7,623
Retail	6,196	4,560	5,261
Summer activities	4,748	4,302	3,671
Other	4,252	3,922	3,296
	$ 123,249	$ 95,729	$ 104,858

- Lift and Tubing Tickets— Lift tickets are our most important source of operating revenues. We place heavy emphasis on sales of season passes and advance group ticket sales to schools, religious organizations and other social groups at a discount. We market our season passes and advance group ticket sales to our ski visitors and the communities we serve. The cost of lift tickets at each of our resorts varies according to geographic region, session time and day of the week.
- Food and Beverage—Our facilities generally employ cafeteria-style and self-service options to provide a limited menu of simple foods, liquor, beer and wine. We try to maximize revenues and simplify operations by focusing on a limited menu that requires minimal special preparation and related personnel costs.
- Equipment Rentals— Day ski resorts generally attain a higher percentage of rental revenue than overnight fly destination ski resorts and overnight drive ski resorts because a large majority of day ski resort skiers are novices, who typically do not own ski equipment. Equipment rental rates generally range between $30 and $41 per person per session. We have focused on improving our equipment rental facilities to provide quick access to new and high

quality equipment, self-service options with expert advice and fitting available, and immediate access to the lifts and ski instruction areas from the rental facility. By eliminating the equipment rental bottleneck, we believe that we have significantly enhanced the skiers' resort experience, which corresponds to increased rental revenues.

- Ski Instruction— Ski instruction is considered important to operations because of the large numbers of novice or early intermediate skiers who typically visit day ski resorts. We offer low group lesson prices to encourage participation, which range from $15 and $49 per person per lesson. Individual instructions and private lessons may range from $45 to $105 or more per lesson.
- Hotel/Lodging— Because we primarily operate day ski resorts, not all of our resorts offer hotel or other lodging services. Our hotel/lodging revenue is comprised of the revenue generated by the lodging facilities at our Attitash, Hunter Mountain and Mount Snow ski resorts. Each has a hotel on their properties, in which individuals have purchased 100% of all available quartershare interval interests, while we retain ownership of common areas of the hotel and commercial properties. We derive a revenue stream from operating the hotels' retail, restaurant and conference facilities, fees for spa and health club services at the hotels and fees for housekeeping and other related services, and from renting quartershare interval interests when not in use by their owners. We also manage certain condominiums located near the Mount Snow ski resort and receive a portion of the rental fees and property management fees relating to these condominiums. Finally, we own 100% of the Snow Lake Lodge at Mount Snow, which we operate as a traditional hotel.

· Retail— Like ski instruction services, retail also represents a relatively small percentage of our total revenues. Some of our resorts offer a selection of more substantial ski-related equipment, such as boots, skis and snowsuits, while others maintain only a minimal selection of smaller items, such as gloves and goggles. Merchandise selection and pricing decisions must be made in light of the local demographic conditions. To facilitate this level of detailed management, local ski resort employees oversee their merchandise operations as they see fit for their markets. We also lease merchandise operations to third-party merchants at Boston Mills, Brandywine and Paoli Peaks.
· Summer Activities— Although the majority of our resorts do not have material operations during the summer months, we do operate several resorts during the summer. Activities include zip tours, water parks, mountain coasters, horseback riding, conferences, camps, and festivals.

Seasonality

The Company's revenues are highly seasonal in nature. The vast majority of reported revenues are generated during the ski season, which occurs during the third and fourth fiscal quarters. In an effort to partially counterbalance the concentration of revenue during the winter months, some of our properties offer non-ski attractions, such as golf, roller coasters, swimming, summer concerts and zip rides, but these activities do not comprise a substantial portion of our annual revenues. Our resorts typically experience operating losses and negative cash flows during the first and second quarters of each fiscal year, as a result of the seasonality of our business.

Additionally, operations on certain holidays contribute significantly to the Company's revenues, most notably Christmas, Dr. Martin Luther King, Jr. Day and Presidents Day. The seasonality of the Company's revenues amplifies the effect on the Company's revenues, operating earnings and cash flows of events that are outside the Company's control. While the Company's geographically diverse operating locations help mitigate its effects, adverse weather conditions could limit customer access to the Company's resorts, render snowmaking wholly or partially ineffective in maintaining ski conditions, cause increased energy use and other operating costs related to snowmaking efforts and, in general, can result in decreased skier visits regardless of ski conditions.

The opening and closing dates of our ski resorts are dependent upon weather conditions, but our peak ski season generally runs from early December to mid-April. The weather impact during the current ski season resulted in every resort except one having an earlier opening date compared to the prior ski season. The following tables illustrate the opening and closing dates for the 2012/2013 through 2016/2017 ski seasons for our 14 ski resorts:

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Ski Resort	2012/2013 Open Dates	2013/2014 Open Dates	2014/2015 Open Dates	2015/2016 Open Dates	2016/2017 Open Dates
Attitash	Dec 7 - Apr 11	Dec 7 - Apr 6	Dec 6 - Apr 5	Dec 26 - Mar 27	Dec 26 - Apr 20
Alpine Valley	Dec 30 - Mar 3	Dec 28 - Mar 16	Dec 30 - Mar 22	Jan 3 - Mar 6	Dec 11 - Mar 17
Big Boulder	Nov 28 - Apr 20	Nov 14 - Apr 6	Nov 20 - Apr 19	Jan 2 - Mar 27	Nov 25 - Apr 9
Boston Mills	Dec 28 - Mar 10	Nov 29 - Mar 16	Jan 1 - Mar 22	Jan 4 - Mar 8	Dec 16 - Mar 19
Brandywine	Dec 29 - Mar 30	Dec 14 - Mar 16	Jan 2 - Apr 1	Jan 5 - Mar 11	Dec 16 - Mar 5
Crotched Mountain	Dec 1 - Apr 7	Nov 30 - Mar 30	Nov 28 - Apr 5	Dec 29 - Mar 20	Dec 10 - Apr 9
Hidden Valley	Dec 23 - Mar 17	Dec 14 - Mar 15	Jan 2 - Mar 8	Jan 10 - Mar 6	Dec 10 - Feb 20
Hunter Mountain (1)	—	—	—	Dec 13 - Mar 27	Nov 25 - Apr 9
Jack Frost	Dec 22 - Mar 31	Dec 7 - Mar 23	Dec 12 - Mar 29	Dec 26 - Mar 13	Dec 10 - Mar 19
Mad River	Dec 23 - Mar 17	Nov 30 - Mar 16	Dec 20 - Mar 22	Jan 2 - Mar 8	Dec 16 - Mar 19
Mount Snow	Nov 22 - Apr 21	Nov 15 - Apr 13	Nov 21 - Apr 19	Nov 26 - Apr 3	Nov 23 - Apr 16
Paoli Peaks	Dec 23 - Mar 10	Dec 14 - Mar 9	Dec 31 - Mar 8	Jan 4 - Mar 6	Dec 16 - Feb 20
Snow Creek	Dec 22 - Mar 17	Dec 14 - Mar 9	Dec 31 - Mar 8	Dec 31 - Mar 6	Dec 16 - Mar 5
Wildcat Mountain	Nov 22 - Apr 21	Nov 28 - Apr 27	Nov 9 - Apr 30	Nov 26 - Apr 24	Nov 24 - Apr 29

(1) Data for Hunter Mountain is included beginning in the 2015/2016 ski season, as we acquired the ski resort in January 2016.

Marketing

We promote our resorts through both on-site marketing and external marketing. We encourage visitors to return to our resorts by offering complimentary skier orientations at our resorts. We also have marketing programs in place directed at attracting groups, such as religious organizations, social clubs, corporate entities, schools and civic organizations, and we offer discounts to active military personnel. We believe that these group discounts encourage new participants to try snow sports. Student passes are also sold through schools, and season passes are promoted through targeted direct mail marketing, the internet and local sporting goods stores.

Each of our resorts also maximizes community awareness through radio, special events and promotions and “free media” advertising, when possible. We host charity events and tournaments, issue media passes and encourage live radio and television broadcasts for segments such as weather or sports. For example, events we have hosted include the following: Dew Tour, X-Games, Tough Mudder, SAM Cutters Camp, Transworld Trans-am Snowboard Event, Mountain Dew Vertical Challenge, NCAA National Downhill Championships, Special Olympics Games, Military Salutes, Taste of Country Music Festival, and U.S. National Mountain Biking Championships.

Competition

We believe that there are high barriers to entry for new ski resorts due to the limited private lands on which ski resorts can be developed, the difficulty in getting the necessary government approvals and permits to build on public land and the substantial capital resources needed to construct the required ski infrastructure. As such, we believe that the risk that our market will become saturated with new industry participants is relatively low. We believe that our resorts do not directly compete with overnight fly destination ski resorts, such as the larger ski resorts in Colorado, California, Nevada, Utah and other destination ski resorts worldwide. Rather, we believe that we compete primarily with other existing day ski resorts, overnight drive ski resorts and non-ski related day vacations.

Our competition varies by geographical area. While we believe that our Midwestern ski resorts face only limited competition within their relative metropolitan markets, we are not the only day ski resorts or overnight drive ski resorts in our Northeastern and Southeastern markets (as defined by the NSAA). We compete with approximately 146 resorts in the Northeastern market and 46 resorts in the Southeastern market.

Competitive Strengths

We believe our strengths are as follows:

- We own a high-quality branded portfolio. We own 13 and operate 14 high-quality ski resorts, each of which is individually branded and recognized to be a leading ski resort in its respective regional market. Our devotion to maintaining high quality standards through strategic investments and upgrades has created a loyal customer base at each of our resorts. Our strong branding reinforces customer loyalty and serves to attract new guests through focused marketing campaigns and word of mouth.

- We have a history of investing in targeted capital projects to increase profitability. We are continuously evaluating our property-level performance and are committed to increasing our profitability. Many ski resort operators are unwilling to invest in improvements due to capital constraints and the perceived risk of such investments. Since 2008, we have invested $68.9 million throughout our portfolio in an effort to improve the profitability of our ski resorts through energy-efficient snowmaking machinery, high-speed/high-capacity lifts and additional features such as terrain parks and various other infrastructure investments. The costs of these improvements are significantly outweighed by the benefits realized, which include higher quality and less costly snow, shorter lift lines, terrain expansion and customer appreciation. We have found that the ability to transport customers up the mountain on high-speed chairlifts and to reduce lift lines not only attracts skiers and promotes a better skiing experience but also leads to higher restaurant and retail sales and increased customer satisfaction.

•We are an experienced and successful acquirer and integrator. We have grown our Company significantly since inception by acquiring strategically located ski resorts with the potential for increased revenue growth and margin expansion. We have successfully acquired and integrated 11 ski resorts since 1997. We adhere to a disciplined acquisition strategy by pursuing opportunities at attractive acquisition prices that can create additional value through operational improvements and efficiencies. After acquiring a ski resort, we implement a strategic repositioning program designed during the underwriting process and integrate the resort into our portfolio. We believe that our track record for acquiring and integrating ski resorts makes us an industry leader and gives us a competitive advantage over other buyers.

•Our experienced senior management team is dedicated to providing a reliable and enjoyable ski experience. Three of our senior executives have almost 60 years of combined experience owning, operating and acquiring ski resorts in the U.S. Since 1982, it has been our vision to offer a reliable and enjoyable skiing experience to our customers. As a result of this vision, our management team constantly strives to enhance and improve our snowmaking capabilities to ensure our ski resorts maintain high-quality snow throughout the season. In addition, our management team strives to provide our ski resorts with a full range of amenities to augment our customers' overall skiing experience.

•Overnight drive and day ski resorts experience lower sensitivity to the economy. We believe our portfolio provides more attractive risk-adjusted returns than overnight fly resorts due to the stability in our visits. Furthermore, we believe that customers are more likely to visit overnight drive and day ski resorts during an economic downturn as compared to other higher cost overnight fly ski resorts, resulting in less sensitivity to downturns in the economy. The revenue per skier visit of our resorts from the 2007/2008 ski season (the first season subsequent to the Mount Snow and Attitash acquisitions) to the 2015/2016 ski season (the most current ski season for which data is available) increased at a compounded annual growth rate of 5.6% compared to an increase of 4.0% for the U.S. ski industry for the same period.

•The ski industry possesses high barriers to entry. A limited number of ski resorts have been developed in the past 30 years. Skiable land is scarce and demanding to develop due to the difficulty in aggregating suitable terrain, obtaining government permitting, resolving accessibility issues and addressing heightened environmental concerns. Operating a ski resort requires a high level of expertise and strict regulatory and environmental compliance. Additionally, many resorts have built significant customer loyalty and brand awareness over multiple generations, which can be difficult for a new entrant to overcome. These factors have contributed to the number of ski resorts decreasing 35%, from 735 in 1984 to 479 in 2017 as smaller, poorly capitalized resorts have been unable to compete effectively. With our large existing portfolio, proven capital investment strategy and strong customer loyalty, we believe our Company is competitively well-positioned.

•Our ski resort portfolio is diverse. Our portfolio of 14 ski resorts consists of six overnight drive ski resorts and eight day ski resorts located across seven states ranging from Missouri to New Hampshire. We believe that our portfolio mix enables us to reach a large customer base seeking high-quality ski resorts within driving distance of major metropolitan areas. Each of our ski resorts is located within reasonable drive times from major metropolitan areas such as New York City, Boston, Philadelphia, Cleveland and St. Louis, which we believe provides us with a consistent repeat customer base and increases our new customer outreach potential. We believe that the size and geographic diversity of our portfolio helps insulate the Company's financial performance against adverse economic and weather conditions.

•We are a proven operator of ski resorts. We have operated numerous ski resorts since our incorporation in 1997. Due to our extensive operating expertise, we believe we have a profitable and efficient platform that positions us to take advantage of growth initiatives and cost controls.

•Management's and stockholders' interests are aligned. Our management team owns approximately 16% of our outstanding shares. We believe that this substantial ownership position aligns the interest of our operating team with that of our new stockholders.

Intellectual Property

We understand the importance to the sales and marketing of our resorts that a strong brand can maintain. Wildcat Mountain Ski AreaSM, Mount Snow®, Boston Mills Ski ResortSM, Hidden ValleySM, Crotched Mountain Ski AreaSM , Alpine Valley and Hunter MountainSM are trademarks, service marks and trade names owned by certain subsidiaries of Peak Resorts, Inc.

Regulation and Legislation

The 1986 Ski Area Permit Act and Master Development Plans

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The 1986 Ski Area Permit Act (the "1986 Act") allows the Forest Service to grant Term Special Use Permits for the operation of ski resorts and construction of related facilities on National Forest lands. In addition, the permits granted to our ski resorts under the 1986 Act require a Master Development Plan for each ski resort that is granted a Special Use Permit. Of our 14 resorts, only portions of Attitash and Mount Snow and all of Wildcat Mountain operate under Special Use Permits. The ski-able terrain at our other resorts is located on land that we own or lease from non-government third parties.

Each area of National Forest land is required by the National Forest Management Plan to develop and maintain a Land and Resource Management Plan, which establishes standards and guidelines for the Forest Service to follow and consider in reviewing and approving our proposed actions. Under the 1986 Act, the Forest Service has the right to review and approve the locations, design and construction of improvements in the permit area and many operational matters.

The Special Use Permits expire as follows: Attitash ski resort—April 4, 2047; Mount Snow ski resort—April 4, 2047; and Wildcat Mountain ski resort—November 18, 2050. We intend to request a new Special Use Permit for each resort as provided by the Forest Service regulations and terms of each existing Special Use Permit. To our knowledge, the Forest Service has never refused to issue a new Special Use Permit to replace an existing Special Use Permit for a ski resort in operation at the time of expiration.

Each Special Use Permit contains requirements and obligations on our part, including that we indemnify the Forest Service from third-party claims arising out of our operation under the Special Use Permit and that we comply with all applicable laws. We pay a fee to the Forest Service for the Special Use Permit which, pursuant to the terms of each Special Use Permit, could range from 1.5% to 4.0% of sales for services on Forest Service land. Historically we have paid fees ranging from 1.5% to 2.5% of sales for services on Forest Service land and do not expect that this will change in the near future. Included in the calculation are sales from lift tickets, season passes, ski instructions, food and beverages, equipment rental, merchandise, and other ancillary services.

The Special Use Permits may be amended by mutual agreement between us and the Forest Service to change the applicable ski resort or permitted uses. The Forest Service may also modify the Special Use Permit to accommodate changes in plans or operations. Permit amendments must be consistent with the Forest Plan and are subject to the provisions of the National Environmental Policy Act ("NEPA").

The Forest Service may also terminate a Special Use Permit if it determines that termination is required for specific compelling reasons. However, to our knowledge, no Special Use Permit has ever been terminated by the Forest Service without the consent of the operator.

We must propose a Master Development Plan for all improvements that we intend to make on National Forest lands and submit such plans to the Forest Service for review and acceptance. Once the Forest Service accepts a Master Development Plan, individual projects contemplated by the Master Development Plan will only be approved by the Forest Service upon separate applications that meet the requirements set forth by the Forest Service, including the requirements contained in the Special Use Permit.

National Environmental Policy Act

Under NEPA, our major proposed actions on all National Forest land, such as the expansion of a ski resort or installation of new snowmaking equipment, must be assessed to determine the environmental impacts of such actions. Upon our application to the Forest Service to undertake major projects, the Forest Service must conduct an environmental study, which can impact the time it takes to complete a project. During these studies, the Forest Service is required to consider alternatives to proposed actions and the impacts that may be unavoidable. We may not get the Forest Service's approval to undertake a project or may be required to take alternative action, depending on the results of the environmental studies.

Underground Storage Tank Regulations

We have underground storage tanks ("USTs") on our ski resort properties in Ohio, New Hampshire, New York Pennsylvania and Vermont for the purpose of storing gasoline, fuel oil and propane that we use in the operation of our resorts, lodges and skier service buildings. The federal Solid Waste Disposal Act gives the Environmental Protection Agency ("EPA") the authority to regulate USTs. State UST programs that are at least as strict as the federal regulations and that have been approved by the EPA govern the USTs in lieu of the federal regulations. The objectives of the state UST programs are to ensure that:

- USTs are properly constructed and designed in accordance with recognized industry standards;
- installations, repairs and removals are conducted and inspected by qualified and trained individuals;
- active USTs are properly operated and monitored for the release of substances; and
- upon closure, USTs are properly decommissioned and sites are assessed for contamination.

We believe that the USTs at our facilities meet all state and federal construction and operation standards. Compliance with these UST regulations has not had a material impact on our capital expenditures, earnings or competitive position, and we do not expect it to have a material impact in the future.

Employees

We, together with our operating subsidiaries, currently employ approximately 600 year-round employees. During the height of our ski season, we employ approximately 6,200 seasonal employees.

Availability of Information

Our principal executive offices are located at 17409 Hidden Valley Drive, Wildwood, Missouri 63025, telephone (844) 513-7325. We maintain a website at www.peakresorts.com. We make available on our website, free of charge, the Company's annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K as soon as practicable after we file these reports with the SEC. Reports filed with the SEC can be read or copied at the SEC's Public Reference Room at 100 F Street, NE., Washington, DC 20549. The public may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC also maintains an Internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC (http://www.sec.gov).

Item 1A. Risk Factors.

You should carefully read and consider the risks described below, together with all of the other information set forth in this annual report on Form 10-K. Our business, results of operations, financial condition, cash flows and the trading price of our common stock could be materially and adversely harmed by any of the following risks. Additional risks not presently known to us or that we currently believe are immaterial may also significantly impair our business operations.

Risks Related to the Company –

Our industry is sensitive to weakness in the economy, and we are subject to risks associated with the overall leisure industry.

Weak economic conditions in the U.S. could have a material adverse effect on our industry. An economic downturn could reduce consumer spending on recreational activities such as those our resorts offer, resulting in decreased skier visits and consumer spending at our ski resorts. Such events could have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows. In addition, we may be unable to increase the price of our lift tickets, season passes or other offerings during an economic downturn despite our history of being successful in raising such prices under a variety of economic conditions.

Our business is vulnerable to the risk of unseasonably warm weather conditions and skier perceptions of weather conditions.

The ability to attract visitors to our resorts is influenced by weather conditions and by the number of cold weather days during the ski season. Unseasonably warm weather can adversely affect skier visits and our revenue and profits. For example, warm weather may result in inadequate natural snowfall and render snowmaking wholly or partially ineffective in maintaining quality skiing conditions. Also, the early season snow conditions and skier perceptions of early season snow conditions influence the momentum and success of the overall season. There is no way for us to predict future weather patterns, including any such patterns caused by climate change, or the impact that weather patterns may have on our results of operations or visitation.

Our business is highly seasonal and the occurrence of certain events during our peak times could have a negative effect on our revenues.

Our resort operations are highly seasonal. Although the air temperatures and timing and amount of snowfall can influence the number and type of skier visits, the majority of the skier visits are from mid-December to early April. Accordingly, during the past two fiscal years, we generated, on average, 87.6 % of our revenues during the third and fourth fiscal quarters. In addition, throughout our peak quarters, we generate the highest revenues on weekends and during three major holiday periods: Christmas, Dr. Martin Luther King, Jr. Day and Presidents Day. During the 2016/2017 ski season, we generated 30.8% of our revenues on weekends and 23.9% of our revenues during these three major holiday periods. Our resorts typically experience operating losses and negative cash flows during the first and second quarters of each fiscal year, as a result of the seasonality of our business. Operating results for any three-month period are not indicative of the results that may be achieved for any subsequent quarter or for a full fiscal year.

A high degree of seasonality in our revenues and our dependence on weekends and the three major ski holidays increases the impact of certain events on our operating results. Adverse weather conditions, equipment failures, and other developments of even moderate or limited duration occurring during these peak business periods could significantly reduce our revenues.

We may not be able to fully utilize our net operating loss carryforwards.

We believe that uncertainty exists with respect to the future realization of the loss carryforwards as well as with respect to the amount of the loss carryforwards that will be available in future periods. To the extent available, we intend to use these net operating loss carryforwards to offset future taxable income associated with our operations. There can be no assurance that we will generate sufficient taxable income in the carryforward period to utilize any remaining loss carryforwards before they expire.

In addition, Section 382 and related provisions of the Internal Revenue Code of 1986, as amended (the "Code"), contains rules that limit for U.S. federal income tax purposes the ability of a company that undergoes an "ownership change" to utilize its net operating losses and certain other tax attributes existing as of the date of such ownership change. Under these rules, such an ownership change is generally an increase in ownership by one or more "five percent shareholders," within the meaning of Section 382 of the Code, of more than 50% of a company's stock, directly or indirectly, within a rolling three-year period. In connection with our initial public offering in November 2014, a change of ownership in the Company occurred pursuant to the provisions of the Tax Reform Act of 1986. As a result, usage of our net operating loss carryforwards will be limited each year; however, we believe the full benefit of those carryforwards will be realized prior to their respective expiration dates.

Variations in the timing of peak periods, holidays and weekends may affect the comparability of our results of operations.

Depending on how peak periods, holidays and weekends fall on the calendar, in any given year we may have more or fewer peak periods, holidays and weekends in our third fiscal quarter compared to prior years, with a corresponding difference in our fourth fiscal quarter. These differences can result in material differences in our quarterly results of operations and affect the comparability of our results of operations.

We compete with other leisure activities and ski resorts, which makes maintaining our customer base difficult.

The skiing industry is highly competitive and capital intensive. Our ski resorts located in the Northeastern U.S., such as Hunter Mountain, Mount Snow, Attitash and Wildcat Mountain, and those located in the Southeastern U.S. (which includes Pennsylvania for purposes of ski industry statistics), such as Jack Frost and Big Boulder, compete against other ski resorts in their markets for both day and overnight drive skiers. Our competitive position depends on a number of factors, such as the quality and coverage of snowmaking operations, resort size, the attractiveness of terrain, lift ticket prices, prevailing weather conditions, the appeal of related services and resort reputation. Some of our competitors have stronger competitive positions in respect of one or more of these factors, which may adversely affect our ability to maintain or grow our customer base.

We believe that while our Midwestern U.S. ski resorts face only limited competition from other ski resorts in the area, our competitors in the Midwest primarily include other recreation resorts, including warm weather resorts and various alternative leisure activities. Our resorts in the Northeastern and Southeastern U.S. face similar competition, in addition to the competition outlined above. Our ability to maintain our levels of skier visits depends on, among other things, weather conditions, costs of lift tickets and related skier services relative to the costs of other leisure activities and our ability to attract people interested in recreational sports.

Changes in consumer tastes and preferences may affect skier visits at our ski resorts.

Our success depends on our ability to attract visitors to our ski resorts. Changes in consumer tastes and preferences, particularly those affecting the popularity of skiing, snowboarding and tubing, and other social and demographic trends could adversely affect the number of skier visits during a ski season. Furthermore, a reduction in average household income in some of the areas near our resorts, compared to historic levels, combined with the increasing cost of skiing, snowboarding and tubing, may make these activities unaffordable for a large percentage of that population. A significant decline in skier visits compared to historical levels would have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows.

We may not be able to pay dividends on our common stock.

We declared our first quarterly cash dividend on our common stock in January 2015 and continued to declare quarterly dividends through January 2016 at a quarterly rate of $0.1375 per share. The board made the decision in April 2016 that it would not be prudent to declare a dividend due to lower cash levels primarily caused by the delay in approval of our EB-5 Program, as well as the unseasonably warm weather during the 2015/2016 ski season which drove down revenue compared to the prior season. Additionally debt covenant compliance restricted the Company from being able to declare dividends during a portion of fiscal 2017. Though the board approved the reinstatement of the dividend in February 2017 at the lower quarterly rate of $0.07 per share, we cannot assure you that this dividend rate will be sustained or that we will continue to pay dividends in the future. The declaration and payment of future dividends to holders of our common stock will be at the sole discretion of our board of directors and will depend on many factors, including our actual results of operations, financial condition, capital requirements, contractual restrictions, restrictions in our debt agreements, economic conditions and other factors that could differ materially from our current expectations.

Furthermore, from and after the date that is nine months from the date of issuance, cumulative dividends shall accrue on the Series A Preferred Stock on a daily basis in arrears at the rate of 8% per annum on the liquidation value of $1,000 per share. The Series A Preferred Stock held by the Investor was issued on November 2, 2016, and as such, the Investor will be due such cumulative dividends beginning August 2, 2017. Pursuant to the terms of the Certificate of Designation of the Series A Preferred Stock, all accrued and accumulated dividends on the Series A Preferred Stock shall be paid prior and in preference to any cash dividend on our common stock. In addition, until the earlier of (i) such date as no Series A Preferred Stock remains outstanding and (ii) January 1, 2027, the Company is prohibited from paying any dividend on capital stock when there are accrued or unpaid dividends with respect to the Series A Preferred Stock.

The board may also suspend the payment of dividends on common stock at any time if it deems such action to be in the best interests of the Company and its stockholders. If we do not pay dividends, the price of our common stock must appreciate for investors to realize a gain on their investment. This appreciation may not occur and our stock may depreciate in value.

Our ability to declare and pay dividends is dependent on cash flow generated by our subsidiaries because we are a holding company.

We are a holding company with no operations. Our subsidiaries own most of the assets that will generate income. Therefore, our ability to declare and pay dividends is dependent on the generation of cash flow by our subsidiaries and their ability to make such cash available to us, by dividend, distribution or otherwise. Our subsidiaries may not be able or permitted to make distributions to enable us to make dividend payments in respect of our common stock. Each of our subsidiaries is a distinct legal entity, and, under certain circumstances, legal and contractual restrictions may limit our ability to obtain cash from them. In addition, any future financing or other arrangements that our subsidiaries enter into could limit their ability to make distributions to us. In addition, the Master Credit Agreement, as modified by the Modification Agreement, limits certain of our subsidiaries' ability to make distributions to us in the event of a default, or if the Company's

Consolidated Fixed Charge Coverage Ratio falls below 1.25:1.00. In the event that we do not receive distributions from our subsidiaries, we may be unable to make dividend payments on our common stock.

We may engage in acquisitions that could harm our business, operating results or financial condition.

A key component of our business strategy is to identify and acquire properties that are complementary to our core business. We frequently evaluate potential acquisitions and intend to actively pursue acquisition opportunities, some of which could be significant. We cannot make assurances that we will be able to successfully integrate and manage acquired properties and businesses and increase our profits from these operations.

The integration of acquired businesses may result in disruption to other parts of our business. In addition, the integration may require that we incur significant restructuring charges. To integrate acquired businesses, we must implement our management information systems, operating systems and internal controls, and assimilate and manage the personnel of the acquired operations. The difficulties of the integrations may be further complicated by such factors as geographic distances, lack of experience operating in the geographic market or industry sector of the acquired business, delays and challenges associated with integrating the business with our existing businesses, diversion of management's attention from daily operations of the business, potential loss of key employees and customers of the acquired business, the potential for deficiencies in internal controls at the acquired business, performance problems with the acquired business' technology, exposure to unanticipated liabilities of the acquired business, insufficient revenues to offset increased expenses associated with the acquisition, and our ability to achieve the growth prospects and synergies expected from any such acquisition. Even when an acquired business has already developed and marketed products and services, there can be no assurance that product or service enhancements will be made in a timely fashion or that all pre-acquisition due diligence will have identified all possible issues that might arise with respect to such acquired assets.

Future acquisitions may also cause us to assume liabilities, record goodwill and intangible assets that will be subject to impairment testing and potential impairment charges, incur amortization expense related to certain intangible assets and increase our expenses and working capital requirements, which would reduce our return on invested capital. Failure to manage and successfully integrate the acquisitions we make could materially harm our business and operating results.

We may be unsuccessful in identifying suitable acquisition candidates which may negatively impact our growth strategy.

There can be no assurance given that we will be able to identify additional suitable acquisition candidates or consummate future acquisitions or strategic transactions on acceptable terms. Our failure to successfully identify additional suitable acquisition candidates or consummate future acquisitions or strategic transactions on acceptable terms could have an adverse effect on our prospects, business activities, cash flow, financial condition, results of operations and stock price.

If we experience any service interruptions, data corruption, cyber or other security breaches, our operations could be disrupted.

We rely on our information technology systems, which may be susceptible to damage, disruptions or shutdowns as a result of, for example, failures during the process of upgrading or replacing technology, power outages, hardware failures, computer viruses, computer hackers, telecommunication failures, user errors, or even catastrophic events. If our information technology systems suffer severe damage, disruption or shutdown and our business continuity plans do not effectively resolve the issues in a timely manner, our business maybe disrupted, resulting in an inability to operate the effected resorts.

We also possess sensitive customer and employee information and may provide such data to third parties for analysis, benefit distribution or compliance purposes. While we believe we have taken reasonable and appropriate steps to protect that information, hackers and data thieves operate sophisticated, large-scale attacks that could breach our information systems, despite ongoing security measures. Consequently, a security breach could result in unauthorized disclosure of confidential information. In addition, we are required to comply with increasingly complex regulations designed to protect our business and personal data.

Any breach of our network security, a third-party's network security or failure to comply with applicable regulations may result in (a) the loss of valuable business data and/or our customers' or employees' personal information, (b) increased costs to implement additional protections and processes, (c) a disruption of our business and a loss of revenue, (d) damage to our relationships and reputation, and (e) fines or lawsuits. In addition, the costs related to cyber or other security threats or breaches may not be fully insured or indemnified.

We are subject to extensive environmental laws and regulations in the ordinary course of business.

Our operations are subject to a variety of federal, state and local environmental laws and regulations, including those relating to emissions to the air; discharges to water; storage, treatment and disposal of wastes; land use; remediation of contaminated sites; and protection of natural resources such as wetlands. For example, future expansions of certain of our ski facilities must comply with applicable forest plans approved under the National Forest Management Act or local zoning requirements. In addition, most projects to improve, upgrade or expand our ski resorts are subject to environmental review under the National Environmental Policy Act. Both acts require that the U.S. Forest Service study any proposal for potential environmental impacts and include in its analysis various alternatives. Our ski resort improvement proposals may not be approved or may be approved with modifications that substantially increase the cost or decrease the desirability of implementing the project.

Our facilities are subject to risks associated with mold and other indoor building contaminants. From time to time our operations are subject to inspections by environmental regulators or other regulatory agencies. We are also subject to worker health and safety requirements.

We believe our operations are in substantial compliance with applicable material environmental, health and safety requirements. However, our efforts to comply do not eliminate the risk that we may be held liable, incur fines or be subject to claims for damages, and that the amount of any liability, fines, damages or remediation costs may be material for, among other things, the presence or release of regulated materials at, on or emanating from properties we now own or lease and operate, or formerly owned, leased or operated, newly discovered environmental impacts or contamination at or from any of our properties, or changes in environmental laws and regulations or their enforcement.

The loss of our key executive officers could harm our business.

Our success depends to a significant extent upon the performance and continued service of our key management team which includes Timothy Boyd, our President and principal executive officer, Stephen Mueller, our Vice President and principal financial officer, and Richard Deutsch, our Vice President in charge of business and real estate development. The loss of the services of this management team and the failure to develop and maintain an adequate succession plan could have a material adverse effect on our business and operations because of Messrs. Boyd's, Mueller's and Deutsch's specific and unique knowledge of acquiring and operating multiple ski resorts, including day ski resorts and overnight drive ski resorts.

Failure to maintain the integrity of guest data could result in damage to our reputation and/or subject us to costs, fines or lawsuits.

We collect personally identifiable information relating to our guests for various business purposes, including marketing and promotional purposes. The integrity and privacy of our guests' information is important to us, and our guests have a high expectation that we will adequately protect their personal information. The regulatory environment governing privacy laws is increasingly demanding, and privacy laws continue to evolve and, on occasion, may be inconsistent from one jurisdiction to another. Maintaining compliance with applicable privacy regulations may increase our operating costs and/or adversely impact our ability to market our products, properties and services to our guests. Furthermore, non-compliance with applicable privacy regulations by us (or in some circumstances non-compliance by third parties engaged by us), a breach of security on systems storing our guest data, a loss of guest data or fraudulent use of guest data could adversely impact our reputation or result in fines or other damages and litigation.

We are subject to risks related to certain payment methods.

We accept payments using a variety of methods, including credit cards, debit cards and gift cards. As we offer new payment options to consumers, we may be subject to additional regulations, compliance requirements and fraud. For certain payment methods, including credit and debit cards, we pay interchange and other fees, which may increase over time and raise our operating costs and lower profitability. We are also subject to payment card association operating rules and certification requirements, including the Payment Card Industry Data Security Standard and rules governing electronic funds transfers, which could change or be reinterpreted to make it difficult for us to comply. As our business changes, we may also

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be subject to different rules under existing standards, which may require new assessments that involve costs above what we currently pay for compliance. While we are currently in compliance with all applicable rules and certification requirements, we may be subject to fines, higher transaction fees or loss of or restrictions on our ability to accept credit and debit card payments from customers if we are not in compliance with new rules and regulations or if the volume of fraud in our transactions rises to certain levels. If any of these events were to occur, our business, financial condition and operating results could be materially adversely affected.

Our business requires significant capital expenditures to both maintain and improve our ski resorts and expand our business through acquisitions. The lack of available funds for these capital expenditures could have a material adverse effect on our operating strategy.

Sustaining our successful financial performance depends, in part, on our ability to maintain and improve the quality of our facilities, products, and management resources (either directly or through third parties), which requires significant capital expenditures. Capital expenditures for fiscal 2017 were approximately $8.6 million. To the extent that we are unable to obtain the funds necessary to maintain and grow our business with cash generated from operating activities, or from borrowed funds or additional equity investments, our financial condition and results of operations could be affected. Although we believe that capital expenditures above maintenance levels can be deferred to address cash flow or other constraints, these expenditures cannot be deferred for extended periods without adversely affecting our competitive position and financial performance.

Historically, a key element of our strategy has been attracting additional skiers through investment in on-mountain capital improvements. These improvements are capital intensive, and a lack of available funds for capital expenditures could have a material adverse effect on our ability to implement our operating strategy. We intend to finance resort capital improvements through internally generated funds and proceeds from the offering of debt and equity. There can be no assurance that sufficient funds will be available to fund these capital improvements or that these capital improvements will sustain our customer base, attract additional skiers or generate additional revenues.

Future acquisitions may require additional debt or equity financing, which in the case of debt financing, will increase our leverage and, in the case of equity financing, would be dilutive to our existing stockholders. Any decline in our perceived credit-worthiness associated with an acquisition could adversely affect our ability to borrow and result in more restrictive borrowing terms. As a result of the foregoing, we also may not be able to complete acquisitions or strategic transactions in the future to the same extent as in the past, or at all. These and other factors could harm our ability to achieve anticipated levels of profitability at acquired operations or realize other anticipated benefits of an acquisition, and could adversely affect our business, financial condition and results of operations.

We are dependent on significant infrastructure and equipment.

Our infrastructure and equipment, including snowmaking equipment and ski lifts, are costly to maintain, repair and replace and are susceptible to unscheduled maintenance. Much of our infrastructure and equipment will eventually need to be replaced or significantly repaired or modernized, which could result in interruptions to our business, particularly during our peak periods. In certain cases, the cost of infrastructure or equipment repair or replacement may not be justified by the revenues at the applicable resort.

The high fixed cost structure of ski resort operations can result in significantly lower operating income if revenues decline.

The cost structure of ski resort operations has a significant fixed component with variable expenses including, but not limited to, resort related fees, credit card fees, retail/rental cost of sales and labor, ski school labor and dining operations. Any material declines in the economy, elevated geopolitical uncertainties and/or significant changes in historical snowfall patterns, as well as other risk factors discussed herein, could adversely affect revenue. As such, our operating income, profits and cash flows may be materially reduced due to declines in revenue given our relatively high fixed cost structure. In addition, increases in wages and other labor costs, energy, healthcare, insurance, transportation, fuel, and other expenses included in our fixed cost structure may also reduce our margins, profits and cash flows.

We generate a significant portion of our annual revenues from Mount Snow and Hunter Mountain. Conditions or events that could negatively impact Mount Snow or Hunter Mountain could have a material adverse effect on our financial condition and results of operations.

Revenue generated from Mount Snow and Hunter Mountain in fiscal 2017 represented approximately 55.1% of our total fiscal 2017 revenues. Mount Snow and Hunter Mountain, like our other resorts, are subject to various risks such as those described in this “Risk Factors” section, including natural disasters, changes in consumer leisure tastes, competition from other area ski resorts, decreased water supply and regional weather. The occurrence of such events or conditions that negatively impact Mount Snow and Hunter Mountain would have a material adverse effect on our financial condition and results of operations.

Cancellation of or modifications to the Immigrant Investor Program, or our failure to successfully raise capital under the program's guidelines, could adversely affect our ability to execute our growth strategy and improve our resorts.

We intend to continue to fund our Mount Snow development by raising funds under the Immigrant Investor Program, referred to herein as the EB-5 Program, administered by the United States Citizenship and Immigration Services (“USCIS”) pursuant to the Immigration and Nationality Act, as more fully discussed herein. This program was created to stimulate the U.S. economy through the creation of jobs and capital investments in U.S. companies by foreign investors. Congress has allocated 10,000 immigrant visas (‘‘EB-5 Visas’’) per year to qualified individuals seeking lawful permanent resident status on the basis of their investment in a new commercial enterprise that generates jobs.

The majority of EB-5 investors, and therefore EB-5 Visa recipients, are from China. Recently, the demand for the annual allocation of the EB-5 Visas has exceeded the supply, and nationals of China are now subject to lengthy waiting periods for such visas. These waiting periods could exceed five to ten years. Furthermore, raising funds pursuant to EB-5 Programs could become significantly more difficult if primary EB-5 investor markets in Asia are impacted by an economic downturn or military conflict, or if the United States government continues to subject EB-5 investor green card applicants to lengthy adjudications.

In addition, the EB-5 Program has been extended by Congress until September 30, 2017 for new programs. The continuity of the EB-5 Program is dependent on future action by lawmakers. For several years, the EB-5 Program has been extended for temporary periods only and not made permanent by Congress. Congress may continue to approve the EB-5 Program for only temporary periods and/or may materially modify aspects of the EB-5 Program that would make it unfeasible for the Company to rely on EB-5 financing for future development.

We cannot guarantee that we will be able to successfully raise additional sufficient funds under the EB-5 Program in order to implement future plans to improve our resorts. In this case, conventional financing options, such as loans, may prove too costly or may not be available, which could result in cancellation of our development and improvement plans and have a material adverse effect on our business.

We lease all or some of the land underlying certain of our resorts from third parties.

We lease some or all of our property at Paoli Peaks and Mad River from third parties. Our lease at Paoli Peaks terminates in 2078 and our lease at Mad River terminates in 2034. Combined, these resorts contributed 5.4% of our total revenues for the year ended April 30, 2017. A termination of any of these leases could negatively impact our results of operations.

A substantial portion of the skiable terrain at certain of our resorts is used under the terms of Forest Service permits.

A substantial portion of the skiable terrain at our Attitash and Mount Snow resorts and all of the land underlying the Wildcat Mountain resort is federal land that is used under the terms of permits with the U.S. Forest Service. The permits give the U.S. Forest Service the right to review and comment on the location, design, and construction of improvements in the permit area and on certain other operational matters. The permits can also be terminated or modified by the U.S. Forest Service for specific compelling reasons or in the event we fail to perform any of our obligations under the permits. Otherwise, the permits may be renewed. A termination or modification of any of our permits could have a material adverse effect on our results of operations. Currently, our permits expire as follows:

Ski Resort	Special Use Permit Expiration Date
Attitash	April 4, 2047
Mount Snow	April 4, 2047
Wildcat Mountain	November 18, 2050

We rely on information technology to operate our businesses and maintain our competitiveness, and any failure to adapt to technological developments or industry trends could harm our business.

We depend on the use of information technology and systems, including technology and systems used for central reservations, point of sale, procurement and administration. We must continuously improve and upgrade our systems and infrastructure to offer enhanced products, services, features and functionality, while maintaining the reliability and integrity of our systems and infrastructure. Our future success also depends on our ability to adapt our infrastructure to meet rapidly evolving consumer trends and demands and to respond to competitive service and product offerings.

In addition, we may not be able to maintain our existing systems or replace or introduce new technologies and systems as quickly as we would like or in a cost-effective manner. Delays or difficulties in implementing new or enhanced systems may keep us from achieving the desired results in a timely manner, to the extent anticipated, or at all. Any interruptions, outages or delays in our systems, or deterioration in their performance, could impair our ability to process transactions and could decrease our quality of service that we offer to our guests. Also, we may be unable to devote financial resources to new technologies and systems in the future. If any of these events occur, our business and financial performance could suffer.

We currently rely on one lender and its affiliates as a source for the majority of our financing and credit.

We have historically relied on one lender and its affiliates, EPR, for substantially all of our financing and credit needs, including financing relating to our resort acquisitions. EPR is an entertainment, entertainment-related, recreation and specialty real estate company with its common stock listed on the New York Stock Exchange under the symbol "EPR". In the event EPR is not available to extend us credit, we may not be able to obtain financing on terms as favorable to us as those under our arrangements with EPR. As a result, we may be subject to more stringent financial covenants and higher interest rates.

We depend on a seasonal workforce.

Our mountain and lodging operations are highly dependent on a large seasonal workforce. We recruit year-round to fill thousands of seasonal staffing needs each season and work to manage seasonal wages and the timing of the hiring process to ensure the appropriate workforce is in place. We cannot guarantee that material increases in the cost of securing our seasonal workforce will not be necessary in the future. Furthermore, we cannot guarantee that we will be able to recruit and hire adequate seasonal personnel as the business requires. Increased seasonal wages or an inadequate workforce could have an adverse impact on our results of operations.

We are subject to litigation in the ordinary course of business because of the nature of our business.

The safety of guests and employees is a major concern and focus for all managers and employees of the Company. By the nature of our activities, we are exposed to the risk that guests or employees may be involved in accidents during the use, operation or maintenance of ski lifts, rides and other resort facilities. As a result, we are, from time to time, subject to various asserted or unasserted legal proceedings and claims. Any such claims, regardless of merit, could be time-consuming and expensive to defend and could divert management's attention and resources. While we believe we have adequate insurance coverage and/or accrue for loss contingencies for all known matters that are probable and can be reasonably estimated, we cannot assure that the outcome of all current or future litigation will not have a material adverse effect on us and our results of operations.

If we fail to manage future growth effectively, our business could be harmed.

We have experienced, and expect to continue to experience, rapid growth. This growth has placed significant demands on our management, operational and financial infrastructure. To manage growth effectively, we must continue to improve and enhance our managerial, operational and financial controls, train and manage our employees, and expand our employee base. We must also manage new and existing relationships with vendors, business partners and other third parties. These activities will require significant expenditures and allocation of valuable management resources. If we fail to maintain the efficiency of our organization as we grow, our profit margins may decrease, and we may be unable to achieve our business objectives.

A disruption in our water supply would impact our snowmaking capabilities and impact our operations.

Our operations are heavily dependent upon our access to adequate supplies of water with which to make snow and otherwise conduct our operations. Our resorts in New Hampshire and Vermont are subject to state laws and regulations regarding our use of water. There can be no assurance that applicable laws and regulations will not change in a manner that could have an adverse effect on our operations, or that important permits, licenses, or agreements will not be canceled or will be renewed on terms as favorable as the current terms. Any failure to have access to adequate water supplies to support our current operations and anticipated expansion would have a material adverse effect on our financial condition and results of operations.

EPR has an option to purchase, or assume our leases relating to, certain of our ski resorts. If EPR exercises this option, we would incur significant tax obligations.

On December 1, 2014, in connection with the Debt Restructure, we entered into an Option Agreement with EPT Ski Properties, Inc. providing EPR a purchase option on the Boston Mills, Brandywine, Jack Frost, Big Boulder and Alpine Valley ski resorts. The Option Agreement provides that the purchase option will be exercisable as to any one or more of such properties on the maturity date of the applicable promissory notes for such properties upon (i) proper notice by EPR and (ii) payment of a purchase price for each such property calculated in accordance with the Option Agreement. Upon the closing of any sale under the option, EPR will enter into an agreement with the Company or one of its subsidiaries for the lease of each such acquired property for an initial term of 20 years, plus options to extend the lease for two additional periods of 10 years each.

Over the years, we have depreciated the value of these properties pursuant to applicable accounting rules, and as such, we have a low adjusted tax basis in the properties. As a result, we will realize significant taxable gains on the sale of the properties to EPT Ski Properties, Inc. if the option is exercised. We may be required to pay income taxes on the taxable gains from such sale, which we expect to be a substantial cost.

Under certain circumstances, our insurance coverage may not cover all possible losses, and we may not be able to renew our insurance policies on favorable terms, or at all.

Although we maintain various property and casualty insurance policies, our insurance policies do not cover all types of losses and liabilities and in some cases may not be sufficient to cover the ultimate cost of claims which exceed policy limits. If we are held liable for amounts exceeding the limits of our insurance coverage or for claims outside the scope of our coverage, our business, prospects, financial condition, results of operations and cash flows could be materially adversely affected.

In addition, we may not be able to renew our current insurance policies on favorable terms, or at all. Our ability to obtain future insurance coverage at commercially reasonable rates could be materially adversely affected if we or other companies within or outside our industry sustain significant losses or make significant insurance claims.

We are subject to risks associated with our workforce.

We are subject to various federal and state laws governing matters such as minimum wage requirements, overtime compensation and other working conditions, discrimination and family and medical leave. In addition, we are continuing to assess the impact of U.S. federal healthcare reform law and regulations on our healthcare benefit costs, which will likely increase the amount of healthcare expenses paid by us. Immigration law reform could also impact our workforce because we recruit and hire foreign nationals as part of our seasonal workforce. If our labor-related expenses increase, our operating expenses could increase and our business, financial condition and results of operations could be harmed.

We are structured as a holding company and have no assets other than the common stock of our subsidiaries.

We are a holding company and we do not currently have any material assets other than the common stock we own in our direct and indirect subsidiaries. Our working capital needs are dependent, in part, upon the receipt of dividends and other distributions from our subsidiaries. Certain laws may restrict or limit such payments to us by our subsidiaries, in which case we may need to seek other sources of funding.

A natural disaster could damage our property and reduce the number of guests who visit our resorts.

A severe natural disaster, such as a forest fire, flood or landslide, may interrupt our operations, damage our properties and reduce the number of guests who visit our resorts in affected areas. Damage to our properties could take a long time to repair and there is no guarantee that we would have adequate insurance to cover the costs of repair or the expense of the interruption to our business. Furthermore, such a disaster may interrupt or impede access to our affected properties or require evacuations and may cause visits to our affected properties to decrease for an indefinite period. The ability to attract visitors to our resorts is also influenced by the aesthetics and natural beauty of the outdoor environment where our resorts are located. A severe forest fire or other severe impacts from naturally occurring events could negatively impact the natural beauty of our resorts and have a long-term negative impact on our overall guest visitation as it would take several years for the environment to recover.

We will not be required by Section 404 of the Sarbanes-Oxley Act to have our independent registered public accounting firm formally attest to the effectiveness of our internal controls while we qualify as an "emerging growth company." If we are unable to establish and maintain effective internal controls, or those controls are not identified during management review of our internal controls, our financial condition and operating results could be adversely affected.

In fiscal year 2016, management hired a consulting firm to assist us in our evaluation and implementation of an internal control structure to comply with the SEC rules for implementing Section 404 of the Sarbanes-Oxley Act. The Company continued working with our consultant in fiscal year 2017. We, as management, are required to make a formal assessment of the effectiveness of our internal controls over financial reporting for that purpose. Our independent registered public accounting firm, however, is not required to formally attest to the effectiveness of our internal control over financial reporting until we are no longer an "emerging growth company" as defined in the Jumpstart Our Business Startup Act of 2012 (the “JOBS Act”). At such time, our independent registered public accounting firm may issue a report that is adverse in the event it is not satisfied with the level at which our controls are documented, designed or operating. Further, we may take advantage of other accounting and disclosure related exemptions afforded to "emerging growth companies" from time to time. If we are unable to establish and maintain effective internal controls, our financial condition and operating results could be adversely affected.

Climate change and greenhouse effects may adversely impact our results of operations.

There is a growing political and scientific consensus that emissions of greenhouse gases continue to alter the composition of the global atmosphere in ways that are affecting and are expected to continue affecting the global climate. The effects of climate change, including any impact of global warming, could have a material adverse effect on our results of operations.

Warmer overall temperatures would likely adversely affect skier visits and our revenue and profits. As noted above, warm weather may result in inadequate natural snowfall and render snowmaking wholly or partially ineffective in maintaining quality skiing conditions. In addition, a steady increase in global temperatures could shorten the ski season in the future.

Physical risks from climate change may also include an increase in changes to precipitation and extreme weather events in ways we cannot currently predict. Such changes to the amount of natural snowfall and extreme differences in weather patterns may increase our snowmaking expense, inhibit our snowmaking capabilities and negatively impact skier perceptions of the ski season.

Risks Related to Ownership of Our Common Stock

The issuance of shares of our Series A Preferred Stock reduces the relative voting power of holders of our common stock, may dilute the ownership of such holders and may adversely affect the market price of our common stock.

As holders of our Series A Preferred Stock are entitled to vote, on an as-converted basis, together with holders of our common stock on all matters submitted to a vote of the holders of our common stock, the issuance of the Series A Preferred Stock effectively reduces the relative voting power of the holders of our common stock. Current stockholders (other than the Investor) will have no preemptive rights to purchase any shares of Series A Preferred Stock and/or Warrants, which means that current stockholders do not have a prior right to purchase any issue of Series A Preferred Stock and/or Warrants in order to maintain their proportionate interest in the Company.

In addition, the conversion of the Series A Preferred Stock to common stock would dilute the ownership interest of existing holders of our common stock, and any sales in the public market, following registration pursuant to the registration rights granted to the Investor, of the common stock issuable upon conversion of the Series A Preferred Stock and/or exercise of the Warrants could adversely affect prevailing market prices of our common stock. Sales by such holders of a substantial number of shares of our common stock in the public market, or the perception that such sales might occur, could have a material adverse effect on the price of our common stock.

The holders of shares of the Series A Preferred Stock may exercise significant influence over us.

The Investor and its affiliates currently own approximately 10.0% of our shares of common stock and, assuming the conversion of the Series A Preferred Stock and exercise of the Warrants, would own 36.7% of our shares of common stock. Additional pre-emptive rights and rights of first offer in the documents governing the Private Placement help the Investor to maintain its ownership position. Holders of our Series A Preferred Stock are entitled to vote, on an as-converted basis, together with holders of our common stock on all matters submitted to a vote of the holders of our common stock. As a result, the holders of shares of the Series A Preferred Stock have the ability to significantly influence the outcome of any matter submitted for the vote of the holders of our common stock.

In addition, under the terms of the Certificate of Designation governing the Series A Preferred Stock, the Series A Preferred Stock generally ranks, with respect to the liquidation, dividends and redemption, senior to other securities until the earlier of (i) such date as no Series A Preferred Stock remains outstanding and (ii) January 1, 2027. The Stockholders' Agreement executed by the Company, the Investor and the management stockholders in connection with the closing of the Private Placement also requires, that, so long as the Investor beneficially owns, on an as-converted basis, at least 11.4% of the outstanding equity securities of the Company, the Investor's approval is required in order for the Company or any subsidiary to (i) materially change the nature of its business from owning, operating and managing ski resorts or (ii) acquire or dispose of any resorts, assets or properties for aggregate consideration equal to or greater than 30% of the enterprise value of the Company and its subsidiaries, or (iii) agree to do any of the foregoing.

Last, the Stockholders' Agreement grants to the Investor the right to nominate a director so long as it beneficially owns, on an as-converted basis, at least 20% of the outstanding equity securities of the Company, subject to satisfaction of reasonable qualification standards and Nominating and Corporate Governance Committee approval of the nominee. Notwithstanding the fact that all directors will be subject to fiduciary duties to us and to applicable law, the interests of the directors designated by the Investor may differ from the interests of our security holders as a whole or of our other directors.

Our Series A Preferred Stock has rights, preferences and privileges that are not held by, and are preferential to, the rights of our common stockholders, which could adversely affect our liquidity and financial condition, and may result in the interests of the holders of our Series A Preferred Stock differing from those of our common stockholders.

The holders of Series A Preferred Stock have the right to receive a liquidation preference entitling them to be paid out of our assets available for distribution to stockholders before any payment may be made to holders of any other class or series of capital stock as well as a preferential right to receive cumulative dividends at the rate of 8% per annum on the Liquidation Value of $1,000 per share. The holders of our Series A Preferred Stock also have certain redemption and conversion rights, and there are limitations on the Company's ability to redeem other securities.

These dividend obligations could impact our liquidity and reduce the amount of cash flows available for working capital, capital expenditures, growth opportunities, acquisitions, and other general corporate purposes. Our obligations to the holders of Series A Preferred Stock could also limit our ability to obtain additional financing or increase our borrowing costs, which could have an adverse effect on our financial condition. The preferential rights could also result in divergent interests between the holders of shares of Series A Preferred Stock and holders of our common stock.

Provisions in our amended and restated articles of incorporation, our amended and restated bylaws and Missouri law might discourage, delay, or prevent a change in control of our company or changes in our management and, therefore, depress the trading price of our common stock.

Provisions of our amended and restated articles of incorporation approved by stockholders in connection with the Private Placement, our amended and restated bylaws and Missouri law might discourage, delay, or prevent a merger, acquisition, or other change in control that stockholders consider favorable, including transactions in which our stockholders might otherwise receive a premium for shares of our common stock. These provisions might also prevent or frustrate attempts by our stockholders to replace or remove our management. These provisions include:

- The additional authorized shares of common stock and preferred stock could be used to dilute the stock ownership or voting rights of persons seeking to obtain control of us or could be issued to persons allied with the board of directors or management and thereby have the effect of making it more difficult to remove directors or members of management by diluting the stock ownership or voting rights of persons seeking to effect such a removal.
- The blank check preferred stock could be used by the board of directors for adoption of a stockholder rights plan or "poison pill."
- Existing provisions of our governing documents, including the limitations on director removal, the threshold vote required for stockholders to call a special meeting of the stockholders or act by written consent, the advance notice required for stockholder proposals and director nominations, the limitations on the increase in the number of directors and the inability of stockholders to amend the bylaws, may have anti-takeover effects.
- Similarly, applicable provisions of Missouri law, such as the business combination and control share acquisition statutes, may have anti-takeover effects, making it more difficult for or preventing a third party from acquiring control of us or changing our board of directors and management. These provisions may also have the effect of deterring hostile takeovers or delaying changes in control of us or in our management.

The existence of the foregoing provisions and anti-takeover measures could limit the price that investors are willing to pay in the future for shares of our common stock. They could also deter potential acquirers of the Company, thereby reducing the likelihood that our stockholders could receive a premium for our common stock in an acquisition.

The board of directors does not believe that the issuance of the Series A Preferred Stock, the Warrants and the common stock issuable upon conversion or exercise thereof will have a significant impact on any attempt to gain control of the Company. It is possible, however, that the existence of a single stockholder with a significant ownership percentage and director nomination rights could discourage third parties from attempting to gain control. It should be noted that any action taken by the Company to discourage an attempt to acquire control of the Company might result in stockholders not being able to participate in any possible premiums which might be obtained in the absence of anti-takeover provisions. Any transaction which may be so discouraged or avoided could be a transaction that the Company's stockholders might consider to be in their best interests. However, the board of directors has a fiduciary duty to act in the best interests of the Company's stockholders at all times.

In addition, pursuant to each of the Executive Employment Agreements dated effective as of June 1, 2014 between the Company each of Messrs. Boyd, Mueller and Deutsch (each, an "Executive"), each Executive is entitled to change of control payments in the event of a termination of Executive's employment by the Company without cause or notice by the Company of non-renewal of the agreement, all within 365 days of a consummation of a change in control of the Company. A "change in control" includes an event or series of events by which any person or group becomes the beneficial owner, directly or indirectly, of 35% or more of the equity securities of the Company entitled to vote for members of the board of directors or equivalent governing body of the Company on a fully-diluted basis. Upon the exercise of Warrants to purchase additional shares of common stock, the Investor may become the beneficial owner, directly or indirectly, of 36.4% or more of the equity securities of the Company entitled to vote for members of the board of directors, thereby triggering the change in control provisions in the Executive Employment Agreements.

The market price of our common stock has been and will likely continue to be volatile, and you could lose all or part of your investment.

The market price of our common stock has been and may continue to be subject to wide fluctuations in response to various factors, some of which are beyond our control. In addition to the factors discussed in this "Risk Factors" section and elsewhere in this annual report on Form 10-K, factors that could cause fluctuations in the market price of our common stock include the following:

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- quarterly variations in our results of operations;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by securities analysts and investors;
- announcements by us, our competitors or our vendors of significant contracts, acquisitions, joint marketing relationships, joint ventures or capital commitments;
- announcements by third parties of significant claims or proceedings against us;
- fluctuations in trading volume;
- future sales of our common stock; and
- changes in investor sentiment toward the stock of ski resort and recreational services companies in general.

Furthermore, the stock market has experienced extreme volatility that in some cases has been unrelated or disproportionate to the operating performance of particular companies. These broad market and industry fluctuations may adversely affect the market price of our common stock, regardless of our actual operating performance.

In the past, following periods of market volatility, stockholders have instituted securities class action litigation. If we were involved in securities litigation, it could be a substantial cost and divert resources and the attention of executive management from our business regardless of the outcome of such litigation.

Requirements associated with being a public company will increase our costs, as well as divert Company resources and management's attention, particularly after we are no longer an "emerging growth company," and may affect our ability to attract and retain qualified board members and executive officers.

As a public company, we are required to comply with the SEC's rules implementing Section 302 of the Sarbanes-Oxley Act of 2002, which requires our management to certify financial and other information in our quarterly and annual reports and provide an annual management report on the effectiveness of our internal control over financial reporting. We are required to make our first assessment of our internal control over financial reporting in fiscal 2016. Our independent registered public accounting firm, however, will not be required to formally attest to the effectiveness of our internal control over financial reporting so long as we qualify as an emerging growth company.

We are working with our legal, independent accounting, and financial advisors to identify those areas in which changes or enhancements should be made to our financial and management control systems to manage our growth and obligations as a public company. Some such areas include corporate governance, corporate control, internal audit, disclosure controls and procedures, and financial reporting and accounting systems. We have made, and will continue to make, changes in these and other areas. However, the expenses that will be required in order to function adequately as a public company could be material.

Compliance with the various reporting and other requirements applicable to public companies will also require considerable time and attention of management. We cannot predict or estimate the amount of the additional costs we may incur, the timing of such costs or the impact that our management's attention to these matters will have on our business. In addition, the changes we make may not be sufficient to satisfy our obligations as a public company on a timely basis or at all.

In addition, being a public company could make it more difficult or more costly for us to obtain certain types of insurance, including directors' and officers' liability insurance, and we may be forced to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. The impact of these events could also make it more difficult for us to attract and retain qualified persons to serve on our board of directors, our board committees and our executive team.

Our principal stockholders may exert substantial influence over us and may exercise their control in a manner adverse to your interests.

Timothy D. Boyd, Stephen J. Mueller and Richard K. Deutsch, three named executive officers, own approximately 16% of our outstanding common stock. Furthermore, as the holder of our Series A Preferred Stock, the Investor is entitled to vote, on an as-converted basis, together with holders of our common stock on all matters submitted to a vote of the common stockholders. On an as-converted basis, the Investor would own approximately 36.7% of the common stock. As a result, the management stockholders together with the Investor will be able to exercise a significant level of control over all matters requiring stockholder approval, including the election of directors, amendment of our amended and restated articles of incorporation and approval of significant corporate transactions. This ability could have the effect of delaying or preventing a change of control of the Company or changes in management and will make the approval of certain transactions difficult or impossible without the support of these stockholders. It is possible that these persons will exercise control over us in a manner adverse to your interests.

We are an "emerging growth company" with reduced reporting requirements that may make our common stock less attractive to investors.

We are an "emerging growth company," as defined in the JOBS Act, and may take advantage of certain exemptions from various reporting requirements that are applicable to public companies generally. For so long as we remain an emerging growth company, we may elect not to have our independent registered public accounting firm provide an attestation report on the effectiveness of our internal control over financial reporting, as would otherwise be required by Section 404(b) of the Sarbanes-Oxley Act. This may increase the risk that we fail to detect and remedy any weaknesses or deficiencies in our internal control over financial reporting.

In general, these reduced reporting requirements may allow us to refrain from disclosing information that you may find important. It is also possible that investors may generally find our common stock less attractive because of our status as an emerging growth company and our more limited disclosure. Any of the foregoing could adversely affect the price and liquidity of our common stock.

We may take advantage of these disclosure exemptions until we are no longer an "emerging growth company." We could be an emerging growth company until the last day of the fiscal year in which the Company celebrates the fifth anniversary of its first sale of registered common equity securities, although circumstances could cause us to lose that status earlier if our annual revenues exceed $1.0 billion, if we issue more than $1.0 billion in non-convertible debt in any three-year period or if we become a "large accelerated filer" as defined in Rule 12b-2 under the Exchange Act.

Future sales of our common stock may cause our stock price to decline.

If our existing stockholders sell, or indicate an intention to sell, substantial amounts of our common stock in the public market, the market price of our common stock could decline. These sales might also make it more difficult for us to sell additional equity securities at a time and price that we deem appropriate. All of the shares of our common stock sold in our initial public offering are freely tradable in the public market, except for any shares held by our affiliates as defined in Rule 144 of the Securities Act.

We also registered all 559,296 shares of common stock that we may issue under the Peak Resorts, Inc. 2014 Equity Incentive Plan that has been adopted by the board of directors and stockholders. These shares can be freely sold in the public market upon issuance, subject to vesting conditions. As of April 30, 2017, 463,842 shares remained available for issuance.

Item 1B. Unresolved Staff Comments.

None

Item 2. Properties.

The following table sets forth the principal properties that we own or lease for use in our operations at fiscal year end:

Ski Resort/Location	Ownership	Usage
Hidden Valley (250 total acres; 60 skiable acres) Wildwood, MO	Owned	Ski resort operations, including ski lifts, ski trails, terrain park, tubing, rental/retail facilities and food/beverage facilities; headquarters offices
Snow Creek (460 total acres; 40 skiable acres) Weston, MO	Owned	Ski resort operations, including ski lifts, ski trails, terrain park, tubing, rental/retail facilities and food/beverage facilities

Paoli Peaks (65 total and skiable acres) Paoli, IN	Partially leased/partially owned (1)	Ski resort operations, including ski lifts, ski trails, terrain park, tubing, rental/retail facilities and food/beverage facilities
Mad River (324 total acres; 60 skiable acres) Zanesfield, OH	Leased (2)	Ski resort operations, including ski lifts, ski trails, terrain park, tubing, rental/retail facilities and food/beverage facilities
Boston Mills (100 total acres; 40 skiable acres) Sagamore Hills, OH	Owned	Ski resort operations, including ski lifts, ski trails, terrain park, rental/retail facilities and food/beverage facilities
Brandywine (102 total acres; 48 skiable acres) Sagamore Hills, OH	Owned	Ski resort operations, including ski lifts, ski trails, terrain park, tubing, rental/retail facilities and food/beverage facilities
Crotched Mountain (251 total acres; 105 skiable acres) Bennington, NH	Owned	Ski resort operations, including ski lifts, ski trails, terrain park, rental/retail facilities and food/beverage facilities
Jack Frost (201 total acres; 80 skiable acres) Blakeslee, PA	Owned	Ski resort operations, including ski lifts, ski trails, terrain park, tubing, rental/retail facilities and food/beverage facilities
Big Boulder (107 total acres; 65 skiable acres) Blakeslee, PA	Owned	Ski resort operations, including ski lifts, ski trails, terrain park, tubing, rental/retail facilities and food/beverage facilities
Attitash (1,134 total acres; 307 skiable acres) Bartlett, NH	Partially owned/partially used per terms of a Special Use Permit (3)	Ski resort operations, including ski lifts, ski trails, terrain park, tubing, rental/retail facilities, food/beverage facilities, hotel/lodging facilities and conference/meeting rooms
Mount Snow (588 total acres; 490 skiable acres) West Dover, VT	Partially owned/partially used per terms of a Special Use Permit (3)	Ski resort operations, including ski lifts, ski trails, terrain park, tubing, rental/retail facilities, food/beverage facilities, hotel/lodging facilities, conference/meeting rooms and developable land
Wildcat Mountain (225 total and skiable acres) Jackson, NH	Used per terms of a Special Use Permit(4)	Ski resort operations, including ski lifts, ski trails, terrain park, rental/retail facilities and food/beverage facilities
Alpine Valley (135 total acres; 54 skiable acres) Chesterland, OH	Owned	Ski resort operations, including ski lifts, ski trails, terrain park, tubing, rental/retail facilities and food/beverage facilities
Hunter Mountain (1,537 total acres, 220 skiable acres)	Owned	Ski resort operations, including ski lifts, ski trails, terrain park, tubing, rental/retail facilities, food/beverage facilities, hotel/lodging facilities and conference/meeting rooms

Hunter, NY

(1) The Paoli Peaks lease terminates in 2078.

(2) The Mad River lease terminates in 2034. The Company has the right of first refusal should the Mad River lessor put the property up for sale. In addition, the Company has the right to acquire the Mad River property at specified prices in December 2019 and December 2026.

(3) A substantial portion of the skiable terrain at Attitash and Mount Snow is federal land that we use pursuant to the terms of renewable permits with the U.S. Forest Service. The Attitash and Mount Snow Special Use Permits expire on April 4, 2047.

(4) All of the land underlying Wildcat Mountain is federal land that we use pursuant to the terms of a renewable permit with the U.S. Forest Service. The Wildcat Mountain Special Use Permit expires on November 18, 2050.

Item 3. Legal Proceedings

We are not aware of any pending or threatened legal proceedings against us that could have a material adverse effect on our business, operating results or financial conditions. The ski industry is characterized by periodic litigation and as a result, we may be involved in various additional legal proceedings from time to time.

Item 4. Mine Safety Disclosures

None.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Our common stock has been listed on the NASDAQ Global Market under the symbol "SKIS" since November 21, 2014 following the completion of our initial public offering. Prior to that time, there was no public market for our common stock. As of July 13, 2017, 13,982,400 shares of our common stock were outstanding, held by approximately 10 holders of record.

The following table sets forth information on the high and low sales prices of our common stock on the NASDAQ Global Market and the quarterly cash dividends declared per share of common stock for each quarterly period during the past two fiscal years:

	Market price per share		
Quarter ended	High	Low	Cash dividends declared per share
April 30, 2017	$ 6.20	$ 5.20	$ 0.1400
January 31, 2017	$ 5.90	$ 3.90	$ -
October 31, 2016	$ 5.30	$ 4.30	$ -
July 31, 2016	$ 4.95	$ 3.02	$ -
April 30, 2016	$ 5.58	$ 2.60	$ -
January 31, 2016	$ 7.70	$ 5.04	$ 0.1375
October 31, 2015	$ 7.75	$ 6.50	$ 0.1375
July 31, 2015	$ 7.73	$ 6.25	$ 0.1375

In fiscal 2015, the Company's board of directors approved the commencement of a regular quarterly cash dividend on our common stock at a quarterly rate of $0.1375 per share. The board made the decision in April 2016 that it would not be prudent to declare a dividend due to the lower cash levels experienced by the Company during fiscal 2016 as a result of unseasonably warm weather during the 2015-2016 ski season, which drove down revenues compared to the prior year, and an unexpected delay in the approval of the Company's EB-5 Program. In addition, certain debt covenant compliance ratios did not allow the payment of a dividend during a period of fiscal year 2017. The board approved the reinstatement of the dividend in February 2017 at the lower quarterly rate of $0.07 per share and declared dividends during the quarter ended April 30, 2017 as follows: (i) on February 15, 2017, the board declared a dividend of $0.07 per share of common stock payable on March 13, 2017 to shareholders of record on February 27, 2017; and (ii) on April 4, 2017, the board declared a dividend of $0.07 per share of common stock payable on May 12, 2017 to holders of record on April 18, 2017. We cannot assure you that this dividend rate will be sustained or that we will continue to pay dividends in the future.

The declaration and payment of future dividends to holders of our common stock will be at the sole discretion of our board of directors, subject to applicable state law, and will depend on many factors, including our actual results of operations, financial condition, capital requirements, contractual restrictions, restrictions in our debt agreements, economic conditions and other factors that could differ materially from our current expectations. As a holding company, our ability to declare and pay dividends is also dependent on our subsidiaries' ability to make cash available to us by dividend, distribution or otherwise. Each of our subsidiaries is a distinct legal entity, and, under certain circumstances, legal and contractual restrictions may limit our ability to obtain cash from them.

Provisions included in the agreements governing certain of our debt prohibit and/or limit the Company and its subsidiary borrowers from paying dividends or otherwise making distributions under certain circumstances. For example, we are prohibited from paying dividends if the fixed charge coverage ratio, as defined by the applicable agreements, is below 1.25:1.00 and during default situations. For a more complete description of the dividend restrictions included in our debt agreements, see Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Significant Sources of Cash” and Note 4, “Long-term Debt/Line of Credit” to our consolidated financial statements. As of April 30, 2017, the Company is in compliance with all debt covenants.

On November 2, 2016, the Company issued $20 million of Series A Preferred Stock to the Investor in the Private Placement. From and after the date that is nine months from the date of issuance (in the case of the Investor, August 2, 2017), cumulative dividends accrue on the outstanding shares of Series A Preferred Stock on a daily basis in arrears at the rate of 8% per annum on the liquidation value of $1,000 per share. All accrued and accumulated dividends on the Series A Preferred Stock shall be paid prior and in preference to any dividend or distribution on any junior securities, including the Company’s common stock, provided that the Company may declare or pay any dividend or distribution payable on the common stock in shares of common stock. The Certificate of Designation of the Series A Preferred Stock provides that, until the earlier of (i) such date as no Series A Preferred Stock remains outstanding and (ii) January 1, 2027, the Company is prohibited from paying any dividend on capital stock when there are accrued or unpaid dividends with respect to the Series A Preferred Stock. For a more complete description of the dividend restrictions included in the Certificate of Designation relating to the Series A Preferred Stock, see Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Significant Sources of Cash” and Note 5, “Private Placement” to our consolidated financial statements.

Stock Performance Graph

Set forth below is a line graph comparing the percentage change in the cumulative total shareholder return on our common stock with the cumulative total return of the Russell 200 Index and the S&P Small Cap 600 Consumer Discretionary Index from November 21, 2014, following the completion of our initial public offering, through April 30, 2017, our fiscal year end. The following is based on an investment of $100 in our common stock, the Russell 2000 Index and the S&P Small Cap 600 Consumer Discretionary Index, with dividends reinvested where applicable.

Source: Bloomberg

Index	Period Ending 11/21/2014	4/30/2017
Peak Resorts	100.00	73.87
Russell 2000	100.00	123.67
S&P Small Cap 600 Consumer Discretionary	100.00	110.82

Item 6. Selected Financial Data.

The table below summarizes our selected consolidated financial information as of and for the periods indicated. You should read the following selected consolidated financial data together with our consolidated financial statements and related notes filed as part of this annual report. Our historical results for any prior period are not necessarily indicative of results to be expected in any future period. The data presented in the table and footnotes below are in thousands, except per share and per visit amounts.

	Year ended April 30, 2017	2016	2015	2014	2013
Income Statement Information					
Revenues	$ 123,249	$ 95,729	$ 104,858	$ 105,205	$ 99,688
Operating expense (1)	95,072	78,660	78,586	78,833	72,437
Depreciation and amortization	12,713	10,709	9,450	9,155	8,850
Land and building rent	1,395	1,386	1,440	1,464	1,428
Settlement of lawsuits	-	-	(2,100)	700	-
Gain on involuntary conversion	-	195	-	-	-
Interest expense, net	12,473	10,814	15,458	17,359	12,785
Defeasance fee paid with debt restructure	-	-	5,000	-	-

Gain on sale/leaseback	333	333	333	333	333
Other income	61	8	11	11	9
Income (loss) before income tax	1,990	(5,304)	(2,632)	(1,962)	4,530
Net income (loss)	$ 1,241	$ (3,226)	$ (1,854)	$ (1,501)	$ 2,707
Basic earnings (loss) per share	$ 0.03	$ (0.23)	$ (0.22)	$ (0.38)	$ 0.68
Diluted earnings (loss) per share	$ 0.03	$ (0.23)	$ (0.22)	$ (0.38)	$ 0.68
Other Financial Information (unaudited)					
Reported EBITDA (2)	$ 26,782	$ 16,240	$ 25,400	$ 25,365	$ 25,939
Capital expenditures	$ 8,620	$ 15,866	$ 14,144	$ 10,028	$ 14,900
Other Data (unaudited)					
Operations:					
Skier visits (3)	1,538	1,166	1,554	1,570	1,520
Revenue per skier visit (4)	$ 80.14	$ 82.11	$ 67.45	$ 67.02	$ 65.53
Revenue per visit (5)	$ 71.95	$ 73.32	$ 61.34	$ 60.06	$ 59.14
Tube visits	175	140	155	182	166
Total visits	1,713	1,306	1,709	1,752	1,686
Other Balance Sheet Data					
Cash and cash equivalents	$ 33,665	$ 5,396	$ 16,849	$ 13,186	$ 11,971
Restricted cash (6)	$ 44,813	$ 61,099	$ 37,519	$ 13,063	$ 12,141

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Total assets	$ 320,537	$ 313,963	$ 241,540	$ 206,537	$ 201,749
Long-term debt and capitalized lease obligations (including current portions and line of credit) (7)	$ 185,585	$ 140,718	$ 100,062	$ 175,148	$ 171,525
Net debt (8)	$ 151,920	$ 135,322	$ 83,213	$ 161,962	$ 159,554
Dividends declared	$ 1,958	$ 5,768	$ 3,449	$ -	$ -
Total stockholders' equity	$ 73,761	$ 71,634	$ 80,438	$ 3,488	$ 4,990

(1) Operating expenses before depreciation and amortization and land and building rent.
(2) See Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures" for a definition of Reported EBITDA and reconciliation to net income (loss).
(3) A skier visit represents a person utilizing a ticket or pass to access a mountain resort for any part of one day and includes both paid and complimentary access and excludes tube visits.
(4) Revenue per skier visit is calculated by dividing total revenue by total skier visits during the respective periods.
(5) Revenue per visit is calculated by dividing total revenue by total visits (ski and tube) during the respective periods.
(6) As of April 30 of each year, the end of our fiscal year, we are required to include in restricted cash interest due on our outstanding debt with EPR, our primary lender, rent under the lease for the Mad River resort for the 10 months following April 30 and a letter of credit associated with certain covenants. The Company also is required to include restricted cash associated with our borrowings with Royal Banks of Missouri. In addition, in prior years, the Company was holding funds in escrow in connection with its efforts to raise funds under the EB-5 investor program for the development of Mount Snow. See Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Significant Uses of Cash" for a discussion of the EB-5 Program. The Company also maintains long term restricted cash associated with the funds received for the construction of the West Lake Water Project and Carinthia Ski Lodge.
(7) The Financial Accounting Standards Board issued Accounting Standards Update No. 2015-03, "Interest—Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs," which requires debt issuance costs related to a recognized debt liability to be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, and no longer permits recording these costs as assets. The new guidance is effective for annual periods beginning after December 15, 2015. The Company has incorporated the adoption of this guidance into our financial statement presented herein, including applying the guidance retrospectively to all prior periods presented.
(8) Net debt is defined as long-term debt and capital lease obligations plus long-term debt and capital lease obligations due within one year, less cash and cash equivalents.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion of our financial condition and results of operations should be read in conjunction with the consolidated financial statements and the notes thereto included elsewhere in this annual report on Form 10-K. In addition to historical condensed consolidated financial information, the following discussion contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. See "Cautionary Note About Forward-Looking Statements" included elsewhere in this annual report on Form 10-K.

Overview

We own or lease and operate 14 ski resorts throughout the Midwestern, Northeastern and Southeastern U.S. Our ski resorts, which include both day ski resorts and overnight drive ski resorts, offer snow skiing, snowboarding and other snow sports. During the last two ski seasons, we had an average of 1.4 million skier visits each year.

We and our subsidiaries operate in a single business segment—resort operations. The consolidated financial data for our fiscal years ended April 30, 2017, 2016, and 2015 presented in this annual report is comprised of the data of our 14 ski resorts. Also included in the financial information presented are ancillary services, primarily consisting of food and beverage services, equipment rental, ski instruction, hotel/lodging and retail.

The opening and closing dates of our ski resorts are dependent upon weather conditions, but our peak ski season generally runs from early December to mid-April. See Item 1, "Business—Seasonality" for an illustration of the opening and closing dates for the 2012/2013 through 2016/2017 ski seasons for our 14 ski resorts.

We, like other day ski resort and overnight drive ski resort operators, earn our revenues in six principal categories. In order of their contribution, they are: lift and tubing tickets, food and beverage sales, equipment rentals, ski instruction, hotel/lodging, and retail. For more detailed information about each revenue category, see "Business—Revenue Components."

Our single largest source of revenue is the sale of lift tickets (including season passes) which represented approximately 47.1%, 47.6% and 48.5% of net revenue for fiscal 2017, 2016 and 2015, respectively. Lift ticket revenue is driven by the volume of lift tickets and season passes sold and the pricing of these items. Most of our season pass products are sold before the start of the ski season. Season pass revenue, although collected prior to the ski season, is recognized in the consolidated statement of earnings (loss) over the ski season based upon the estimated length of the season. For the 2016/2017, 2015/2016, and 2014/2015 ski seasons, approximately 34.5%, 38.1% and 29.9%, respectively, of total lift revenue recognized was comprised of season pass revenue. There can be no assurance that future season pass sales will be similar to historical trends.

The cost structure of our operations has a significant fixed component with variable expenses including, but not limited to, retail and food and beverage cost of sales, labor, power and utilities. As such, operating margins can fluctuate based on the level of revenues.

Seasonality and Quarterly Results

Our resort operations are seasonal in nature. In particular, revenue and profits for our operations are substantially lower and historically result in losses from late spring to late fall, which occur during our first and second fiscal quarters. Revenue and profits generated by our summer operations are not sufficient to fully offset our off-season expenses from our operations. During fiscal 2017, 2016 and 2015 87.3%, 87.9% and 89.0%, respectively, of resort revenues were recognized in the third and fourth fiscal quarters. Therefore, the operating results for any interim period are not necessarily indicative of the results that may be achieved for any subsequent quarter or for a full year.

Recent Trends

The timing and duration of favorable weather conditions impact our revenues in regard to the timing and number of skier visits. Though the amount of snowfall early in the ski season does encourage skier visits, all of our ski resorts have snowmaking capabilities in the event that the natural snowfall is insufficient. Cold weather, however, is essential to a successful ski season. There is no way to predict favorable weather conditions in the future. We sell season passes prior to the start of the ski season to help mitigate any negative effects that unfavorable weather may have on our revenues. For the 2016/2017 ski season, we introduced the Peak Pass, which contributed to the increased sales revenue experienced during fiscal 2017 as compared to the previous fiscal year. Pre-season season pass sales for the 2017/2018 increased 8.6% in both revenue and units as compared to the same for the 2016/2017 ski season in line with the consistent pre-season growth experienced by the Company.

We faced significant weather challenges during the 2016/2017 ski season due to unseasonably warm weather in the Midwest midway through the ski season. Despite these weather challenges, fiscal 2017 Reported EBITDA was $26.8 million, up $10.5 million from fiscal 2016, and revenue for fiscal 2017 was up $27.5 million from fiscal 2016, both driven by strong sales of our Peak Pass and increased visits to our resorts. Though we have increased the prices of most of our lift tickets, passes and other products and services in each of the last two ski seasons, there can be no assurance that we will be able to increase prices in the future or predict the impact that pricing increases may have on visitation or revenue.

Our skier visits of 1.5 million in fiscal 2017 were up 31.9% from fiscal 2016. This compares to a 15.6% increase in total U.S. skier visits to Northeast and Midwest resorts as reported by the NSAA's Kottke National End Season Survey 2016/2017 Preliminary Report. Our total resort visits, which include tube visits, were up 31.2% from fiscal 2016. Total visits to our Northeast resorts, in particular, increased to 1.22 million in fiscal 2017 from 0.85 million in fiscal 2016. Total visits to our Midwest resorts increased to 0.49 million in fiscal 2017 from 0.45 million in fiscal 2016.

Recent Events

Private Placement and Financing

At the beginning of fiscal 2017, the Company experienced lower than normal liquidity levels. The unfavorably warm weather during the 2015/2016 ski season resulted in fewer ski days and lower profitability for the Company. Furthermore, the Company experienced unexpected delays in the release of the EB-5 Program Funds, as more fully discussed in “Liquidity and Capital Resources – Significant Uses of Cash,” to finance the development of two capital projects at our Mount Snow resort—the West Lake Water Project and the Carinthia Ski Lodge Project. We raised $52.0 million for the Mount Snow development projects, which was sitting in escrow pending the approval of the first program investor’s I-526 Petition, as defined herein, at the beginning of fiscal 2017.

Based on the timeline originally anticipated for approval of the first investor's I-526 Petition and corresponding release of EB-5 Program funds from escrow, we commenced construction of the West Lake Water Project in the second half of calendar year 2015. Through the second quarter of fiscal 2017, we had funded approximately $15.0 million of the West Lake Water Project costs, for which we were reimbursed in full when the EB-5 Program funds were released from escrow in December 2016. We now estimate the West Lake Water Project will be substantially completed in advance of the 2017/2018 ski season, and the Carinthia Lodge Project will be substantially completed in advance of the 2018/2019 ski season.

Due to our constrained liquidity position as a result of the unfavorable weather during the prior ski season and delay in the release of EB-5 Program funds, the Company took a number of steps in fiscal 2017 to manage cash flow and improve the Company's liquidity position. The Company borrowed additional funds for working capital. See "Liquidity and Capital Resources—Significant Sources of Cash" for additional information regarding the Company's additional borrowings and modification of its debt agreements during fiscal 2017. In addition, on November 2, 2016, the Company completed the sale and issuance of the Series A Preferred Stock and the Warrants to the Investor in the Private Placement. See Part I, Item 1, "Business—Private Placement and Financings" for additional information. The Company used approximately $5.5 million of the proceeds from the Private Placement to pay down a portion of its outstanding debt. The remainder is intended to be used for working capital purposes.

As a result of these steps, and with the release of EB-5 Program funds from escrow, we believe that we are now in a strong cash position to carry us through the 2017/2018 ski season.

Resort Acquisition

On January 6, 2016, the Company completed the acquisition of the Hunter Mountain ski resort located in Hunter, New York, through the purchase of all of the outstanding stock of each of Hunter Mountain Ski Bowl, Inc., Hunter Mountain Festivals, Ltd., Hunter Mountain Rentals, Inc., Hunter Resort Vacations, Inc., Hunter Mountain Base Lodge, Inc., and Frosty Land, Inc. pursuant to the terms of the Hunter Mountain Purchase Agreement entered into on November 30, 2015. The Company acquired Hunter Mountain for total cash consideration of $35.0 million plus the assumption of two capital leases estimated at approximately $1.7 million.

A portion of the Hunter Mountain acquisition price was financed pursuant to the Hunter Mountain Credit Agreement, and the remainder was financed with funds drawn on the Company's Line of Credit Agreement with Royal Banks of Missouri. See "Liquidity and Capital Resources—Significant Sources of Cash" for additional information.

We have included Hunter Mountain's results of operations in our financial statements since the date of acquisition.

Initial Public Offering and Debt Restructure

During fiscal 2015, we completed the initial public offering of our common stock, selling 10,000,000 shares at $9.00 per share. After deducting $6.3 million of underwriting discounts and commissions and $1.4 million of offering expenses payable by us, we received net proceeds of $82.3 million. With the proceeds from the offering, we (i) repaid approximately $75.8 million of our outstanding debt; (ii) paid approximately $0.4 million to acquire the portion of the land underlying Crotched Mountain that we previously leased; and (iii) paid a defeasance fee to our lender of $5.0 million in connection with the prepayment of a portion of our debt. We used the remaining proceeds for working capital and general corporate purposes.

On November 10, 2014, in connection with our initial public offering, we entered into a Restructure Agreement EPR, our primary lender, providing for the Debt Restructure as follows: (i) prepayment of approximately $75.8 million of formerly non-prepayable debt secured by the Crotched Mountain, Attitash, Paoli Peaks, Hidden Valley and Snow

Creek resorts with proceeds from our in initial public offering; and (ii) retirement of one of the notes associated with the future development of Mount Snow. On December 1, 2014, we entered into various agreements in order to effectuate the Debt Restructure. See "—Liquidity and Capital Resources—Significant Sources of Cash" for a more detailed description of the Debt Restructure and related documents.

In exchange for the prepayment right, we granted EPR a purchase option on the Boston Mills, Brandywine, Jack Frost, Big Boulder and Alpine Valley properties. The Option Agreement provides that the purchase option will be exercisable as to any one or more of such properties on the maturity date of the applicable promissory notes for such properties upon (i) proper notice by EPR and (ii) payment of a purchase price for each such property calculated in accordance with the Option Agreement. Upon the closing of any sale under the option, EPR will enter into an agreement with the Company or one of its subsidiaries for the lease of each such acquired property for an initial term of 20 years, plus options to extend the lease for two additional periods of 10 years each. All previously existing option agreements between the Company and EPR were terminated.

Additionally, we agreed to extend the maturity dates on all non-prepayable notes and mortgages secured by the Mount Snow, Boston Mills, Brandywine, Jack Frost, Big Boulder and Alpine Valley properties remaining after the Debt Restructure by seven years to December 1, 2034, and to extend the lease for the Mad River property, previously terminating in 2026, until December 31, 2034.

We also granted EPR a right of first refusal to provide all or a portion of the financing associated with any purchase, ground lease, sale/leaseback, management or financing transaction contemplated by the Company with respect to any new or existing ski resort property for a period of seven years or until financing provided by EPR for such transactions equals or exceeds $250 million in the aggregate. Proposed financings from certain types of institutional lenders providing a loan to value ratio of less than 60% (as relates to the applicable property being financed) are excluded from the right of first refusal. We granted EPR a separate right of first refusal in the event that the Company wishes to sell, transfer, convey or otherwise dispose of any or all of the Attitash ski resort for seven years. The Attitash right excludes the financing or mortgaging of Attitash.

In connection with the Debt Restructure, we entered into a Master Credit and Security Agreement with EPR containing additional terms and conditions governing our restructure debt with EPR, including restrictions on certain transactions and the payment of dividends and required financial covenants.

Capital Projects

We had one major capital project in fiscal 2017 and 2016. We began construction of the West Lake Water Project, which is being financed with funds raised through the EB-5 Program. The West Lake Water Project includes the construction of a new water storage reservoir for snowmaking with capacity of up to 120 million gallons, three new pump houses and the installation of snowmaking pipelines, trail upgrades and expansion, new ski lift and ancillary equipment.

We had three major capital projects in fiscal 2015. We replaced aging and inefficient snow making equipment at our Attitash, Mount Snow and Wildcat resorts with new high efficiency equipment.

Results of Operations

The following table sets forth, for the periods indicated, our results of operations (dollars in thousands):

	Year ended April 30, 2017	2016	2015	Percent increase (decrease) 2017/2016	Percent increase (decrease) 2016/2015
Revenues					
Lift and tubing tickets	$ 58,100	$ 45,541	$ 50,821	27.6%	-10.4%
Food and beverage	23,078	15,816	18,927	45.9%	-16.4%
Equipment rental	8,582	7,036	8,017	22.0%	-12.2%
Ski instruction	8,562	6,580	7,242	30.1%	-9.1%
Hotel/lodging	9,731	7,972	7,623	22.1%	4.6%
Retail	6,196	4,560	5,261	35.9%	-13.3%
Summer activities	4,748	4,302	3,671	10.4%	17.2%

Other	4,252	3,922	3,296	8.4%	19.0%
	123,249	95,729	104,858	28.7%	-8.7%
Costs and expenses					
Resort operating expenses					
Labor and labor related expenses	48,253	39,331	38,744	22.7%	1.5%
Retail and food and beverage cost of sales	10,820	7,735	9,571	39.9%	-19.2%
Power and utilities	7,843	6,839	6,950	14.7%	-1.6%
Other	20,403	18,310	17,405	11.4%	5.2%
	87,319	72,215	72,670	20.9%	-0.6%
Depreciation and amortization	12,713	10,709	9,450	18.7%	13.3%
General and administrative expenses	5,431	4,513	4,088	20.3%	10.4%

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Land and building rent	1,395	1,386	1,440	0.6%	-3.8%
Real estate and other taxes	2,322	1,932	1,828	20.2%	5.7%
	109,180	90,755	89,476	20.3%	1.4%
Other operating income					
Gain on settlement of lawsuit	-	-	2,100	0.0%	-100.0%
Gain on involuntary conversion	-	195	-	-100.0%	100.0%
Income from operations	14,069	5,169	17,482	172.2%	-70.4%
Other Income (expense)					
Interest, net of interest capitalized of $1,545, $867 and $488 in 2017, 2016 and 2015, respectively	(12,473)	(10,814)	(15,458)	15.3%	-30.0%
Defeasance fee paid with debt restructure	-	-	(5,000)	0.0%	-100.0%
Gain on sale/leaseback	333	333	333	0.0%	0.0%
Other income	61	8	11	662.5%	-27.3%
	(12,079)	(10,473)	(20,114)	15.3%	-47.9%
Earnings (loss) before income tax (benefit)	1,990	(5,304)	(2,632)	-137.5%	101.5%
Income tax (benefit)	749	(2,078)	(778)	-136.0%	167.1%
Net earnings (loss)	$ 1,241	$ (3,226)	$ (1,854)	-138.5%	74.0%
Total reported EBITDA	$ 26,782	$ 16,240	$ 25,400	64.9%	-36.1%

Non-GAAP Financial Measures

Reported EBITDA is not a measure of financial performance under U.S. GAAP. The following table includes a reconciliation of Reported EBITDA to net income (loss) (in thousands):

	Year ended April 30		
	2017	2016	2015
Net income (loss)	$ 1,241	$ (3,226)	$ (1,854)
Income tax benefit	749	(2,078)	(778)
Interest expense, net	12,473	10,814	15,458
Defeasance fee paid with debt restructure	-	-	5,000
Depreciation and amortization	12,713	10,709	9,450
Other income	(61)	(8)	(11)
Gain on sale/leaseback	(333)	(333)	(333)
Gain on involuntary conversion	-	(195)	-
Insurance loss	-	400	-
Hunter Mountain season pass liability acquisition adjustment	-	157	-
Non-routine legal and settlement of lawsuit, net	-	-	(1,532)
	$ 26,782	$ 16,240	$ 25,400

We have chosen to specifically include Reported EBITDA (defined as net income before interest, income taxes, depreciation and amortization, gain on sale leaseback, other income or expense and other non recurring items) as a measurement of our results of operations because we consider this measurement to be a significant indication of our financial performance and available capital resources. Because of large depreciation and other charges relating to our ski resorts, it is difficult for management to fully and accurately evaluate our financial results and available capital resources using net income. Management believes that by providing investors with Reported EBITDA, investors will have a clearer understanding of our financial performance and cash flow because Reported EBITDA: (i) is widely used in the ski industry to measure a company's operating performance without regard to items excluded from the calculation of such measure, which can vary by company primarily based upon the structure or existence of their financing; (ii) helps investors to more meaningfully evaluate and compare the results of our operations from period to period by removing the effect of our capital structure and asset base from our operating structure; and (iii) is used by our management for various purposes, including as a measure of performance of our operating entities and as a basis for planning.

Items excluded from Reported EBITDA are significant components in understanding and assessing financial performance or liquidity. Reported EBITDA should not be considered in isolation or as alternative to, or substitute for, net income, net change in cash and cash equivalents or other financial statement data presented in the consolidated financial statements as indicators of financial performance or liquidity. Because Reported EBITDA is not a measurement determined in accordance with GAAP and is susceptible to varying calculations, Reported EBITDA as presented may not be comparable to other similarly titled measures of other companies.

Comparison of Operating Results for the Years ended April 30, 2017 and 2016

The increase in skier and tube visits we experienced during fiscal 2017 as compared to fiscal 2016 was the primary driver for increases in six of our seven principal revenue categories. The Company experienced improved weather conditions, specifically in the Northeast, which helped to drive additional skier visits.

Lift and tubing revenue increased $12.6 million, or 27.6%, for fiscal 2017 compared to fiscal 2016. Season pass sales and seasonal program sales increased $2.7 million, or 15.7%, from fiscal 2016 to fiscal 2017.

Food and beverage revenue increased $7.3 million, or 45.9%, for fiscal 2017 compared to fiscal 2016, $2.2 million of which was due to an increase in yield per skier and $5.1 million of which was due to increased skier visits.

An increase in rental revenue of $1.5 million, or 22.0%, for fiscal 2017 compared to fiscal 2016 was offset by a decrease in yield per skier visit of $0.7 million. Ski instruction revenue increased $2.0 million, or 30.1%, for fiscal 2017 compared to fiscal 2016.

Hotel and lodging revenue increased $1.8 million, or 22.1%, for fiscal 2017 compared to fiscal 2016.

Retail revenue increased $1.6 million, or 35.9%, for fiscal 2017 compared to fiscal 2016.

Revenue from summer activities increased $0.4 million, or 10.4%, for fiscal 2017 compared to fiscal 2016, which is primarily attributable to the inclusion of Hunter Mountain's results in the consolidated financial statements for all of fiscal 2017. We acquired Hunter Mountain on January 6, 2016, and as such, its summer activities were not included in fiscal 2016 results.

Other income increased $0.3 million, or 8.4%, for fiscal 2017 compared to fiscal 2016, as a result of the inclusion of Hunter Mountain's results in the consolidated financial statements for all of fiscal 2017. Hunter Mountain's results were included only as of the acquisition date in fiscal year 2016.

The inclusion of Hunter Mountain's results in the consolidated financial statements for all of fiscal 2017 also contributed to increases in our expenses, as illustrated below.

Labor and labor related expenses increased $8.9 million, or 22.7%, for fiscal 2017 versus fiscal 2016, $5.8 million of which was due to a longer operating season in fiscal 2017 compared to fiscal 2016.

Retail and food and beverage cost of sales increased $3.1 million, or 39.9%, for fiscal 2017 versus fiscal 2016, $1.4 million of which is a result of increased retail and food and beverage revenue.

Power and utility expense increased $1.0 million, or 14.7%, for fiscal 2017 versus fiscal 2016. Of the increase, $0.6 million is a result of increased snowmaking hours.

Other operating expense increased $2.1 million, or 11.4%, for fiscal 2017 versus fiscal 2016, $1.1 million of which is a result of the Hunter Mountain acquisition and the remaining $1.0 million of which is a result of costs tied to increased resort visits, such as credit card processing fees, insurance, supplies, payroll processing fees, repairs and maintenance. Depreciation and amortization increased $2.0 million, or 18.7%, for fiscal 2017 versus fiscal 2016, as a result of the inclusion of Hunter Mountain's results in the consolidated financial statements for all of fiscal 2017.

General and administrative expenses increased $0.9 million, or 20.3%, for fiscal 2017 versus fiscal 2016 primarily due to an increase in professional fees of $0.6 million related to incremental public company expenses and the Private Placement transaction and an increase in salaries and related benefits of $0.3 million.

Real estate and other taxes increased $0.4 million, or 20.2%, for fiscal 2017 versus fiscal 2016.

The increase in interest expense, net of $1.7 million was a result of the debt incurred in connection with the Hunter Mountain acquisition in the third quarter of fiscal 2016 and the debt incurred pursuant to the Bridge Loan Agreement in fiscal 2017, as described herein.

Income tax increased $2.8 million as a result of an increase in the earnings before income tax expense of $7.3 million for fiscal 2017 versus fiscal 2016.

Comparison of Operating Results for the Years ended April 30, 2016 and 2015

We experienced decreases in our principal revenue categories as a result of the decrease in skier and tube visits we experienced in fiscal 2016 as compared to fiscal 2015 as a result of the unseasonably warm weather during the 2015/2016 ski season. Decreases in these revenue categories were mitigated, in part, by revenues contributed by Hunter Mountain, which we acquired in January 2016.

Lift and tubing revenue decreased $5.3 million, or 10.4%, for fiscal 2016 compared to fiscal 2015. Season pass sales and seasonal program sales decreased $0.6 million, or 3.5%, from fiscal 2015 to fiscal 2016.

Food and beverage revenue decreased $3.1 million, or 16.4%, for fiscal 2016 compared to fiscal 2015.

Rental revenue decreased $1.0 million, or 12.2%, for fiscal 2016 compared to fiscal 2015.

Ski instruction revenue decreased $0.7 million, or 9.1%, for fiscal 2016 compared to fiscal 2015.

Hotel and lodging revenue increased $0.3 million, or 4.6%, for fiscal 2016 compared to fiscal 2015, which is attributable to increased summer occupancy, which offset the negative impact of decreased skier and tube visits, and the impact of the Hunter Mountain acquisition in fiscal 2016.

Retail revenue decreased $0.7 million, or 13.3%, for fiscal 2016 compared to fiscal 2015.

Summer revenue increased $0.6 million, or 17.2%, for fiscal 2016 compared to fiscal 2015, which is attributable to revenues generated by the first season of the zip rider at our Attitash resort.

Other revenue increased $0.6 million, or 19.0%, for fiscal 2016 versus 2015 as a result of the impact of the Hunter Mountain acquisition.

Labor and labor related expenses increased $0.6 million, or 1.5%, for fiscal 2016 versus fiscal 2015. Labor efficiencies and reduced days of operations contributed $2.4 million in labor and expense savings. Benefits and taxes contributed another $0.7 million in savings, offset by the impact of the Hunter Mountain acquisition.

Retail and food and beverage cost of sales decreased $1.8 million, or 19.2%, for fiscal 2016 versus fiscal 2015 as a result of decreased retail and food and beverage revenue, offset by the impact of the Hunter Mountain acquisition.

Power and utility expense decreased $0.1 million, or 1.6%, for fiscal 2016 versus fiscal 2015. The decrease in operating days reduced power and utility expense by $0.8 million, offset by the impact of the Hunter Mountain acquisition.

Other resort operating expenses increased by $0.9 million, or 5.2%, for fiscal 2016 versus fiscal 2015. The decrease in operating days reduced other resort operating expenses by $2.4 million, offset by the impact of the Hunter Mountain acquisition.

Depreciation and amortization increased $1.3 million, or 13.3%, for fiscal 2016 versus fiscal 2015 as a result of assets put in service in fiscal 2016 and the impact of the Hunter Mountain acquisition.

General and administrative expenses increased $0.4 million, or 10.4%, for fiscal 2016 versus fiscal 2015 primarily due to an increase in corporate payroll costs.

Real estate and other taxes increased $0.1 million, or 5.7%, as a result of the impact of the Hunter Mountain acquisition.

The Company settled a lawsuit during fiscal 2015 which resulted in $2.1 million of income.

The decrease in interest expense, net of $4.6 million was driven by reduced interest resulting from the pay down of debt as a part of the Debt Restructure in December 2014 and capitalized interest of $0.6 million, offset by the interest on the debt incurred in connection with the Hunter Mountain acquisition.

In connection with the Debt Restructure, the Company paid a $5.0 million defeasance fee to EPR in fiscal 2015.

Income tax benefit increased $1.3 million as a result of an increase in the loss before income tax expense of $2.7 million for fiscal 2016 as compared to fiscal 2015.

Liquidity and Capital Resources

Significant Sources of Cash

Our available cash is the highest in our fourth quarter primarily due to the seasonality of our resort business. At the beginning of fiscal 2017, the Company experienced lower than normal liquidity levels as a result of unfavorable weather during the 2015/2016 ski season, which resulted in fewer ski days and lower profitability for the Company, and a delay in the release of the EB-5 Program funds. As such, the Company took a number of steps in fiscal 2017 to manage cash flow and improve the Company's liquidity position.

The Company borrowed additional funds for working capital and modified certain financial covenants in its debt agreements, described in more detail below. In addition, on November 2, 2016, the Company completed the sale and issuance of $20.0 million of the Series A Preferred Stock and the Warrants to the Investor in the Private Placement. See Part I, Item 1, "Business—Private Placement and Financings" for additional information regarding the Private Placement. The Company used approximately $5.5 million of the proceeds from the Private Placement to pay down a portion of its outstanding debt. The remainder is intended to be used for working capital purposes. Finally, as described in more detail in "—Significant Uses of Cash," the USCIS approved the first I-526 Petition submitted by an investor in the Company's EB-5 Program, upon which the $52.0 million raised in the EB-5 offering was released from escrow. The Company was reimbursed in full for the approximately $15.0 million of operating cash that the Company had used to begin construction on the West Lake Water Project. These actions have significantly strengthened the liquidity position of the Company, and we believe that we are now in a strong cash position to carry us through the 2017/2018 ski season.

We had $33.7 million of cash and cash equivalents at April 30, 2017 compared to $5.4 million at April 30, 2016. Cash of $12.7 million was provided by operating activities during the year ended April 30, 2017 compared to $10.2 million of cash provided by the year ended April 30, 2016. We generate the majority of our cash from operations during the ski season, which occurs in our third and fourth quarters. We currently anticipate that Reported EBITDA will continue to provide a significant source of our future operating cash flows. We expect that our liquidity needs for the near term and the next fiscal year will be met by continued use of operating cash flows (primarily those generated in our third and fourth fiscal quarters) and available cash.

Long-term debt at April 30, 2017 and April 30, 2016 consisted of borrowings pursuant to the loans and other credit facilities described herein with EPR, our primary lender, and Royal Banks of Missouri as follows (dollars in thousands):

April 30, 2017	April 30, 2016

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Attitash/Mount Snow Debt; payable in monthly interest only payments at an increasing interest rate (11.26% at April 30, 2017 and 11.10% at April 30, 2016); remaining principal and interest due on December 1, 2034	$ 51,050	$ 51,050
Credit Facility Debt; payable in monthly interest only payments at an increasing interest rate (10.28% at April 30, 2017 and 10.13% at April 30, 2016); remaining principal and interest due on December 1, 2034	37,562	37,562
West Lake Water Project EB-5 Debt; payable in quarterly interest only payments (1.0% at April 30, 2017); remaining principal and interest due on December 27, 2021	30,000	-
Carinthia Ski Lodge EB-5 Debt; payable in quarterly interest only payments (1.0% at April 30, 2017); remaining principal and interest due on December 27, 2021	21,500	-
Hunter Mountain Debt; payable in monthly interest only payments at an increasing interest rate (8.14% at April 30, 2017 and 8.0% at April 30, 2016); remaining principal and interest due on January 5, 2036	21,000	21,000
Royal Banks of Missouri Debt; payable in monthly principal payments of $42 and interest payments at prime plus 1.0% (5.0% at April 30, 2017); remaining principal and interest due on January 6, 2020	9,875	-
Sycamore Lake (Alpine Valley) Debt; payable in monthly interest only payments at an increasing interest rate (10.72% at April 30, 2017 and 10.56% at April 30, 2016); remaining principal and interest due on December 1, 2034	4,550	4,550
Wildcat Mountain Debt; payable in monthly installments of $27, including interest at a rate of 4.00%; remaining principal and interest due on December 22, 2020	3,425	3,612
Other debt	2,870	3,231
Less unamortized debt issuance costs	(5,240)	(1,903)
	176,592	119,102
Less: current maturities	1,807	759
	$ 174,785	$ 118,343

Debt Restructure

In connection with the Debt Restructure, the Company entered into the Master Credit Agreement with EPR governing the restructured debt with EPR. Pursuant to the Master Credit Agreement, EPR agreed to maintain the following loans to the Company following the prepayment of certain outstanding debt with proceeds from the Company's initial public offering: (i) a term loan in the amount of approximately $51.1 million to the Company and its subsidiary Mount Snow, Ltd., (included in the table above as the "Attitash/Mount Snow Debt"); (ii) a term loan in the amount of approximately $23.3 million to the Company and its subsidiaries Brandywine Ski Resort, Inc. and Boston Mills Ski Resort, Inc. (the "Boston Mills/Brandywine Debt"); (iii) a term loan in the amount of approximately $14.3 million to the Company and its subsidiary JFBB Ski Areas, Inc. (the "JFBB Debt" and together with the Boston Mills/Brandywine Debt, included in the table above as the "Credit Facility Debt"); and (iv) a term loan in the amount of approximately $4.6 million to the Company and its subsidiary Sycamore Lake, Inc. (included in the table above as the "Sycamore Lake (Alpine Valley) Debt").

Interest will be charged at a rate of (i) 10.13% per annum as to each of the Boston Mills/Brandywine Debt and JFBB Debt; (ii) 10.40% per annum as to the Sycamore Lake (Alpine Valley) Debt; and (iii) 10.93% per annum pursuant to the Attitash/Mount Snow Debt. Each of the notes governing the restructured debt provides that interest will increase each year by the lesser of the following: (x) three times the percentage increase in the Consumer Price Index as defined in the notes ("CPI") from the CPI in effect on the applicable adjustment date over the CPI in effect on the immediately preceding adjustment date or (y) 1.5%. Past due amounts will be charged a higher interest rate and be subject to late charges.

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The Master Credit Agreement further provides that in addition to interest payments, the Company must pay the following with respect to all restructured debt other than the Attitash/Mount Snow Debt: an additional annual payment equal to 10% of the gross receipts attributable to the properties serving as collateral of the restructured debt (other than Mount Snow) for such year in excess of an amount equal to the quotient obtained by dividing (i) the annual interest payments payable pursuant to the notes governing the restructured debt (other than with respect to the Attitash/Mount Snow Debt) for the immediately preceding year by (ii) 10%. The Company must pay the following with respect to the Attitash/Mount Snow Debt: an additional annual payment equal to 12% of the gross receipts generated at Mount Snow for such year in excess of an amount equal to the quotient obtained by dividing (i) the annual interest payments payable under the note governing the Attitash/Mount Snow Debt for the immediately preceding year by (ii) 12%. An additional interest payment of $0.2 million was due for the years ended April 30, 2016 and 2017.

The Master Credit Agreement includes restrictions on certain transactions, including mergers, acquisitions, leases, asset sales, loans to third parties, and the incurrence of certain additional debt and liens. The Master Credit Agreement includes certain financial covenants, some of which were modified by the terms set forth in the Modification of Master Credit Agreements entered into by the Company and EPR effective as of October 24, 2016 (the “Modification Agreement”). The Modification Agreement modified the financial covenants of the Master Credit Agreement, Hunter Mountain Credit Agreement and Bridge Loan Agreement, as defined herein (together, the “EPR Credit Agreements”).

Financial covenants set forth in the Master Credit Agreement consist of a maximum leverage ratio (as defined in the Master Credit Agreement) of 65%, above which the Company and certain of its subsidiaries are prohibited from incurring additional indebtedness, and a consolidated fixed charge coverage ratio (as defined in the Master Credit Agreement) covenant. As modified by the Modification Agreement, no later than 30 days after the closing of the Private Placement, the Company shall deliver to the lender either (the “One Month Interest Obligation”) (i) a letter of credit in favor of the lender in the amount equal to one month of the lease payment obligations and debt service payments, as defined in the EPR Credit Agreements; or (ii) cash equal to the same amount. The terms of the Modification Agreement further provide that the lender may draw upon any letter of credit issued pursuant to the Modification Agreement upon the occurrence of certain events (the “Letter of Credit Events”), including, but not limited to, (i) any event of default under the EPR Credit Agreements; (ii) the Company’s failure to maintain a consolidated fixed charge coverage ratio of 1.50:1.00 on a rolling four quarter basis, as calculated pursuant to the terms of the EPR Credit Agreements, on or after May 1, 2017; and (iii) at any time within 60 days prior to the expiration date of any letter of credit. In the event of the occurrence of any Letter of Credit Events, the Company must replace the One Month Interest Obligation with (i) a replacement letter of credit in favor of the lender in the amount equal to three months of lease payment obligations and debt service payments, as defined in the EPR Credit Agreements; or (ii) cash in the same amount. Pursuant to the terms of the Modification Agreement, the Company must obtain the consent of the lender prior to redeeming any preferred or common stock. The Private Placement closed on November 2, 2016, and the Company provided EPR with the One Month Interest Obligation letter of credit (the “Interest Letter of Credit”) in the amount of $1.1 million on December 1, 2016 in accordance with the terms of the Modification Agreement. The Interest Letter of Credit is collateralized by a certificate of deposit in the amount of $1.1 million. The Master Credit Agreement prohibits the Company from paying dividends if the fixed charge coverage ratio is below 1.25:1.00 and during default situations. During the first two quarters of fiscal year 2017, the Company’s fixed charge coverage ratios fell below the required ratios, resulting in the actions described above. As of April 30, 2017, the Company is in compliance with all debt covenants.

Under the terms of the Master Credit Agreement and pursuant to the Master Cross Default Agreement, as amended, the occurrence of a change of control is an event of default. A change of control will be deemed to occur if (i) within two years after the effective date of the Hunter Mountain Credit Agreement, the Company’s named executive officers (Messrs. Timothy Boyd, Stephen Mueller and Richard Deutsch) cease to beneficially own and control less than 50% of the amount of the Company’s outstanding voting stock that they own as of the effective date of the Master Credit Agreement, or (ii) the Company ceases to beneficially own and control less than all of the outstanding shares of voting stock of those subsidiaries which are borrowers under the Master Credit Agreement. Other events of default include, but are not limited to, a default on other indebtedness of the Company or its subsidiaries.

None of the restructured debt may be prepaid without the consent of EPR. Upon an event of default, as defined in the Debt Restructure Agreements, EPR may, among other things, declare all unpaid principal and interest due and payable. Each of the notes governing the restructured debt matures on December 1, 2034.

Wildcat Mountain Debt

The Wildcat Mountain Debt due December 22, 2020 represents amounts owed pursuant to a promissory note in the principal amount of $4.5 million made by WC Acquisition Corp. in favor of Wildcat Mountain Ski Area, Inc., Meadow Green-Wildcat Skilift Corp. and Meadow Green-Wildcat Corp. (the “Wildcat Note”). The Wildcat Note, dated November 22, 2010, was made in connection with the acquisition of Wildcat Mountain, which was effective as of October 20, 2010. The interest rate as set forth in the Wildcat Note is fixed at 4.00%.

Hunter Mountain Debt

The Hunter Mountain Debt due January 5, 2036 represents amounts owed pursuant to a promissory note (the "Hunter Mountain Note") in the principal amount of $21.0 million made by the Company in favor of EPR pursuant to the Hunter Mountain Credit Agreement in connection with the Company's acquisition of Hunter Mountain, which was effective as of January 6, 2016. The Company used $20.0 million of the Hunter Mountain Debt to finance the Hunter Mountain acquisition and $1.0 million to cover closing costs and to add to its interest reserve account.

The Hunter Mountain Credit Agreement and Hunter Mountain Note provide that interest will be charged at an initial rate of 8.00%, subject to an annual increase beginning on February 1, 2017 by the lesser of the following: (x) three times the percentage increase in the CPI (as defined in the Hunter Mountain Note) from the CPI in effect on the applicable adjustment date over the CPI in effect on the immediately preceding adjustment date or (y) 1.75%. Past due amounts will be charged a higher interest rate and be subject to late charges.

The Hunter Mountain Credit Agreement further provides that in addition to interest payments, the Company must pay an additional annual payment equal to 8.00% of the gross receipts in excess of $35.0 million that are attributable to all collateral under the Hunter Mountain Note for such year.

The Hunter Mountain Credit Agreement includes restrictions or limitations on certain transactions, including mergers, acquisitions, leases, asset sales, loans to third parties, and the incurrence or guaranty of certain additional debt and liens. Financial covenants and dividend restrictions set forth in the Hunter Mountain Credit Agreement are identical to those set forth in the Master Credit Agreement, as modified by the Modification Agreement, described above. In accordance with the terms of the Modification Agreement, the Company provided EPR with the Interest Letter of Credit on December 1, 2016 in the amount of $1.1 million, collateralized by a certificate of deposit for the same amount. During the first two quarters of fiscal year 2017, the Company's fixed charge coverage ratios fell below the required ratios, resulting in the actions described above. As of April 30, 2017, the Company is in compliance with all debt covenants.

Under the terms of the Hunter Mountain Credit Agreement, the occurrence of a change of control is an event of default. A change of control will be deemed to occur if (i) within two years after the effective date of the Hunter Mountain Credit Agreement, the Company's named executive officers (Messrs. Timothy Boyd, Stephen Mueller and Richard Deutsch) cease to beneficially own and control less than 50% of the amount of the Company's outstanding voting stock that they own as of the effective date of the Hunter Mountain Credit Agreement, or (ii) the Company ceases to beneficially own and control less than all of the outstanding shares of voting stock of those subsidiaries which are borrowers under the Hunter Mountain Credit Agreement. Other events of default include, but are not limited to, a default on other indebtedness of the Company or its subsidiaries.

The Hunter Mountain Note may not be prepaid without the consent of EPR. Upon an event of default, as defined in the Hunter Mountain Note, EPR may, among other things, declare all unpaid principal and interest due and payable. The Hunter Mountain Note matures on January 5, 2036.

As a condition to the Debt Restructure described above, the Company entered into the Master Cross Default Agreement with EPR (the "Master Cross Default Agreement"), which provides that any event of default under existing or future loan or lien agreements between the Company or its affiliates and EPR, and any event of default under the Mad River Lease Amendment, shall automatically constitute an event of default under each of such loan and lien agreements and Mad River Lease Amendment, upon which EPR will be entitled to all of the remedies provided under such agreements and Mad River Lease Amendment in the case of an event of default. In connection with entry into the Hunter Mountain Credit Agreement on January 6, 2016, the Company entered into the Amended and Restated Master

Cross-Default Agreement with EPR, which adds the Hunter Mountain Credit Agreement, Hunter Mountain Note and related transaction documents to the scope of loan agreements to which the cross-default provisions of the Master Cross Default Agreement apply.

Also in connection with the Debt Restructure, the Company and EPR entered into the Guaranty Agreement (the "2014 Guaranty Agreement"). The 2014 Guaranty Agreement obligates the Company and its subsidiaries as guarantors of all debt evidenced by the evidenced by the Master Credit Agreement and other Debt Restructure agreements. On January 6, 2016, in connection with entry into the Hunter Mountain Credit Agreement, the Company entered into a Guaranty Agreement for the benefit of EPR, which adds the Company's new Hunter Mountain subsidiary borrowers under the Hunter Mountain Credit Agreement as guarantors pursuant to the same terms of the 2014 Guaranty Agreement and adds the debt evidenced by the Hunter Mountain Credit Agreement and Hunter Mountain Note to the debt guaranteed by the Company pursuant to the 2014 Guaranty Agreement.

Substantially all of the Company's assets serve as collateral for the Company's long term debt.

Line of Credit/Royal Banks of Missouri Debt

The remaining $15.0 million of the Hunter Mountain acquisition price was financed with funds drawn on the Company's line of credit with Royal Banks of Missouri pursuant to the Credit Facility, Loan and Security Agreement (the "Line of Credit Agreement") between the Company and Royal Banks of Missouri, effective as of December 22, 2015. The Company drew an additional $0.5 million to pay closing costs. On July 20, 2016, the Company borrowed an additional $1.75 million under the Line of Credit Agreement for working capital purposes. Additionally, on August 5, 2016, the Company borrowed the remaining $2.75 million under the Credit Agreement for working capital purposes, bringing the total principal amount borrowed under the Line of Credit Agreement to $20.0 million.

The Line of Credit Agreement provides for a 12-month line of credit for up to $20.0 million to be used for acquisition purposes and working capital of up to 5.0% of the acquisition purchase price, subject to the Company's ability to extend the line of credit for up to an additional 12-month period upon the satisfaction of certain conditions. In connection with entry into the Line of Credit Agreement, the Company executed a promissory note (the "Initial Line of Credit Note") in favor of Royal Banks of Missouri, pursuant to which the initial amounts borrowed under the Line of Credit Agreement matured on December 22, 2016 and January 6, 2017 and were repaid or converted, as described in the paragraph below. The additional $1.75 million borrowed by the Company on July 20, 2016 was borrowed pursuant to the terms of the Initial Line of Credit Note. The remaining $2.75 million drawn under the Line of Credit Agreement on August 5, 2016 was borrowed pursuant to a second promissory note executed by the Company on August 5, 2016 (the "Second Line of Credit Note"), maturing on August 5, 2017.

On December 15, 2016 and January 5, 2017, the Company repaid $0.5 million and $5.0 million, respectively, of the total amount outstanding under the Line of Credit Agreement with proceeds from the Private Placement described in Note 5 of the audited financial statements. On January 6, 2017, pursuant to the terms of the Line of Credit Agreement, the Company elected to convert $10.0 million of the outstanding amount to a term loan (included in the table above as the "Royal Banks of Missouri Debt"). The terms of the Royal Banks of Missouri Debt are evidenced by a promissory note in favor of Royal Banks of Missouri in the principal amount of $10.0 million, dated as of January 6, 2017 (the "Royal Banks Note").

The Royal Banks of Missouri Debt bears interest at the prime rate plus 1.0% per annum. The Royal Banks Note matures on February 6, 2020. Except in the case of default, the Company may prepay the Royal Banks of Missouri Debt without penalty. From and after maturity of the Royal Banks Note and in the case of any default, interest on the unpaid principal and interest shall accrue at an annual rate equal to five percentage points over the rate of interest otherwise payable on outstanding amounts. Events of default under the Royal Banks Note include any default under the terms of the Line of Credit Agreement.

The Royal Banks Note is subject to the terms and conditions set forth in the Line of Credit Agreement, as described herein.

As of April 30, 2017, a total of $4.5 million remained outstanding under the Line of Credit Agreement, which includes $1.75 million borrowed pursuant to the terms of the Initial Line of Credit Note and $2.75 million borrowed pursuant to the Second Line of Credit Note. The remaining line of credit debt is included as a current liability given the initial 12-month term. The Company intends to either pay or convert the full amount due on each note on or prior to their respective due dates.

Interest on the amounts borrowed pursuant to the Initial Line of Credit Note is charged at the prime rate plus 1.0%, provided that past due amounts shall be subject to higher interest rates and late charges. The effective rate at April 30, 2017 was 5.0% on the line of credit borrowings made pursuant to the Initial Line of Credit Note.

Interest on the amount borrowed pursuant to the Second Line of Credit Note is charged at 6.00% per annum, provided that past due amounts shall be subject to higher interest rates and late charges. The Company is required to make interest only payments under the Second Line of Credit Note.

The Line of Credit Agreement includes restrictions or limitations on certain transactions, including mergers, acquisitions, leases, asset sales, loans to third parties, and the incurrence of certain additional debt and liens. Financial covenants set forth in the Line of Credit Agreement consist of a maximum leverage ratio (as defined in the Line of Credit Agreement) of 65%, above which the Company is prohibited from incurring additional indebtedness, and a debt service coverage ratio (as defined in the Line of Credit Agreement) of 1.25:1.00 on a fiscal year basis. The Line of Credit Agreement requires that the Company comply with the consolidated fixed charge coverage ratio requirements and provisions set forth in the Master Credit Agreement, as modified by the Modification Agreement, and includes identical dividend payment restrictions as the Master Credit Agreement. In accordance with the terms of the Modification Agreement, the Company provided EPR with the Interest Letter of Credit on December 1, 2016 in the amount of $1.1 million, collateralized by a certificate of deposit for the same amount. During the first two quarters of fiscal year 2017, the Company’s fixed charge coverage ratios fell below the required ratios, resulting in the actions described above. As of April 30, 2017, the Company is in compliance with all debt covenants.

If the outstanding line of credit debt is not paid in full by the maturity date, and the Company is otherwise in full compliance with the terms and conditions of the Line of Credit Agreement and Initial Line of Credit Note, the Company may elect to convert only the outstanding debt borrowed pursuant to the Initial Line of Credit Note to a three-year term loan, subject to an additional extension, with principal payments amortized over a 20-year period bearing interest at the prime rate plus 1.00% per annum. The amount borrowed pursuant to the Second Line of Credit Note is not subject to the renewal and conversion provisions of the Line of Credit Agreement.

Except in the case of a default, the Company may prepay all or any portion of the outstanding line of credit debt and all accrued and unpaid interest due prior to the maturity date without prepayment penalty.

In the case of a default, the outstanding line of credit debt shall, at the lender's option, bear interest at the rate of 5.0% percent per annum in excess of the interest rate otherwise payable thereon, which interest shall be payable on demand.

Under the terms of the Line of Credit Agreement, the occurrence of a change of control is an event of default. A change of control will be deemed to occur if (i) for so long as the line of credit debt is outstanding and such individuals are employed by the Company, the Company's key shareholders (Messrs. Timothy Boyd, Stephen Mueller and Richard Deutsch) cease to beneficially own and control less than 50% of the amount of the Company's outstanding voting stock that they own as of the effective date of the Line of Credit Agreement, or (ii) the Company ceases to beneficially own and control less than all of the outstanding shares of voting stock of the subsidiary borrowers. Other events of default include, but are not limited to, a default on other indebtedness of the Company or its subsidiaries.

Amounts outstanding under the Line of Credit Agreement are secured by the assets of each of the subsidiary borrowers under the Line of Credit Agreement.

West Lake Water Project and Carinthia Ski Lodge EB-5 Debt

The Company established two affiliate limited partnerships of Mount Snow, Carinthia Group 1, L.P. and Carinthia Group 2, L.P. (collectively, the ‘‘Partnership’’), to operate two Mount Snow development projects funded by $52.0 million raised by the Partnership pursuant to the U.S. government's Immigrant Investor Program, referred to herein as the EB-5 Program. The EB-5 Program was first enacted in 1992 to stimulate the U.S. economy through the creation of jobs and capital investments in U.S. companies by foreign investors. In turn, these foreign investors are, pending petition approval, granted visas for lawful residence in the U.S. Mount Snow GP Services LLC, a wholly owned subsidiary of Mount Snow, Ltd. (wholly owned by the Company), serves as the general partner for the Partnership. The Company has evaluated the Partnership under ASC 810, "Consolidations," and determined the Partnership does not require consolidation because the Company does not have a variable interest in the Partnership.

The Mount Snow development projects include: (i) the West Lake Water Project, which includes the construction of a new water storage reservoir for snowmaking; and (ii) the Carinthia Ski Lodge Project, which includes the construction of a new skier service building. In December 2016, the first I-526 petition submitted by an investor in the EB-5 Program was approved, and the $52.0 million was released from escrow to the Partnership. Upon release of the EB-5 Program funds, the Company was reimbursed in full for the approximately $15.0 million that the Company had invested in the construction of the Mount Snow development projects while awaiting release of the funds. The remaining $37 million was included in long-term asset restricted cash, construction, due to the earmark associated with the Mount Snow development project. As we incur construction costs on the project, we are able to release the funds from restricted cash.

Mount Snow, Ltd. formed West Lake Water Project LLC and Carinthia Ski Lodge LLC, each wholly owned by Mount Snow, Ltd., to manage the construction of the West Lake Water Project and Carinthia Ski Lodge Project, respectively.

Pursuant to the terms of the EB-5 Program, the Partnership is obligated to invest or loan the funds raised from its EB-5 investors in or to a business carrying on a commercial venture. In accordance with these requirements, on December 27, 2016, the Partnership entered into a loan agreement with West Lake Water Project LLC providing West Lake Water Project LLC a line of credit of up to $30.0 million (the “West Lake Loan Agreement”) to be used in the construction of the West Lake Water Project. In connection with entry into the West Lake Loan Agreement, West Lake Water Project LLC executed a line of credit note in favor of the Partnership in the amount of $30.0 million (the “West Lake Note”). The debt owed pursuant to the West Lake Loan Agreement and West Lake Note is included in the table above as the “West Lake Water Project EB-5 Debt.”

Also on December 27, 2016, the Partnership entered into a loan agreement with Carinthia Ski Lodge LLC providing Carinthia Ski Lodge LLC a line of credit of up to $22.0 million (the “Carinthia Lodge Loan Agreement”) to be used in the construction of the new Carinthia skier service building. In connection with entry into the Carinthia Lodge Loan Agreement, Carinthia Ski Lodge LLC executed a line of credit note in favor of the Partnership in the amount of $22.0 million (the "Carinthia Lodge Note"). The debt owed pursuant to the Carinthia Lodge Loan Agreement and Carinthia Lodge Note is included in the table above as the "Carinthia Ski Lodge EB-5 Debt." Amounts borrowed pursuant to the EB-5 Loan Agreements, as defined below, can be used only for construction of the West Lake Water Project and Carinthia Ski Lodge Project.

The terms of the West Lake Loan Agreement and Carinthia Lodge Loan Agreement (together, the "EB-5 Loan Agreements") and the West Lake Note and Carinthia Lodge Note (together, the "EB-5 Notes") are identical. Amounts outstanding under the EB-5 Notes accrue simple interest at a fixed rate of 1.0% per annum until the maturity date, which is December 27, 2021, subject to extension of up to an additional two years at the option of the borrowers with lender consent. If the maturity date is extended, amounts outstanding under the EB-5 Notes will accrue simple interest at a fixed rate of 7.0% per annum during the first year of extension and a fixed rate of 10.0% per annum during the second year of extension.

Upon an event of default, amounts outstanding shall bear interest at the rate of 5.0% per annum, subject to the extension increases. Events of default under the EB-5 Loan Agreements include failure to make payments due; breaches of covenants, representations and warranties; incurrence of certain judgments and liens against the borrowers or assets; assignments or notice of bulk sales of assets on behalf of creditors; commencement of bankruptcy or dissolution proceedings; and cessation of the West Lake Water Project or Carinthia Ski Lodge Project prior to completion.

For so long as amounts under the EB-5 Loan Agreements are outstanding, the borrowers are restricted from taking certain actions without the consent of the lenders, including, but not limited to, transferring or disposing of the properties or assets financed with the loan proceeds; selling equity interests to any person other than the Company; merging; and making loans to or investing in affiliates or other persons.

The borrowers under the EB-5 Notes are prohibited from prepaying outstanding amounts owed if such prepayment would jeopardize any of the EB-5 investor limited partners' ability to be admitted to the U.S. via the EB-5 Program.

As a condition to entry into each of the EB-5 Loan Agreements, the Company executed guaranties of collection (the "EB-5 Guaranties") with respect to each of the West Lake Loan Agreement and Carinthia Lodge Loan Agreement pursuant to which the Company unconditionally guaranteed all amounts due under the EB-5 Notes owed to the Partnership. Pursuant to the terms of the EB-5 Guaranties, which are guaranties of collection rather than of payment, in the event the borrowers under the EB-5 Loan Agreements fail to make any payments due, or upon the acceleration of payments due, the lenders must exhaust any and all legal remedies for collection against the borrowers before proceeding against the Company.

Bridge Loan Financing

On September 1, 2016, the Company entered into the Master Credit and Security Agreement with EPR (the "Bridge Loan Agreement") pursuant to which EPR agreed to loan up to $10.0 million to the Company for working capital purposes, subject to certain conditions and adjustment as provided in the Bridge Loan Agreement and as previously disclosed. Amounts borrowed pursuant to the Bridge Loan Agreement were evidenced by a promissory note (the "Bridge Loan Note"), also dated as of September 1, 2016. The Company borrowed a total of $5.5 million under the Bridge Loan Agreement and Bridge Loan Note. The total outstanding balance and all interest due was repaid by the Company upon receipt of the proceeds from the Private Placement, which closed on November 2, 2016.

Fiscal 2017 compared to Fiscal 2016

We generated $12.7 million of cash in operating activities in fiscal 2017, an increase of $2.5 million when compared to the $10.2 million generated fiscal 2016. The increase in operating cash flows was a result of increased earnings from operations and an increase in depreciation as a result of the inclusion of Hunter Mountain's results in the consolidated financial statements for all of fiscal 2017. This was partially offset by a decrease in accounts payable of $3.4 million due to payments on past due balances from the prior ski season.

Cash provided in investing activities for fiscal 2017 was $4.8 million compared to cash used of $70.2 million in fiscal 2016. The change of $75.0 million from fiscal 2017 compared to fiscal 2016 was a result of the business combination associated with the Hunter Mountain acquisition in fiscal 2016, and an increase in restricted cash. The change in restricted cash is a result of the release of EB-5 Program investor funds, as discussed herein, which were previously held in escrow.

Cash provided by financing activities decreased by $37.8 million in fiscal 2017 compared to fiscal 2016 because of the release of EB-5 Program investor funds previously held in escrow, offset by (i) increases in long-term debt as a result of additional borrowings and proceeds raised in connection with the Private Placement and (ii) additional borrowings in connection with the Hunter Mountain acquisition, which was offset by increased distributions to stockholders and additions to EB 5 funds held in escrow.

Significant Uses of Cash

Our cash uses currently include operating expenditures and capital expenditures for assets to be used in operations. We have historically invested significant cash in capital expenditures for our resort operations and expect to continue to invest in the future. Resort capital expenditures for fiscal 2017 were approximately $8.6 million compared to $15.9 million in fiscal 2016. The decrease from the previous year was related to lower spending in the current year on the West Lake Water Project. The planned major capital expenditure projects for fiscal 2018 include the completion of the West Lake Water Project, the zip tour at Hidden Valley, the expansion of Hunter Mountain terrain and the commencement of the Carinthia Ski Lodge Project. The West Lake Water Project and Carinthia Ski Lodge Project are being funded with proceeds raised pursuant to the EB-5 Program, as described herein. We currently plan to use cash on hand and/or cash flow generated from future operations to provide the cash necessary to execute other capital projects and believe that these sources of cash will be adequate to meet our needs.

As part of the acquisition of Hunter Mountain discussed in “Recent Events” above, we assumed $1.7 million related to six capital leases. The leases were used to finance equipment throughout the resort. The leases expire during the current fiscal year through 2020, with payments being required only during the peak ski season. Annual lease expenses are $0.5 million in 2017, $0.5 million in 2018, $0.3 million in 2019, and $0.3 million in 2020.

In October 2014, we entered into a capital lease to finance the construction of the Zip Rider at Attitash. The lease is payable in 60 monthly payments of $38,800, commencing November 2014. The Company has a $1.00 purchase option at the end of the lease term. Messrs. Boyd, Mueller and Deutsch have personally guaranteed the lease.

In addition, in June 2015, the Company entered into capital leases to finance the installation of Low-E snow guns at Mount Snow, Attitash and Wildcat, as well as to fund the purchase of groomers for Mount Snow and Attitash. The Low-E snow guns lease is payable in 48 monthly payments of $61,770 and the groomers lease is payable in 60 monthly payments of $23,489, both commencing July 2015. The Company has a $1.00 purchase option at the end of each lease term. Messrs. Boyd, Mueller and Deutsch have personally guaranteed the leases. The Company originally funded these purchases during fiscal 2015 with operating cash.

As of April 30, 2017, we had $3.9 million in third party commitments currently outstanding with our main contractor on the Mount Snow development. We may incur additional costs to support the ongoing Mount Snow development, subject to obtaining required permits and approvals. We intend to continue to fund our Mount Snow development by raising funds under the Immigrant Investor Program, referred to herein as the EB-5 Program, administered by the USCIS pursuant to the Immigration and Nationality Act. This program was created to stimulate the U.S. economy through the creation of jobs and capital investments in U.S. companies by foreign investors. Congress has allocated 10,000 EB-5 Visas per year to qualified individuals seeking lawful permanent resident status on the basis of their investment in a new commercial enterprise that generates jobs. Under the regional center pilot immigration program first enacted in 1992, certain EB-5 Visas are also set aside for investors in regional centers designated by the USCIS based on proposals for promoting economic growth. Regional centers are organizations, either publicly owned by cities, states or regional development agencies or privately owned, which facilitate investment in job-creating economic development projects by pooling capital raised under the EB-5 Program. Areas within regional centers that are rural areas or areas experiencing unemployment numbers higher than the national unemployment average rates are designated as Targeted Employment Areas (‘‘TEA’’).

Recently, the demand for the annual allocation of the EB-5 Visas has exceeded the supply, and nationals of China are now subject to lengthy waiting periods for such visas. These waiting periods could exceed five to ten years. In addition, the EB-5 Program has been extended by Congress until September 30, 2017. The continuity of the EB-5 Program depends on further action from lawmakers, which could include material modifications to the EB-5 Program that would make this type of funding unfeasible or difficult for the Company. See Part I, Item 1A, “Risk Factors” for additional risks relating to the EB-5 Program.

We have established the Partnerships, Carinthia Group 1, L.P. and Carinthia Group 2, L.P. to operate within a TEA within the State of Vermont Regional Center. The Company has evaluated the Partnerships under ASC 810 and determined the Partnerships do not require consolidation because the Company does not have a variable interest in the Partnerships. The Partnerships raised $52.0 million by offering units in the Partnership to qualified EB-5 investors primarily located in China, Taiwan, Vietnam and certain countries in the Middle East for a subscription price of $500,000 per unit, which is the minimum investment that an investor in a new commercial enterprise located in a TEA, pursuant to current EB-5 Program regulations. The funds are being used to finance the development of two capital projects at Mount Snow—the West Lake

Water Project and the Carinthia Ski Lodge Project. The West Lake Water Project includes the construction of a new water storage reservoir for snowmaking with capacity of up to 120 million gallons, three new pump houses and the installation of snowmaking pipelines, trail upgrades and expansion, new ski lift and ancillary equipment. The Carinthia Ski Lodge Project includes the construction of Carinthia Ski Lodge, a new three-story, approximately 36,000-square foot skier service building located at the base of the Carinthia slopes. Carinthia Ski Lodge will include a restaurant, cafeteria and bars with seating for over 600 people, a retail store, convenience store and sales center for lift tickets and rentals. The anticipated overall cost of the Projects is $66.0 million, of which $52.0 million will be funded with the proceeds from the EB-5 offering. The remaining $14.0 million has been provided by Mount Snow with investments in land, snow gun installations, and improved snowmaking technology.

Once the Partnerships accepted an EB-5 investor's funds, an investor was required to file a petition ("I-526 Petition") with USCIS seeking, among other things, approval of the investment's suitability under the EB-5 Program requirements and the investor's suitability and source of funds. The $52.0 million in total investments were held in an escrow account and were not released until the USCIS approved the first I-526 Petition filed by an investor in the Partnerships, which occurred in December 2016. Upon receipt of this approval, the $52.0 million was released from escrow to the Partnership.

Pursuant to the rules and regulations governing the EB-5 Program, the Partnerships are obligated to invest or loan the funds raised from its EB-5 investors in or to a business carrying on a commercial venture. In accordance with these requirements, on December 27, 2016, the Partnerships entered into the West Lake Loan Agreement and Carinthia Lodge Loan Agreement, which are more fully described in "—Significant Sources of Cash."

We estimate that the West Lake Water Project will be substantially completed in advance of the 2017/2018 ski season, and the Carinthia Lodge Project will be substantially completed in advance of the 2018/2019 ski season.

Due to the delay on the first investor's I-526 Petition to be approved by the USCIS, as well as the unseasonably warm weather during the 2015/2016 ski season which drove down revenue compared to the prior season, the Company's board of directors decided it was not prudent to declare a dividend in the first three quarters of fiscal 2017. The board approved the reinstatement of the dividend in February 2017 at the lower quarterly rate of $0.07 per share. As such, the Company paid a fourth quarter 2017 cash dividend on March 13, 2017 to common shareholders of record as of February 27, 2017. The Company paid a first quarter dividend on May 12, 2017, in fiscal 2018, to common shareholders of record on April 18, 2017. Additionally in fiscal 2018, the Company declared a quarterly cash dividend payable on August 11, 2017 to common shareholders of record on July 27, 2017, each at the rate of $0.07 per share. We cannot assure you that this dividend rate will be sustained or that we will continue to pay dividends in the future. The declaration and payment of future dividends will be at the sole discretion of our board of directors, and will depend on many factors, including our actual results of operations, financial condition, capital requirements, contractual restrictions, restrictions in our debt agreements, restrictions and limitations in the Certificate of Designation relating to the Series A Preferred Stock, economic conditions and other factors that could differ materially from our current expectations. For a more detailed description of these restrictions and limitations on our ability to declare cash dividends, please see Part II, Item 5, "Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities."

The Company's various credit agreements include or incorporate financial covenants which consist of a maximum leverage ratio of 65%, above which the Company and certain of its subsidiaries are prohibited from incurring additional indebtedness, and a consolidated fixed charge coverage ratio. As modified by the Modification Agreement, no later than 30 days after the closing of the Private Placement, the Company shall deliver to the lender the One Month Interest Obligation in cash or a letter of credit. The terms of the Modification Agreement further provide that the lender may draw upon any letter of credit issued pursuant to the Modification Agreement upon the occurrence of the Letter of Credit Events. In the event of the occurrence of any Letter of Credit Events, the Company must replace the One Month Interest Obligation with (i) a replacement letter of credit in favor of the lender in the amount equal to three months of lease payment obligations and debt service payments, as defined in the EPR Credit Agreements; or

(ii) cash in the same amount. Pursuant to the terms of the Modification Agreement, the Company must obtain the consent of the lender prior to redeeming any preferred or common stock. The Private Placement closed on November 2, 2016, and the Company provided EPR with the Interest Letter of Credit in the amount of $1.1 million on December 1, 2016 in accordance with the terms of the Modification Agreement. The Interest Letter of Credit is collateralized by a certificate of deposit in the amount of $1.1 million.

The Certificate of Designation of the Series A Preferred Stock provides that from and after the date that is nine months from the date of issuance, cumulative dividends shall accrue on the Series A Preferred Stock on a daily basis in arrears at the rate of 8% per annum on the liquidation value of $1,000 per share. The Series A Preferred Stock held by the

Investor was issued on November 2, 2016, and as such, the Investor will be due such cumulative dividends as of August 2, 2017. Pursuant to the terms of the Certificate of Designation of the Series A Preferred Stock, all accrued and accumulated dividends on the Series A Preferred Stock shall be paid prior and in preference to any cash dividend on our common stock. In addition, until the earlier of (i) such date as no Series A Preferred Stock remains outstanding and (ii) January 1, 2027, the Company is prohibited from paying any dividend on capital stock when there are accrued or unpaid dividends with respect to the Series A Preferred Stock. The Company intends to pay the Series A Preferred Stock dividend which will be $1.6 million annually, or $0.4 million quarterly.

Critical Accounting Policies

The preparation of consolidated financial statements in conformity with GAAP requires us to select appropriate accounting policies and to make judgments and estimates affecting the application of those accounting policies. In applying our accounting policies, different business conditions or the use of different assumptions may result in materially different amounts reported in the consolidated financial statements.

We have identified the most critical accounting policies which were determined by considering accounting policies that involve the most complex or subjective decisions or assessments. We also have other policies considered key accounting policies; however, these policies do not meet the definition of critical accounting policies because they do not generally require us to make estimates or judgments that are complex or subjective. We have reviewed these critical accounting policies and related disclosures with our board of directors. Our significant accounting policies are more fully described in Note 1 to our consolidated financial statements.

As an "emerging growth company," we have elected to delay the adoption of new or revised accounting standards until those standards would otherwise apply to private companies. As a result, our financial statements may not be comparable to those of other public companies.

Goodwill

Description

Goodwill represents the excess of the purchase price over the fair value of net assets acquired in a business combination. Goodwill is not amortized, but is tested for impairment annually as of March 31st and at any time when events or circumstances suggest impairment may have occurred. The Company has 14 resorts, represented by 12 reporting units (Jack Frost and Big Boulder; and Boston Mills and Brandywine are managed and reported on collectively) with allocated goodwill in two reporting units. Goodwill is the Company's only indefinite-lived intangible.

Judgments and Uncertainties

The testing for impairment consists of a comparison of the fair value of the reporting unit with its carrying amount. If the carrying amount of the reporting unit, including goodwill, exceeds the fair value, an impairment will be recognized equal to the difference between the carrying value of the reporting unit goodwill and the implied fair value of the goodwill. For the testing of goodwill for impairment, the Company determines the estimated fair value of its reporting units based upon a discounted future cash flow analysis.

Effect if Actual Results Differ From Assumptions

We believe that the fair value of the reporting unit exceeds the carrying amount and therefore no impairment has been recorded for goodwill. If these assumptions are not correct, this could impact the carrying value of our goodwill assets if the discounted cash flows are less than the carrying value. If the discounted cash flows are less than the carrying value, an impairment would be recorded to the extent the fair value of such assets is less than their carrying value. The estimate of fair value would be a judgment made by management regarding future cash flows that could differ, possibly materially, from actual results.

Income Taxes

Description

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We must make certain estimates and judgments in determining income tax expense for financial statement purposes. These estimates and judgments occur in the calculation of tax credits and deductions and in the calculation of certain tax assets and liabilities, which arise from differences in the timing of recognition of revenue and expense for tax and financial statement purposes, as well as the interest and penalties relating to uncertain tax positions. The calculation of our tax liabilities involves dealing with uncertainties in the application of complex tax regulations. We recognize liabilities for uncertain tax positions based on a two-step process. The first step is to evaluate the tax position for recognition by determining if the weight of available evidence indicates that it is more likely than not that the position will be sustained on audit, including resolution of related appeals or litigation processes, if any. The second step requires us to estimate and measure the tax benefit as the largest amount that is more than 50% likely of being realized upon ultimate settlement. It is inherently difficult and subjective to estimate such amounts, as this requires us to determine the probability of various possible outcomes. This evaluation is based on factors including, but not limited to, changes in facts or circumstances, changes in tax law, effectively settled issues under audit and new audit activity.

A significant amount of time may pass before a particular matter, for which we may have established a reserve, is audited and fully resolved.

Judgments and Uncertainties

The estimates of our tax contingencies reserve, if any, contain uncertainty because management must use judgment to estimate the potential exposure associated with our various filing positions.

Effect if Actual Results Differ From Assumptions

Although we believe the estimates and judgments discussed herein are reasonable and we have adequate reserves for our tax contingencies, actual results could differ, and we may be exposed to increases or decreases in those reserves and tax provisions that could be material.

An unfavorable tax settlement could require the use of cash and could possibly result in an increased tax expense and effective tax rate in the year of resolution. A favorable tax settlement could possibly result in a reduction in our tax expense, effective tax rate, income taxes payable, other long-term liabilities and/or adjustments to our deferred tax assets, deferred tax liabilities or intangible assets in the year of settlement or in future years.

Management has made the assumption that the deferred tax assets will generally be recovered through the reversal of the deferred tax liabilities. Changes in the timing of the reversal pattern of these deferred tax liabilities, such as due to changes in asset lives, could necessitate a further evaluation of whether a valuation allowance is required. While management does not expect a need will arise to evaluate the valuation allowance, this would require management to estimate future taxable income, which would be subjective.

Depreciable Lives of Assets

Description

Mountain and lodging operational assets, furniture and fixtures, computer equipment, software, vehicles and leasehold improvements are primarily depreciated using the straight-line method over the estimated useful life of the asset. Assets may become obsolete or require replacement before the end of their useful life in which case the remaining book value would be written-off or we could incur costs to remove or dispose of such assets no longer in use.

Judgments and Uncertainties

The estimate of our useful lives of the assets contain uncertainty because management must use judgment to estimate the useful life of the asset.

Effect if Actual Results Differ From Assumptions

Although we believe the estimates and judgments discussed herein are reasonable, actual results could differ, and we may be exposed to increased expense related to depreciable assets disposed of, removed or taken out of service prior to its originally estimated useful life, which may be material. A 10% decrease in the estimated total useful lives of depreciable assets would have increased depreciation expense by approximately $1.4 million for fiscal 2017.

Long-lived Asset Impairment Evaluation

Description

We evaluate our long-lived assets, including property, equipment and land held for development, for impairment whenever events or changes in circumstances indicate the carrying value of an asset may not be recoverable. If circumstances require a long-lived asset to be tested for possible impairment, we compare undiscounted cash flows expected to be generated by the asset to its carrying value. If the carrying value exceeds the expected undiscounted cash flow, an impairment adjustment would be made to reduce the carrying value of the asset to its fair value. Fair value is determined by application of valuation techniques, including discounted cash flow models, and independent appraisals, if considered necessary.

Judgments and Uncertainties

The determination of whether the carrying value is recoverable requires management to determine if events have occurred which could indicate such carrying values could be impaired. Any evaluation of impairment would require management to use its judgment regarding the estimated future cash flows generated by such assets.

Effects if Actual Results Differ From Assumptions

We believe there have been no events warranting evaluation of long-lived assets for impairment. If these assumptions are not correct, this could impact the carrying value of our long-lived assets if the undiscounted cash flows are less than the carrying value. If the undiscounted cash flows are less than the carrying value, an impairment would be recorded to the extent the fair value of such assets is less than their carrying value. The estimate of fair value would be a judgment made by management regarding future cash flows that could differ, possibly materially, from actual results.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Fluctuations

On December 1, 2014, the Company completed its Debt Restructure as discussed more fully in Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" providing for the prepayment of certain of its debt owed to EPR and the restructuring of all then existing loan terms. Debt owed to EPR as of April 30, 2017 was $93.2 million, exclusive of the debt to fund the Hunter Mountain acquisition described below. The interest rate on this debt is subject to fluctuation, but the interest rate can be only increased by a factor of 1.015 annually. At the factor of 1.015, the additional annual interest expense on this variable rate outstanding debt is approximately $0.15 million.

In addition, effective as of January 6, 2016 we incurred $21.0 million of debt to fund a portion of the purchase price for the acquisition of Hunter Mountain and other costs pursuant to the terms of the Hunter Mountain Credit Agreement and Hunter Mountain Note with EPR, as more fully discussed in Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations." The interest rate relating to this debt increases by a factor of 1.0175 annually. At the factor of 1.0175, the additional annual interest expense on this variable rate outstanding debt is approximately $0.03 million.

On January 6, 2017, the Company elected to convert $10.0 million of the outstanding amount under the Line of Credit Agreement to a term loan evidenced by the Royal Banks Note, of which $9.9 million remained outstanding at April 30, 2017. This amount outstanding under the Royal Banks Note and $1.75 million of the total outstanding debt that remains outstanding as of April 30, 2017 under the Initial Line of Credit Note entered into pursuant to the Line of Credit Agreement accrues interest at the prime rate plus 1.0%, provided that past due amounts shall be subject to higher interest rates and late charges. If interest rates increased 1% on these non-capped variable debt instruments, the additional interest cost to the Company would be approximately $0.12 million for one year. We do not perform any interest rate hedging activities related to our outstanding debt.

Item 8. Financial Statement and Supplementary Data.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders

Peak Resorts, Inc. and Subsidiaries

We have audited the accompanying consolidated balance sheets of Peak Resorts, Inc. and Subsidiaries as of April 30, 2017 and 2016, and the related consolidated statements of income (loss), stockholders' equity, and cash flows for each of the three years in the period ended April 30, 2017. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Peak Resorts, Inc. and Subsidiaries as of April 30, 2017 and 2016, and the results of their operations and their cash flows for each of the three years in the period ended April 30, 2017, in conformity with U.S. generally accepted accounting principles.

/s/ RSM US LLP

St. Louis, Missouri

July 13, 2017

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Peak Resorts, Inc. and Subsidiaries

Consolidated Statements of Income (Loss)

(In thousands, except per share data)

	Years ended April 30, 2017	2016	2015
Revenues	$ 123,249	$ 95,729	$ 104,858
Costs and expenses			
Resort operating expenses	87,319	72,215	72,670
Depreciation and amortization	12,713	10,709	9,450
General and administrative expenses	5,431	4,513	4,088
Land and building rent	1,395	1,386	1,440
Real estate and other taxes	2,322	1,932	1,828
	109,180	90,755	89,476
Other operating income			
Gain on settlement of lawsuit	-	-	2,100
Gain on involuntary conversion	-	195	-
Income from operations	14,069	5,169	17,482
Other income (expense)			
Interest, net of interest capitalized of $1,545, $867, and $488 in 2017, 2016, and 2015 respectively	(12,473)	(10,814)	(15,458)
Defeasance fee paid with debt restructure	-	-	(5,000)
Gain on sale/leaseback	333	333	333
Other income	61	8	11
	(12,079)	(10,473)	(20,114)
Earnings (loss) before income tax expense (benefit)	1,990	(5,304)	(2,632)
Income tax expense (benefit)	749	(2,078)	(778)
Net earnings (loss)	$ 1,241	$ (3,226)	$ (1,854)
Basic earnings (loss) per share	$ 0.03	$ (0.23)	$ (0.22)
Diluted earnings (loss) per share	$ 0.03	$ (0.23)	$ (0.22)
Cash dividends declared per common share	$ 0.1400	$ 0.4125	$ 0.2466

See Notes to Consolidated Financial Statements.

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Peak Resorts Inc. and Subsidiaries

Consolidated Balance Sheets

(In thousands, except share and per share data)

	April 30, 2017	April 30, 2016
Assets		
Current assets		
Cash and cash equivalents	$ 33,665	$ 5,396
Restricted cash balances	11,113	61,099
Accounts receivable	5,083	4,772
Inventory	2,215	2,730
Deferred income taxes	591	1,092
Prepaid expenses and deposits	2,183	2,680
	54,850	77,769
Property and equipment-net	188,143	192,178
Land held for development	37,583	37,542
Restricted cash, construction	33,700	-
Intangible assets, net	788	846
Goodwill	4,825	5,009
Other assets	648	619
	$ 320,537	$ 313,963
Liabilities and Stockholders' Equity		
Current liabilities		
Acquisition line of credit	$ 4,500	$ 15,500
Accounts payable and accrued expenses	12,371	18,696
Accrued salaries, wages and related taxes and benefits	1,035	919
Unearned revenue	14,092	13,233
EB-5 investor funds in escrow	500	52,004
Current portion of deferred gain on sale/leaseback	333	333
Current portion of long-term debt and capitalized lease obligation	3,592	2,456
	36,423	103,141
Long-term debt	174,785	118,343
Capitalized lease obligation	2,708	4,419
Deferred gain on sale/leaseback	2,845	3,178
Deferred income taxes	12,474	12,672
Other liabilities	540	576
Commitments and contingencies		
Preferred stock, $.01 par value per share, $1,000 liquidation preference per share, 40,000 shares authorized, 20,000 and 0 issued at April 30, 2017 and 2016, respectively	17,001	-
Stockholders' Equity		
Common stock, $.01 par value per share, 20,000,000 shares authorized, 13,982,400 shares issued	140	140
Additional paid-in capital	86,372	82,728
Accumulated Deficit	(12,751)	(11,234)

	73,761	71,634
	$ 320,537	$ 313,963

See Notes to Consolidated Financial Statements.

Peak Resorts, Inc. and Subsidiaries

Consolidated Statements of Cash Flows

(In thousands)

	Year ended April 30,		
	2017	2016	2015
Cash Flows from Operating Activities			
Net earnings (loss)	$ 1,241	$ (3,226)	$ (1,854)
Adjustments to reconcile net earnings (loss) to net cash provided by operating activities:			
Deferred income tax	303	(2,078)	(946)
Depreciation and amortization of property and equipment and intangibles	12,713	10,709	9,450
Amortization and write off of deferred financing costs	1,133	291	141
Amortization of other liabilities	(36)	(36)	(36)
Gain on sale/leaseback	(333)	(333)	(333)
Stock based compensation	198	190	-
Gain on involuntary conversion	-	(195)	-
Changes in operating assets and liabilities:			
Accounts receivable	(311)	(2,738)	(1,243)
Inventory	515	(806)	(42)
Prepaid expenses and deposits	497	(504)	(497)
Other assets	155	84	(202)
Accounts payable and accrued expenses	(4,387)	7,459	1,245
Accrued salaries, wages and related taxes and benefits	116	(258)	41
Unearned revenue	859	1,634	1,148
Net cash provided by operating activities	12,663	10,193	6,872
Cash Flows from Investing Activities			
Additions to property and equipment	(11,454)	(12,407)	(12,116)
Business combination (net of cash acquired of $1,640)	-	(33,360)	-
Additions to land held for development	(41)	(1,358)	(109)
Proceeds from involuntary conversion	-	459	-
Change in restricted cash	16,286	(23,580)	(24,456)
Net cash provided by (used in) investing activities	4,791	(70,246)	(36,681)
Cash Flows from Financing Activities			
Borrowings on long-term debt	51,533	1,250	-
Borrowings on line of credit and bridge loan	10,000	-	
Gross proceeds from issuance of preferred stock	20,000	-	-
Issuance costs associated with issuance of preferred stock	(353)	-	-
Proceeds from hunter loan financing	-	36,500	-
Additions to (release from) to EB-5 investor funds held in escrow	(51,504)	22,002	30,002

Net proceeds from issuance of common stock	-	-	82,253
Payment on long-term debt and capital lease obligations	(2,412)	(2,080)	(77,058)
Payment on line of credit and bridge loans	(11,000)	-	-
Payment of deferred financing costs	(4,470)	(1,383)	(198)
Distributions to stockholders	(979)	(7,689)	(1,527)
Net cash provided by financing activities	10,815	48,600	33,472
Net Increase (Decrease) in Cash and Cash Equivalents	28,269	(11,453)	3,663
Cash and Cash Equivalents, beginning of year	5,396	16,849	13,186
Cash and Cash Equivalents, end of year	$ 33,665	$ 5,396	$ 16,849

Supplemental Schedule of Cash Flow Information			
Cash paid for interest, including $1,545, 867 and $488 capitalized in 2017, 2016 and 2015, respectively	$ 13,273	$ 11,007	$ 15,810
Supplemental Disclosure of Noncash Investing and Financing Activities			
Capital lease agreements to acquire equipment	$ 83	$ 3,950	$ 2,028
Land held for development financed with long-term borrowings	-	404	-
Assets under construction change in accounts payable (actual balance in accounts payable $542, $3,459 and $0 as of 4/30/17, 4/30/16 and 4/30/15, respectively)	(2,917)	3,459	-
Declared dividend not yet paid	979	-	-
Accretive dividend - preferred stock	800	-	-

See Notes to Consolidated Financial Statements.

Peak Resorts Inc. and Subsidiaries

Consolidated Statements of Stockholders' Equity

(In thousands except share data)

	Common Stock Shares	Dollars	Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Total
Balances, April 30, 2014	3,982,400	$ 40	$ 385	$ 3,063	$ 3,488
Issuance of common stock, net of issuance cost	10,000,000	100	82,153	-	82,253
Net loss	-	-	-	(1,854)	(1,854)
Dividends declared	-	-	-	(3,449)	(3,449)
Balances, April 30, 2015	13,982,400	140	82,538	(2,240)	80,438
Net loss	-	-	-	(3,226)	(3,226)
Dividends declared	-	-	-	(5,768)	(5,768)
Stock based compensation	-	-	190	-	190
Balances, April 30, 2016	13,982,400	140	82,728	(11,234)	71,634
Issuance of warrants in a private placement	-	-	3,446	-	3,446
Net earnings	-	-	-	1,241	1,241
Dividends declared - common stock	-	-	-	(1,958)	(1,958)
Accretive dividend - preferred stock	-	-	-	(800)	(800)
Stock based compensation	-	-	198	-	198
Balances, April 30, 2017	13,982,400	$ 140	$ 86,372	$ (12,751)	$ 73,761

See Notes to Consolidated Financial Statements.

PEAK RESORTS, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years ended April 30, 2017, 2016 and 2015

(In thousands, except share and per share data)

Note 1. Nature of Business and Significant Accounting Policies

Description of business: Peak Resorts, Inc. (the “Company”) and its subsidiaries operate in a single business segment—ski resort operations. The Company’s ski resort operations consist of snow skiing, snowboarding and snow sports areas in Wildwood and Weston, Missouri; Bellefontaine and Cleveland, Ohio; Paoli, Indiana; Blakeslee and Lake Harmony, Pennsylvania; Bartlett, Bennington and Pinkham Notch, New Hampshire; West Dover, Vermont; and Hunter, New York and an 18 hole golf course in West Dover, Vermont. The Company also manages hotels in Bartlett, New Hampshire; West Dover, Vermont; and Hunter, New York.

The Company's revenues are highly seasonal in nature. The vast majority of revenues are generated during the ski season, which occurs during the third and fourth fiscal quarters. Operations occurring outside of the ski season typically result in losses and negative cash flows. Additionally, operations on certain holidays contribute significantly to the Company's revenues, most notably Christmas, Dr. Martin Luther King, Jr. Day and Presidents Day.

The seasonality of the Company's revenues amplifies the effect on the Company's revenues, operating earnings and cash flows of events that are outside the Company's control. While the Company's geographically diverse operating locations help mitigate its effects, adverse weather conditions could limit customer access to the Company's resorts, render snowmaking wholly or partially ineffective in maintaining ski conditions, cause increased energy use and other operating costs related to snowmaking efforts and, in general, can result in decreased skier visits regardless of ski conditions.

The Company’s operating segments are aggregated into a single reportable segment. Management has determined a single reportable segment is appropriate based on the uniformity of services and similar operating characteristics.

Principles of consolidation: The consolidated financial statements include the accounts of Peak Resorts, Inc., the parent company, and all of its wholly owned subsidiaries, hereinafter collectively referred to as the "Company": Boulder View Tavern, Inc., Deltrecs, Inc. (Deltrecs, Inc. has two wholly owned subsidiaries: Boston Mills Ski Resort, Inc. and Brandywine Ski Resort, Inc.), Hidden Valley Golf Course, Inc., JFBB Ski Areas, Inc. (doing business as "Jack Frost" and "Big Boulder"), L.B.O. Holding, Inc. (doing business as "Attitash Mountain"), Mad River Mountain, Inc., Mount Snow Ltd. (and its wholly owned subsidiaries) West Lake Water Project, LLC, Carinthia Ski Lodge LLC, Mount Snow Development and Build LLC, Mount Snow GP Services LLC, Paoli Peaks, Inc., S N H Development, Inc. (doing business as "Crotched Mountain"), Snow Creek, Inc., Sycamore Lake, Inc. (doing business as "Alpine Valley"), WC Acquisition Corp. (doing business as "Wildcat Mountain Ski Area"), and Hunter Mountain Acquisition, Inc. (Hunter Mountain Acquisition, Inc. has six wholly owned subsidiaries Hunter Mountain Ski Bowl, Inc., Hunter Mountain Festivals, Ltd., Hunter Mountain Rental, Inc., Hunter Resort Vacation, Inc., Hunter Mountain Base Lodge, Inc., and Frostyland, Inc.). All material intercompany transactions and balances have been eliminated.

Use of estimates: The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts and disclosures reported in the consolidated financial statements and accompanying notes. Significant items subject to estimates and assumptions include the carrying value of property and equipment, and land held for development. As future events and their effects cannot be determined with certainty, actual results could differ significantly from those estimates.

Statements of cash flows: For purposes of the statements of cash flows, the Company considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Additionally, all credit card and debit card transactions that process in less than seven days are classified as cash and cash equivalents. The majority of payments due from banks for third-party credit card and debit card transactions process within 24 to 48 hours, except for transactions occurring on a Friday, which are generally processed the following Monday. The amounts due from banks for these transactions classified as cash and cash equivalents totaled $2,379 and $1,841 at April 30, 2017 and 2016, respectively.

Restricted cash: The provisions of certain of the Company's debt instruments generally require that the Company make and maintain a deposit, to be held in escrow for the benefit of the lender, in an amount equal to the estimated minimum interest payment through December 31 of each fiscal year. In the absence of an event of default under the Company's promissory notes, the requirement to maintain such a deposit is eliminated when the Mount Snow Development Debt discussed in Note 4 is repaid in full. Restricted cash classified as a current asset at April 30, 2017 and 2016 is comprised of the interest related escrow balances. The 2016 balance also included $52 million of EB-5 investors funds held in escrow.

Reserve for uncollectible accounts receivable: The Company performs ongoing reviews of the collectability of accounts receivable and, if considered necessary, establishes a reserve for estimated credit losses. In assessing the need for and in determining the amount of any reserve for credit losses, the Company considers the level of historical bad debts, the credit worthiness of significant debtors based on periodic credit evaluations and significant economic developments that could adversely impact upon a customer's ability to pay amounts owed the Company.

Inventory: Inventory is stated at the lower of cost (first-in, first-out method) or market and consists primarily of retail goods, food and beverage products.

Property and equipment: Property and equipment is carried at cost net of accumulated depreciation, amortization and impairment charges, if any. Costs to construct significant assets include capitalized interest during the construction and development period. Expenditures for replacements and major betterments or improvements are capitalized; maintenance and repair expenditures are charged to expense as incurred. Depreciation and amortization are determined using both straight-line and accelerated methods over estimated useful lives ranging from 3 to 25 years for land improvements, 5 to 40 years for building and improvements and 3 to 25 years for equipment, furniture and fixtures.

Land held for development: The land held for development is carried in the accompanying consolidated balance sheets at acquisition cost plus costs attributable to its development, including capitalized interest as part of this ongoing development.

Development costs: Costs related to major development projects at the Company's ski resorts, including planning, engineering and permitting, are capitalized. When acquiring, developing and constructing real estate assets, the Company capitalizes costs. Capitalization begins when the activities related to development have begun and ceases when activities are substantially complete and the asset is available for use. Costs capitalized include permits, licenses, fees, legal costs, interest, development, and construction costs.

Deferred financing costs: Debt issuance expenses, included in long-term debt in the accompanying consolidated balance sheets, incurred in connection with certain indebtedness are being amortized under the straight-line basis which approximates the interest method over the term of the related debt.

Goodwill and intangible assets: Goodwill represents the excess of the purchase price over the fair value of net assets acquired in a business combination. Goodwill is not amortized, but is tested for impairment annually as of March 31 and at any time when events or circumstances suggest impairment may have occurred. The Company's resorts are reporting units and two reporting units have goodwill. The testing for impairment consists first of an assessment of qualitative factors to determine whether it is necessary to perform a quantitative goodwill impairment test. The Company determines, based on a qualitative assessment, whether it is more likely than not that its fair value is less than its carrying amount. If the qualitative assessment determines it is more likely than not that the fair value is less than the carrying amount, a quantitative assessment would then be completed. If, based on the quantitative analysis, the carrying amount of the reporting unit, including goodwill, exceeds the fair value, an impairment will be recognized equal to the difference between the carrying value of the reporting unit goodwill and the implied fair value of the goodwill. For the quantitative testing of goodwill for impairment, the Company determines the estimated fair value of its reporting units based upon a discounted future cash flow analysis. During 2017, 2016 and 2015, the Company determined no impairment existed.

With the Hunter Mountain acquisition, the Company now has recorded two intangible assets. The intangible assets are customer relationships and trade names. Both of these assets are definite-lived assets and have estimated useful lives of 15 years. The Company utilizes straight-line amortization for these intangibles. The intangibles were valued at their fair value at the acquisition date using discounted cash flow models.

Long-lived assets: The Company evaluates potential impairment of long-lived assets whenever events or changes in circumstances indicate that the carrying amount of an asset may not be fully recoverable. If the sum of the expected cash flows, on an undiscounted basis, is less than the carrying amount of the asset, an impairment loss is recognized in the amount by which the carrying amount of the asset exceeds its fair value. The Company does not believe any events or changes in circumstances indicating an impairment of the carrying amount of a long-lived asset occurred during the years ended April 30, 2017, 2016 and 2015.

Restricted cash, construction: The Company has received funds from the EB-5 Program discussed above in the "Restricted cash" policy that have been earmarked for the construction of the West Lake Water Project and Carinthia Ski Lodge. These funds will be released as qualified expenses of the project are incurred. The funds are considered non-current as they are associated with property and equipment.

Preferred stock: The Company considers whether substantive redemption features exist in the instrument in which case it may be classified outside of equity, such as temporary equity or as a liability. Additionally, the Company evaluates whether the instrument contains any embedded or stand-alone instruments, which require separate recognition. The Company presents mandatorily redeemable preferred stock as a liability and contingently redeemable preferred stock and preferred stock that is redeemable outside the control of the Company as temporary equity on the consolidated balance sheets.

Warrants: The Company accounts for its warrants as either equity or liability awards based upon the characteristics and provisions of each instrument. Warrants classified as equity are recorded at fair value as of the date of issuance on the Company's balance sheet and no further adjustments to their valuation are made. Warrants classified as a liability are recorded at fair value at each reporting period, and the corresponding non-cash gain or loss is recorded in current period earnings. When warrants are issued in conjunction with preferred stock, the warrants are recorded based on the proceeds received allocated to the two elements' relative fair values. The Company has recorded the fair value of the warrants at $3.4 million.

Basic and diluted earnings (loss) per common share: Basic earnings (loss) per common share is computed by dividing net income (loss) available to common shareholders by the weighted average common shares issued and outstanding for the period. Net income (loss) available to common shareholders represents net income adjusted for preferred stock dividends including dividends declared, accretions of discounts on preferred stock issuances and cumulative dividends related to the current dividend period that have not been declared as of year-end. In addition, for diluted earnings (loss) per common share, net income (loss) available to common shareholders can be affected by the conversion of the registrant's convertible preferred stock. Where the effect of this conversion would have been dilutive, net income (loss) available to common shareholders is adjusted by the associated preferred dividends. This adjusted net income (loss) is divided by the weighted average number of common shares issued and outstanding for each period plus amounts representing the dilutive effect of stock options outstanding, restricted stock, restricted stock units, outstanding warrants, and the dilution resulting from the conversion of the registrant's convertible preferred stock, if applicable. The effects of convertible preferred stock and outstanding warrants and stock options are excluded from the computation of diluted earnings (loss) per common share in periods in which the effect would be antidilutive. Dilutive potential common shares are calculated using the treasury stock and if-converted methods.

Business combinations: Historical acquisitions were accounted for as purchase transactions. Accordingly, the assets and liabilities of acquired entities were recorded at their estimated fair values at the dates of the acquisitions.

Revenue recognition: Revenues from operations are generated from a wide variety of sources including snow pass sales, snow sports lessons, equipment rentals, retail product sales, food and beverage operations, and golf course operations. Revenues are recognized as services are provided or products are sold. Sales of season passes are initially deferred in unearned revenue and recognized ratably over the expected ski season which typically runs from early December to mid-April.

Advertising costs: Advertising costs are expensed at the time such advertising commences. Advertising expense for the years ended April 30, 2017, 2016 and 2015 was $2,700, $2,784, and $2,155, respectively.

Taxes collected from customers: Taxes collected from customers and remitted to tax authorities are local and state sales taxes on snow pass sales as well as food service and retail transactions at the Company's resorts. Sales taxes collected from customers are recognized as a liability, with such liability being reduced when collected amounts are remitted to the taxing authority.

Income taxes: Deferred income tax assets and liabilities are measured at enacted tax rates in the respective jurisdictions where the Company operates. In assessing the ability to realize deferred tax assets, the Company considers whether it is more likely than not that some portion or all deferred tax assets will not be realized and a valuation allowance would be provided if necessary.

The Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 740, “Income Taxes”, also provides guidance with respect to the accounting for uncertainty in income taxes recognized in a Company’s consolidated financial statements, and it prescribes a recognition threshold and measurement attribute criteria for the consolidated financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The Company does not have any material uncertain tax positions.

With few exceptions, the Company is no longer subject to U.S. federal, state and local income tax examinations by tax authorities for years before 2013 due to the statute of limitations.

The Company’s policy is to accrue income tax related interest and penalties, if applicable, within income tax expense.

Recent accounting pronouncements:

In July 2015, the FASB issued guidance in Accounting Standards Update (“ASU”) 2015-11, Inventory (Topic 330): “Simplifying the Measurement of Inventory” ("ASU 2015-11”), which requires the Company to subsequently measure inventory at the lower of cost and net realizable value rather than the lower of cost or market. For public business entities, the guidance is effective on a prospective basis for interim and annual periods beginning after December 15, 2016, with early adoption permitted. Pursuant to the Jumpstart Our Business Startups Act (“JOBS Act”), the Company is permitted to adopt the standard for fiscal years beginning after December 15, 2016, and interim periods within fiscal years beginning after December 15, 2017. The amendments in this update should be applied prospectively with earlier application permitted for all entities as of the beginning of an interim or annual reporting period. The Company plans to evaluate the impact of the adoption of ASU 2015-11 during fiscal year 2018 on the consolidated financial statements, systems, and internal controls of the Company. Based on the results of the evaluation, the Company will determine a transition approach and determine the full impact of the adoption on the consolidated financial statements.

In November 2015, the FASB issued guidance in ASU 2015-17, Income Taxes (Topic 740): “Balance Sheet Classification of Deferred Taxes” ("ASU 2015-17”), which requires deferred tax liabilities and assets be classified as noncurrent in a classified statement of financial position. For public business entities, the guidance is effective for financial statements issued for annual periods beginning after December 15, 2016, and interim periods within those annual periods. Pursuant to the JOBS Act, the Company is permitted to adopt the standard for annual reporting periods beginning after December 15, 2017 and interim periods within annual periods beginning after December 15, 2018. Early application is permitted for all entities as of the beginning of an interim or annual reporting period. The Company is currently evaluating the impact of the adoption of ASU 2015   17 on the presentation of the consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, “Leases (Topic 842)” ("ASU 2016-02”). The pronouncement requires the recognition of a liability for lease obligations and a corresponding right-of-use asset on the balance sheet and disclosure of key information about leasing arrangements. This pronouncement is effective for reporting periods beginning after December 15, 2018 using a modified retrospective adoption method.   While the Company is currently evaluating the provisions of ASU 2016-02 to determine how it will be affected, the primary effect of adopting the new standard will be to record assets and obligations for current operating leases.

In May 2014, the FASB issued ASU 2014-09, "Revenue from Contracts with Customers (Topic 606)" ("ASU 2014-09"). Subsequently, the FASB has issued the following standards related to ASU 2014-09: ASU No. 2016-08, "Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations" ("ASU 2016-08"); ASU No. 2016-10, "Revenue from Contracts with Customers (Topic 606): Identifying Performance Obligations and Licensing" ("ASU 2016-10"); ASU No. 2016-12, "Revenue from Contracts with Customers (Topic 606): Narrow-Scope Improvements and Practical Expedients" ("ASU 2016-12"); and ASU No. 2016-20, "Technical Corrections and Improvements to Topic 606, Revenue from Contracts with Customers" ("ASU 2016-20"). The Company must adopt ASU 2016-08, ASU 2016-10, ASU 2016-12 and ASU 2016-20 with ASU 2014-09 (collectively, the "new revenue standards"). The new revenue standards require an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The new revenue standards will replace most existing revenue recognition guidance under U.S. generally accepted accounting principles when they become effective and permit the use of either a full retrospective or retrospective with cumulative effect transition method. Early adoption is not permitted. The updated standards become effective for annual reporting periods beginning after December 15, 2017, including interim periods within that reporting period. Pursuant to the JOBS Act, the Company is permitted to adopt the standards for annual reporting periods beginning after December 15, 2018 and interim periods within that reporting period. The Company currently expects to adopt the new revenue standards utilizing the full retrospective transition method. The Company does not expect adoption of the new revenue standards to have a material impact on its consolidated financial statements.

In March 2016, the FASB issued ASU 2016-09, “Compensation - Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting.” The new guidance requires entities to record all excess tax benefits and tax deficiencies as income tax expense or benefit in the income statement when the awards vest or are settled. The guidance also requires entities to present excess tax benefits as an operating activity and cash paid to a taxing authority to satisfy statutory withholding as a financing activity on the statement of cash flows. Additionally, the guidance allows entities to make a policy election to account for forfeitures either upon occurrence or by estimating forfeitures. The standard is effective for financial statements issued for fiscal years beginning after December 15, 2016. Pursuant to the JOBS Act, the Company is permitted to adopt the standard for annual reporting periods beginning after December 15, 2017 and interim periods within annual periods beginning after December 15, 2018. Early adoption is permitted. The Company has not yet selected a transition method and is currently evaluating the effect that the updated standard will have on the consolidated financial statements.

In August 2016, the FASB issued ASU 2016-15, “Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments.” The new guidance is intended to reduce diversity in practice in how certain transactions are classified in the statement of cash flows. For public business entities, the standard is effective for financial statements issued for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. Pursuant to the JOBS Act, the Company is permitted to adopt the standard for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Early adoption is permitted, provided that all of the amendments are adopted in the same period. The guidance requires application using a retrospective transition method. The Company is currently evaluating the impacts the adoption of this accounting standard will have on the Company’s consolidated statement of cash flows.

In November 2016, the FASB issued ASU 2016-18, “Statement of Cash Flows (Topic 230): Restricted Cash.” The new guidance is intended to add and clarify guidance on the classification and presentation of restricted cash in the statement of cash flows. For public business entities, the standard is effective for financial statements issued for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. Early adoption is permitted. The guidance requires application using a retrospective transition method to all periods presented. The Company expects to implement this standard in its first quarter of fiscal year 2020 utilizing the retrospective transition method. The Company, although still evaluating the impact, believes the adoption of this accounting standard will have an impact on the Company’s presentation of the consolidated statement of cash flows.

In January 2017, the FASB issued ASU 2017-01, “Business Combinations (Topic 805)” (“ASU 2017-01”). This update clarifies the definition of a business with the objective of adding guidance to assist entities with evaluating whether transactions should be accounted for as acquisitions (or disposals) of assets of businesses. ASU 2017-01 is effective for interim and annual periods beginning after December 15, 2017 on a prospective basis. The Company is currently evaluating the impact that this update will have on its consolidated financial statements and related disclosures.

In January 2017, the FASB issued ASU 2017-04, “Simplifying the Test for Goodwill Impairment (Topic 350)” (“ASU 2017-04”). This update eliminates the current two-step approach used to test goodwill for impairment and requires an entity to apply a one-step quantitative test and record the amount of goodwill impairment as the excess of a reporting unit's carrying amount over its fair value, not to exceed the total amount of goodwill allocated to the reporting unit. ASU 2017-04 is effective for fiscal years, including interim periods within, beginning after December 15, 2019 (upon the first goodwill impairment test performed during that fiscal year). Early adoption is permitted for interim or annual goodwill impairment tests performed on testing dates after January 1, 2017. A reporting entity must apply the amendments in ASU 2017-04 using a prospective approach. The Company does not expect the adoption of ASU 2017-04 to have a material impact to its consolidated financial position, results of operations or cash flow.

Note 2. Property and Equipment

Property and equipment consists of the following at April 30, 2017 and 2016 (dollars in thousands):

	2017	2016
Land and improvements	$ 35,609	$ 35,321
Buildings and improvements	86,685	86,914
Equipment, furniture and fixtures	171,934	163,373

	294,228	285,608
Less: accumulated depreciation and amortization	106,085	93,430
	$ 188,143	$ 192,178

At April 30, 2017 and 2016, equipment with a cost of $7,753 and $7,668, respectively, and accumulated depreciation of $1,084 and $800, respectively, was subject to the capital leases discussed in Note 11.

Depreciation expense for the years ended April 30, 2017, 2016, and 2015 totaled $12,655, $10,690, and $9,450, respectively.

Note 3. Goodwill and Intangible Assets

Goodwill

The goodwill balance as of April 30, 2017 and 2016 was $4,825 and $5,009, respectively, which is included in our single business segment, resort operations. The goodwill balance is related to the Hunter Mountain and Alpine Valley acquisitions. The goodwill balances represent the excess of the purchase price over the net assets acquired. Goodwill is not amortized, but tested periodically for impairment. The Company did not record any impairment of goodwill for the years ended April 30, 2017, 2016, and 2015.

The following table displays a rollforward of the carrying amount of goodwill by reportable segment from May 1, 2015 to April 30, 2017 (in thousands):

Balances as of May 1, 2015		
Aggregate goodwill acquired	$	627
Goodwill	627	
Goodwill acquired	4,382	
Balances as of April 30, 2016		
Aggregate goodwill acquired	5,009	
Goodwill	5,009	
Other adjustments	(184)	
Balances as of April 30, 2017		
Aggregate goodwill acquired	4,825	
Goodwill	$	4,825

Intangible Assets

Intangible assets at April 30, 2017 and 2016 consisted of the following (dollars in thousands):

		April 30, 2017		
	Life (years)	Gross carrying amount	Accumulated amortization	Net book value
Trade name	15	$ 768	$ 69	$ 699
Customer relationships	15	97	8	89
		$ 865	$ 77	$ 788

April 30, 2016

	Life (years)	Gross carrying amount	Accumulated amortization	Net book value
Trade name	15	$ 768	$ 17	$ 751
Customer relationships	15	97	2	95
		$ 865	$ 19	$ 846

Amortization expense for the years ended April 30, 2017, 2016 and 2015 was $58, $19 and $0 respectively. Amortization expense for intangible assets for the next five fiscal years is estimated to be $58 each year.

Note 4. Long term Debt / Line of Credit

Long term debt at April 30, 2017 and 2016 consisted of borrowings pursuant to the loans and other credit facilities discussed below (dollars in thousands):

	April 30, 2017	April 30, 2016
Attitash/Mount Snow Debt; payable in monthly interest only payments at an increasing interest rate (11.26% at April 30, 2017 and 11.10% at April 30, 2016); remaining principal and interest due on December 1, 2034	$ 51,050	$ 51,050
Credit Facility Debt; payable in monthly interest only payments at an increasing interest rate (10.28% at April 30, 2017 and 10.13% at April 30, 2016); remaining principal and interest due on December 1, 2034	37,562	37,562
West Lake Water Project EB-5 Debt; payable in quarterly interest only payments (1.0% at April 30, 2017); remaining principal and interest due on December 27, 2021	30,000	-
Carinthia Ski Lodge EB-5 Debt; payable in quarterly interest only payments (1.0% at April 30, 2017); remaining principal and interest due on December 27, 2021	21,500	-
Hunter Mountain Debt; payable in monthly interest only payments at an increasing interest rate (8.14% at April 30, 2017 and 8.0% at April 30, 2016); remaining principal and interest due on January 5, 2036	21,000	21,000
Royal Banks of Missouri Debt; payable in monthly principal payments of $42 and interest payments at prime plus 1.0% (5.0% at April 30, 2017); remaining principal and interest due on January 6, 2020	9,875	-
	4,550	4,550

Sycamore Lake (Alpine Valley) Debt; payable in monthly interest only payments at an increasing interest rate (10.72% at April 30, 2017 and 10.56% at April 30, 2016); remaining principal and interest due on December 1, 2034		
Wildcat Mountain Debt; payable in monthly installments of $27, including interest at a rate of 4.00%; remaining principal and interest due on December 22, 2020	3,425	3,612
Other debt	2,870	3,231
Less unamortized debt issuance costs	(5,240)	(1,903)
	176,592	119,102

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Less: current maturities	1,807	759
	$ 174,785	$ 118,343

Debt Restructure

On November 10, 2014, in connection with the Company's initial public offering, the Company entered into a Restructure Agreement with certain affiliates of EPR Properties ("EPR"), the Company's primary lender, providing for the (i) prepayment of approximately $75.8 million of formerly non-prepayable debt secured by the Crotched Mountain, Attitash, Paoli Peaks, Hidden Valley and Snow Creek resorts and (ii) retirement of one of the notes associated with the future development of Mount Snow (the "Debt Restructure"). On December 1, 2014, the Company entered into various agreements in order to effectuate the Debt Restructure, as more fully described in the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on December 5, 2014 and below (collectively, the "Debt Restructure Agreements"). Pursuant to the Debt Restructure, the Company paid a defeasance fee of $5.0 million to EPR in addition to the consideration described below.

In exchange for the prepayment right, the Company granted EPR a purchase option on the Boston Mills, Brandywine, Jack Frost, Big Boulder and Alpine Valley properties, subject to certain conditions. If EPR exercises a purchase option, EPR will enter into an agreement with the Company for the lease of each such acquired property for an initial term of 20 years, plus options to extend the lease for two additional periods of ten years each. All previously existing option agreements between the Company and EPR were terminated.

Over the years, the Company has depreciated the book value of these properties pursuant to applicable accounting rules, and as such, it has a low basis in the properties. As a result, the Company expects to realize significant gains on the sale of the properties to EPR if the option is exercised. The Company will be required to pay capital gains tax on the difference between the purchase price of the properties and the tax basis in the properties, which is expected to be a substantial cost. To date, EPR has not exercised the option.

Additionally, the Company agreed to extend the maturity dates on all non-prepayable notes and mortgages secured by the Mount Snow, Boston Mills, Brandywine, Jack Frost, Big Boulder and Alpine Valley properties remaining after the Debt Restructure by seven years to December 1, 2034, and to extend the lease for the Mad River property, previously terminating in 2026, until December 31, 2034 (the "Lease Amendment").

The Company also granted EPR a right of first refusal to provide all or a portion of the financing associated with any purchase, ground lease, sale/leaseback, management or financing transaction contemplated by the Company with respect to any new or existing ski resort property for a period of seven years or until financing provided by EPR for such transactions equals or exceeds $250 million in the aggregate. Proposed financings from certain types of institutional lenders providing a loan to value ratio of less than 60% (as relates to the applicable property being financed) are excluded from the right of first refusal. The Company granted EPR a separate right of first refusal in the event that the Company wishes to sell, transfer, convey or otherwise dispose of any or all of the Attitash ski resort for seven years. The Attitash right excludes the financing or mortgaging of Attitash.

In connection with the Debt Restructure, the Company entered into a Master Credit and Security Agreement with EPR (the "Master Credit Agreement") governing the restructured debt with EPR. Pursuant to the Master Credit Agreement, EPR agreed to maintain the following loans to the Company following the prepayment of certain outstanding debt with proceeds from the Company's initial public offering: (i) a term loan in the amount of approximately $51.1 million to the Company and its subsidiary Mount Snow, Ltd., (included in the table above as the "Attitash/Mount Snow Debt");

(ii) a term loan in the amount of approximately $23.3 million to the Company and its subsidiaries Brandywine Ski Resort, Inc. and Boston Mills Ski Resort, Inc. (the “Boston Mills/Brandywine Debt”); (iii) a term loan in the amount of approximately $14.3 million to the Company and its subsidiary JFBB Ski Areas, Inc. (the “JFBB Debt” and together with the Boston Mills/Brandywine Debt, included in the table above as the “Credit Facility Debt”); and (iv) a term loan in the amount of approximately $4.6 million to the Company and its subsidiary Sycamore Lake, Inc. (included in the table above as the “Sycamore Lake (Alpine Valley) Debt”).

Interest will be charged at a rate of (i) 10.13% per annum as to each of the Boston Mills/Brandywine Debt and JFBB Debt; (ii) 10.40% per annum as to the Sycamore Lake (Alpine Valley) Debt; and (iii) 10.93% per annum pursuant to the Attitash/Mount Snow Debt. Each of the notes governing the restructured debt provides that interest will increase each year by the lesser of the following: (x) three times the percentage increase in the Consumer Price Index as defined in the notes

(“CPI”) from the CPI in effect on the applicable adjustment date over the CPI in effect on the immediately preceding adjustment date or (y) 1.5% (the “Capped CPI Index). Past due amounts will be charged a higher interest rate and be subject to late charges.

The Master Credit Agreement further provides that in addition to interest payments, the Company must pay the following with respect to all restructured debt other than the Attitash/Mount Snow Debt: an additional annual payment equal to 10% of the gross receipts attributable to the properties serving as collateral of the restructured debt (other than Mount Snow) for such year in excess of an amount equal to the quotient obtained by dividing (i) the annual interest payments payable pursuant to the notes governing the restructured debt (other than with respect to the Attitash/Mount Snow Debt) for the immediately preceding year by (ii) 10%. The Company must pay the following with respect to the Attitash/Mount Snow Debt: an additional annual payment equal to 12% of the gross receipts generated at Mount Snow for such year in excess of an amount equal to the quotient obtained by dividing (i) the annual interest payments payable under the note governing the Attitash/Mount Snow Debt for the immediately preceding year by (ii) 12%. An additional interest payment of $0.2 million was due for the years ended April 30, 2016 and 2017.

The Master Credit Agreement includes restrictions on certain transactions, including mergers, acquisitions, leases, asset sales, loans to third parties, and the incurrence of certain additional debt and liens. The Master Credit Agreement includes certain financial covenants, some of which were modified by the terms set forth in the Modification of Master Credit Agreements entered into by the Company and EPR effective as of October 24, 2016 (the “Modification Agreement”). The Modification Agreement modified the financial covenants of the Master Credit Agreement, Hunter Mountain Credit Agreement and Bridge Loan Agreement, as defined herein (together, the “EPR Credit Agreements”).

Financial covenants set forth in the Master Credit Agreement consist of a maximum leverage ratio (as defined in the Master Credit Agreement) of 65%, above which the Company and certain of its subsidiaries are prohibited from incurring additional indebtedness, and a consolidated fixed charge coverage ratio (as defined in the Master Credit Agreement) covenant. As modified by the Modification Agreement, no later than 30 days after the closing of the Private Placement with CAP 1 LLC, as defined in Note 5, “Private Placement,” the Company shall deliver to the lender either (the “One Month Interest Obligation”) (i) a letter of credit in favor of the lender in the amount equal to one month of the lease payment obligations and debt service payments, as defined in the EPR Credit Agreements; or (ii) cash equal to the same amount. The terms of the Modification Agreement further provide that the lender may draw upon any letter of credit issued pursuant to the Modification Agreement upon the occurrence of certain events (the “Letter of Credit Events”), including, but not limited to, (i) any event of default under the EPR Credit Agreements; (ii) the Company’s failure to maintain a consolidated fixed charge coverage ratio of 1.50:1.00 on a rolling four quarter basis, as calculated pursuant to the terms of the EPR Credit Agreements, on or after May 1, 2017; and (iii) at any time within 60 days prior to the expiration date of any letter of credit. In the event of the occurrence of any Letter of Credit Events, the Company must replace the One Month Interest Obligation with (i) a replacement letter of credit in favor of the lender in the amount equal to three months of lease payment obligations and debt service payments, as defined in the EPR Credit Agreements; or (ii) cash in the same amount. Pursuant to the terms of the Modification Agreement, the Company must obtain the consent of the lender prior to redeeming any preferred or common stock. The Private Placement closed on November 2, 2016, and the Company provided EPR with the One Month Interest Obligation letter of credit (the “Interest Letter of Credit”) in the amount of $1.1 million on December 1, 2016 in accordance with the terms of the Modification Agreement. The Interest Letter of Credit is collateralized by a certificate of deposit in the amount of $1.1 million. The Master Credit Agreement prohibits the Company from paying dividends if the fixed charge coverage ratio is below 1.25:1.00 and during default situations. During the first two quarters of fiscal year 2017, the Company’s fixed charge coverage ratios fell below the required ratios, resulting in the actions described above. As of April 30, 2017, the Company is in compliance with all debt covenants.

Under the terms of the Master Credit Agreement and pursuant to the Master Cross Default Agreement, as amended, the occurrence of a change of control is an event of default. A change of control will be deemed to occur if (i) within two years after the effective date of the Hunter Mountain Credit Agreement, the Company’s named executive officers (Messrs. Timothy Boyd, Stephen Mueller and Richard Deutsch) cease to beneficially own and control less than 50%

of the amount of the Company's outstanding voting stock that they own as of the effective date of the Master Credit Agreement, or (ii) the Company ceases to beneficially own and control less than all of the outstanding shares of voting stock of those subsidiaries which are borrowers under the Master Credit Agreement. Other events of default include, but are not limited to, a default on other indebtedness of the Company or its subsidiaries.

None of the restructured debt may be prepaid without the consent of EPR. Upon an event of default, as defined in the Debt Restructure Agreements, EPR may, among other things, declare all unpaid principal and interest due and payable. Each of the notes governing the restructured debt matures on December 1, 2034.

As a condition to the Debt Restructure, the Company entered into the Master Cross Default Agreement with EPR (the "Master Cross Default Agreement"). The Master Cross Default Agreement provides that any event of default under existing or future loan or lien agreements between the Company or its affiliates and EPR, and any event of default under the Lease Amendment, shall automatically constitute an event of default under each of such loan and lien agreements and Lease Amendment, upon which EPR will be entitled to all of the remedies provided under such agreements and Lease Amendment in the case of an event of default.

Also in connection with the Debt Restructure, the Company and EPR entered into the Guaranty Agreement (the "2014 Guaranty Agreement"). The 2014 Guaranty Agreement obligates the Company and its subsidiaries as guarantors of all debt evidenced by the Debt Restructure Agreements. The table below illustrates the potential interest rates applicable to the Company's fluctuating interest rate debt for each of the next five years, assuming an effective rate increase by the Capped CPI Index:

Rates as of April 30,	Attitash/Mount Snow Debt	Credit Facility Debt	Hunter Mountain Debt	Sycamore Lake/(Alpine Valley) Debt
2017(1)	11.26%	10.28%	8.14%	10.72%
2018	11.43%	10.43%	8.28%	10.88%
2019	11.60%	10.59%	8.43%	11.04%
2020	11.77%	10.75%	8.57%	11.21%
2021	11.95%	10.91%	8.72%	11.38%
2022	12.13%	11.07%	8.88%	11.55%

(1) For 2017, the dates of the rates presented are as follows: (i) April 1, 2017 for the Attitash/Mount Snow Debt; (ii) October 1, 2016 for the Credit Facility Debt; (iii) February 1, 2017 for Hunter Mountain Debt and (iv) December 1, 2016 for the Sycamore Lake (Alpine Valley) Debt.

The Capped CPI Index is an embedded derivative, but the Company has concluded that the derivative does not require bifurcation and separate presentation at fair value because the Capped CPI Index was determined to be clearly and closely related to the debt instrument.

Wildcat Mountain Debt

The Wildcat Mountain Debt due December 22, 2020 represents amounts owed pursuant to a promissory note in the principal amount of $4.5 million made by WC Acquisition Corp. in favor of Wildcat Mountain Ski Area, Inc., Meadow Green Wildcat Skilift Corp. and Meadow Green Wildcat Corp. (the "Wildcat Note"). The Wildcat Note, dated November 22, 2010, was made in connection with the acquisition of Wildcat Mountain, which was effective as of October 20, 2010. The interest rate as set forth in the Wildcat Note is fixed at 4.00%.

Hunter Mountain Debt

On January 6, 2016, the Company completed the acquisition of the Hunter Mountain ski resort located in Hunter, New York through the purchase of all of the outstanding stock of each of Hunter Mountain Ski Bowl, Inc., Hunter Mountain Festivals, Ltd., Hunter Mountain Rentals, Inc., Hunter Resort Vacations, Inc., Hunter Mountain Base

Lodge, Inc., and Frosty Land, Inc. (collectively, “Hunter Mountain”) pursuant to the terms of the Stock Purchase Agreement (the “Purchase Agreement”) with Paul Slutzky, Charles B. Slutzky, David Slutzky, Gary Slutzky and Carol Slutzky-Tenerowicz entered into on November 30, 2015. The Company acquired Hunter Mountain for total cash consideration of $35.0 million plus the assumption of two capital leases estimated at approximately $1.7 million. A portion of the Hunter Mountain acquisition price was financed pursuant to the Master Credit and Security Agreement (the “Hunter Mountain Credit Agreement”) entered into between the Company and EPR as of January 6, 2016.

The Hunter Mountain Debt due January 5, 2036 represents amounts owed pursuant to a promissory note (the “Hunter Mountain Note”) in the principal amount of $21.0 million made by the Company in favor of EPR pursuant to the Hunter Mountain Credit Agreement, which was effective as of January 6, 2016. The Company used $20.0 million of the Hunter Mountain Debt to finance the Hunter Mountain acquisition and $1.0 million to cover closing costs and to add to its interest reserve account.

The Hunter Mountain Credit Agreement and Hunter Mountain Note provide that interest will be charged at an initial rate of 8.00%, subject to an annual increase beginning on February 1, 2017 by the lesser of the following: (x) three times the percentage increase in the CPI (as defined in the Hunter Mountain Note) from the CPI in effect on the applicable adjustment date over the CPI in effect on the immediately preceding adjustment date or (y) 1.75%. Past due amounts will be charged a higher interest rate and be subject to late charges.

The Hunter Mountain Credit Agreement further provides that in addition to interest payments, the Company must pay an additional annual payment equal to 8.00% of the gross receipts in excess of $35.0 million that are attributable to all collateral under the Hunter Mountain Note for such year.

The Hunter Mountain Credit Agreement includes restrictions or limitations on certain transactions, including mergers, acquisitions, leases, asset sales, loans to third parties, and the incurrence or guaranty of certain additional debt and liens. Financial covenants and dividend restrictions set forth in the Hunter Mountain Credit Agreement are identical to those set forth in the Master Credit Agreement, as modified by the Modification Agreement, described above. In accordance with the terms of the Modification Agreement, the Company provided EPR with the Interest Letter of Credit on December 1, 2016 in the amount of $1.1 million, collateralized by a certificate of deposit for the same amount. During the first two quarters of fiscal year 2017, the Company's fixed charge coverage ratios fell below the required ratios, resulting in the actions described above. As of April 30, 2017, the Company is in compliance with all debt covenants.

Under the terms of the Hunter Mountain Credit Agreement, the occurrence of a change of control is an event of default. A change of control will be deemed to occur if (i) within two years after the effective date of the Hunter Mountain Credit Agreement, the Company's named executive officers (Messrs. Boyd, Mueller and Deutsch) cease to beneficially own and control less than 50% of the amount of the Company's outstanding voting stock that they own as of the effective date of the Hunter Mountain Credit Agreement, or (ii) the Company ceases to beneficially own and control less than all of the outstanding shares of voting stock of those subsidiaries which are borrowers under the Hunter Mountain Credit Agreement. Other events of default include, but are not limited to, a default on other indebtedness of the Company or its subsidiaries.

The Hunter Mountain Note may not be prepaid without the consent of EPR. Upon an event of default, as defined in the Hunter Mountain Note, EPR may, among other things, declare all unpaid principal and interest due and payable. The Hunter Mountain Note matures on January 5, 2036.

In connection with entry into the Hunter Mountain Credit Agreement on January 6, 2016, the Company entered into the Amended and Restated Master Cross-Default Agreement with EPR, which adds the Hunter Mountain Credit Agreement, Hunter Mountain Note and related transaction documents to the scope of loan agreements to which the cross-default provisions of the Master Cross Default Agreement apply.

Also on January 6, 2016, in connection with entry into the Hunter Mountain Credit Agreement, the Company entered into a Guaranty Agreement for the benefit of EPR, which adds the Company's new Hunter Mountain subsidiary borrowers under the Hunter Mountain Credit Agreement as guarantors pursuant to the same terms of the 2014 Guaranty Agreement and adds the debt evidenced by the Hunter Mountain Credit Agreement and Hunter Mountain Note to the debt guaranteed by the Company pursuant to the 2014 Guaranty Agreement.

Substantially all of the Company's assets serve as collateral for the Company's long term debt.

Future aggregate annual principal payments under all indebtedness, not including deferred financing costs, reflected by fiscal year are as follows (in thousands):

	April 30
2018	$ 2,756
2019	1,284
2020	9,104
2021	2,834
2022	51,693
Thereafter	114,161
	$ 181,832

Deferred financing costs are net of accumulated amortization of $1,615 and $482 at April 30, 2017 and 2016, respectively. Amortization of deferred financing costs for the years ended April 30, 2017, 2016 and 2015 was $1,133, $291 and $141, respectively. Amortization of deferred financing costs will be $949 for the years ending April 30, 2018 and 2019,

$941 for the year ending April 30, 2020, $932 for the year ending April 30, 2021 and $652 for the year ending April 30, 2022.

Line of Credit / Royal Banks of Missouri Debt

The remaining $15.0 million of the Hunter Mountain acquisition price was financed with funds drawn on the Company's line of credit with Royal Banks of Missouri pursuant to the Credit Facility, Loan and Security Agreement (the "Line of Credit Agreement") between the Company and Royal Banks of Missouri, effective as of December 22, 2015. The Company drew an additional $0.5 million to pay closing costs. On July 20, 2016, the Company borrowed an additional $1.75 million under the Line of Credit Agreement for working capital purposes. Additionally, on August 5, 2016, the Company borrowed the remaining $2.75 million under the Credit Agreement for working capital purposes, bringing the total principal amount borrowed under the Line of Credit Agreement to $20.0 million.

The Line of Credit Agreement provides for a 12-month line of credit for up to $20.0 million to be used for acquisition purposes and working capital of up to 5.0% of the acquisition purchase price, subject to the Company's ability to extend the line of credit for up to an additional 12-month period upon the satisfaction of certain conditions. In connection with entry into the Line of Credit Agreement, the Company executed a promissory note (the "Initial Line of Credit Note") in favor of Royal Banks of Missouri, pursuant to which the initial amounts borrowed under the Line of Credit Agreement matured on December 22, 2016 and January 6, 2017 and were repaid or converted, as described in the paragraph below. The additional $1.75 million borrowed by the Company on July 20, 2016 was borrowed pursuant to the terms of the Initial Line of Credit Note. The remaining $2.75 million drawn under the Line of Credit Agreement on August 5, 2016 was borrowed pursuant to a second promissory note executed by the Company on August 5, 2016 (the "Second Line of Credit Note"), maturing on August 5, 2017.

On December 15, 2016 and January 5, 2017, the Company repaid $0.5 million and $5.0 million, respectively, of the total amount outstanding under the Line of Credit Agreement with proceeds from the Private Placement described in Note 5. On January 6, 2017, pursuant to the terms of the Line of Credit Agreement, the Company elected to convert $10.0 million of the outstanding amount to a term loan (included in the table above as the "Royal Banks of Missouri Debt"). The terms of the Royal Banks of Missouri Debt are evidenced by a promissory note in favor of Royal Banks of Missouri in the principal amount of $10.0 million, dated as of January 6, 2017 (the "Royal Banks Note").

The Royal Banks of Missouri Debt bears interest at the prime rate plus 1.0% per annum. The Royal Banks Note matures on January 6, 2020. Except in the case of default, the Company may prepay the Royal Banks of Missouri Debt without penalty. From and after maturity of the Royal Banks Note and in the case of any default, interest on the unpaid principal and interest shall accrue at an annual rate equal to five percentage points over the rate of interest otherwise payable on outstanding amounts. Events of default under the Royal Banks Note include any default under the terms of the Line of Credit Agreement.

The Royal Banks Note is subject to the terms and conditions set forth in the Line of Credit Agreement, as described herein.

As of April 30, 2017, a total of $4.5 million remained outstanding under the Line of Credit Agreement, which includes $1.75 million borrowed pursuant to the terms of the Initial Line of Credit Note and $2.75 million borrowed pursuant to the Second Line of Credit Note. The remaining line of credit debt is included as a current liability given the initial 12-month term. The Company intends to either pay or convert the full amount due on each note on or prior to their respective due dates.

Interest on the amounts borrowed pursuant to the Initial Line of Credit Note is charged at the prime rate plus 1.0%, provided that past due amounts shall be subject to higher interest rates and late charges. The effective rate at April 30, 2017 was 5.0% on the line of credit borrowings made pursuant to the Initial Line of Credit Note.

Interest on the amount borrowed pursuant to the Second Line of Credit Note is charged at 6.00% per annum, provided that past due amounts shall be subject to higher interest rates and late charges. The Company is required to make interest only payments under the Second Line of Credit Note.

The Line of Credit Agreement includes restrictions or limitations on certain transactions, including mergers, acquisitions, leases, asset sales, loans to third parties, and the incurrence of certain additional debt and liens. Financial covenants set forth in the Line of Credit Agreement consist of a maximum leverage ratio (as defined in the Line of Credit Agreement) of 65%, above which the Company is prohibited from incurring additional indebtedness, and a debt service coverage ratio (as defined in the Line of Credit Agreement) of 1.25:1.00 on a fiscal year basis. The Line of Credit Agreement requires that the Company comply with the consolidated fixed charge coverage ratio requirements and provisions set forth in the Master Credit Agreement, as modified by the Modification Agreement, and includes identical dividend payment restrictions as the Master Credit Agreement. In accordance with the terms of the Modification Agreement, the Company provided EPR with the Interest Letter of Credit on December 1, 2016 in the amount of $1.1 million, collateralized by a certificate of deposit for the same amount. During the first two quarters of fiscal year 2017, the Company's fixed charge coverage ratios fell below the required ratios, resulting in the actions described above. As of April 30, 2017, the Company is in compliance with all debt covenants.

If the outstanding line of credit debt is not paid in full by the maturity date, and the Company is otherwise in full compliance with the terms and conditions of the Line of Credit Agreement and Initial Line of Credit Note, the Company may elect to convert only the outstanding debt borrowed pursuant to the Initial Line of Credit Note to a three-year term loan, subject to an additional extension, with principal payments amortized over a 20-year period bearing interest at the prime rate plus 1.00% per annum. The amount borrowed pursuant to the Second Line of Credit Note is not subject to the renewal and conversion provisions of the Line of Credit Agreement.

Except in the case of a default, the Company may prepay all or any portion of the outstanding line of credit debt and all accrued and unpaid interest due prior to the maturity date without prepayment penalty.

In the case of a default, the outstanding line of credit debt shall, at the lender's option, bear interest at the rate of 5.0% percent per annum in excess of the interest rate otherwise payable thereon, which interest shall be payable on demand.

Under the terms of the Line of Credit Agreement, the occurrence of a change of control is an event of default. A change of control will be deemed to occur if (i) for so long as the line of credit debt is outstanding and such individuals are employed by the Company, the Company's key shareholders (Messrs. Timothy Boyd, Stephen Mueller and Richard Deutsch) cease to beneficially own and control less than 50% of the amount of the Company's outstanding voting stock that they own as of the effective date of the Line of Credit Agreement, or (ii) the Company ceases to beneficially own and control less than all of the outstanding shares of voting stock of the subsidiary borrowers. Other events of default include, but are not limited to, a default on other indebtedness of the Company or its subsidiaries.

Amounts outstanding under the Line of Credit Agreement are secured by the assets of each of the subsidiary borrowers under the Line of Credit Agreement.

West Lake Water Project and Carinthia Ski Lodge EB-5 Debt

The Company established two affiliate limited partnerships of Mount Snow, Carinthia Group 1, L.P. and Carinthia Group 2, L.P. (collectively, the ''Partnership''), to operate two Mount Snow development projects funded by $52.0 million raised by the Partnership pursuant to the U.S. government's Immigrant Investor Program, commonly known as the EB-5 program (the "EB-5 Program"). The EB-5 Program was first enacted in 1992 to stimulate the U.S. economy through the creation of jobs and capital investments in U.S. companies by foreign investors. In turn, these foreign investors are, pending petition approval, granted visas for lawful residence in the U.S. Mount Snow GP Services LLC, a wholly owned subsidiary of Mount Snow, Ltd. (wholly owned by the Company), serves as the general partner for the Partnership. The Company has evaluated the Partnership under ASC 810, "Consolidations," and determined the Partnership does not require consolidation because the Company does not have a variable interest in the Partnership.

The Mount Snow development projects include: (i) the West Lake Water Project, which includes the construction of a new water storage reservoir for snowmaking; and (ii) the Carinthia Ski Lodge Project, which includes the construction of a new skier service building. In December 2016, the first I-526 petition submitted by an investor in the EB-5 Program was approved, and the $52.0 million was released from escrow to the Partnership. Upon release of the EB-5 Program funds, the Company was reimbursed in full for the approximately $15.0 million that the Company had invested in the construction of the Mount Snow development projects while awaiting release of the funds. The remaining balance is included in long-term asset restricted cash, construction, due to the earmark associated with the Mount Snow development project.

Mount Snow, Ltd. formed West Lake Water Project LLC and Carinthia Ski Lodge LLC, each wholly owned by Mount Snow, Ltd., to manage the construction of the West Lake Water Project and Carinthia Ski Lodge Project, respectively.

Pursuant to the terms of the EB-5 Program, the Partnership is obligated to invest or loan the funds raised from its EB-5 investors in or to a business carrying on a commercial venture. In accordance with these requirements, on December 27, 2016, the Partnership entered into a loan agreement with West Lake Water Project LLC providing West Lake Water Project LLC a line of credit of up to $30.0 million (the "West Lake Loan Agreement") to be used in the construction of the West Lake Water Project. In connection with entry into the West Lake Loan Agreement, West Lake Water Project LLC executed a line of credit note in favor of the Partnership in the amount of $30.0 million (the "West Lake Note"). The debt owed pursuant to the West Lake Loan Agreement and West Lake Note is included in the table above as the "West Lake Water Project EB-5 Debt."

Also on December 27, 2016, the Partnership entered into a loan agreement with Carinthia Ski Lodge LLC providing Carinthia Ski Lodge LLC a line of credit of up to $22.0 million (the "Carinthia Lodge Loan Agreement") to be used in the construction of the new Carinthia skier service building. In connection with entry into the Carinthia Lodge Loan Agreement, Carinthia Ski Lodge LLC executed a line of credit note in favor of the Partnership in the amount of $22.0 million (the "Carinthia Lodge Note"). The debt owed pursuant to the Carinthia Lodge Loan Agreement and Carinthia Lodge Note is included in the table above as the "Carinthia Ski Lodge EB-5 Debt." Amounts borrowed pursuant to the EB-5 Loan Agreements, as defined below, can be used only for construction of the West Lake Water Project and Carinthia Ski Lodge Project.

The terms of the West Lake Loan Agreement and Carinthia Lodge Loan Agreement (together, the "EB-5 Loan Agreements") and the West Lake Note and Carinthia Lodge Note (together, the "EB-5 Notes") are identical. Amounts outstanding under the EB-5 Notes accrue simple interest at a fixed rate of 1.0% per annum until the maturity date, which is December 27, 2021, subject to extension of up to an additional two years at the option of the borrowers with lender consent. If the maturity date is extended, amounts outstanding under the EB-5 Notes will accrue simple interest at a fixed rate of 7.0% per annum during the first year of extension and a fixed rate of 10.0% per annum during the second year of extension.

Upon an event of default, amounts outstanding shall bear interest at the rate of 5.0% per annum, subject to the extension increases. Events of default under the EB-5 Loan Agreements include failure to make payments due; breaches of covenants, representations and warranties; incurrence of certain judgments and liens against the borrowers or assets; assignments or notice of bulk sales of assets on behalf of creditors; commencement of bankruptcy or dissolution proceedings; and cessation of the West Lake Water Project or Carinthia Ski Lodge Project prior to completion.

For so long as amounts under the EB-5 Loan Agreements are outstanding, the borrowers are restricted from taking certain actions without the consent of the lenders, including, but not limited to, transferring or disposing of the properties or assets financed with the loan proceeds; selling equity interests to any person other than the Company; merging; and making loans to or investing in affiliates or other persons.

The borrowers under the EB-5 Notes are prohibited from prepaying outstanding amounts owed if such prepayment would jeopardize any of the EB-5 investor limited partners' ability to be admitted to the U.S. via the EB-5 Program.

As a condition to entry into each of the EB-5 Loan Agreements, the Company executed guaranties of collection (the "EB-5 Guaranties") with respect to each of the West Lake Loan Agreement and Carinthia Lodge Loan Agreement pursuant to which the Company unconditionally guaranteed all amounts due under the EB-5 Notes owed to the Partnership. Pursuant to the terms of the EB-5 Guaranties, which are guaranties of collection rather than of payment, in the event the borrowers under the EB-5 Loan Agreements fail to make any payments due, or upon the acceleration of payments due, the lenders must exhaust any and all legal remedies for collection against the borrowers before proceeding against the Company.

Bridge Loan Financing

On September 1, 2016, the Company entered into the Master Credit and Security Agreement with EPR (the "Bridge Loan Agreement") pursuant to which EPR agreed to loan up to $10.0 million to the Company for working capital purposes, subject to certain conditions and adjustment as provided in the Bridge Loan Agreement and as previously disclosed. Amounts borrowed pursuant to the Bridge Loan Agreement were evidenced by a promissory note (the "Bridge Loan Note"), also dated as of September 1, 2016. The Company borrowed a total of $5.5 million under the Bridge Loan Agreement and Bridge Loan Note. The total outstanding balance and all interest due was repaid by the Company upon receipt of the proceeds from the Private Placement, as defined in Note 5, which closed on November 2, 2016.

Note 5. Private Placement

Purchase Agreement

On August 22, 2016, the Company entered into the securities purchase agreement (the “Securities Purchase Agreement”) with CAP 1 LLC (the “Investor”) in connection with the sale and issuance (the “Private Placement”) of $20 million in Series A Cumulative Convertible Preferred Stock, par value $0.01 per share (the “Series A Preferred Stock”), and three warrants (the “Warrants”) to purchase shares of the Company’s common stock, par value $0.01 per share (the “Common Stock”), as follows: (i) 1,538,462 shares of Common Stock at $6.50 per share; (ii) 625,000 shares of Common Stock at $8.00 per share; and (iii) 555,556 shares of Common Stock at $9.00 per share.

The Securities Purchase Agreement also grants to the Company the right to require the Investor to purchase an additional 20,000 shares of Series A Preferred Stock for $1,000 per share, along with additional warrants, all on the same terms and conditions as the Private Placement, as long as (i) there is no material adverse effect; (ii) the average closing price of the Common Stock for the ten trading days prior to the execution of the documents for such additional shares is not less than the average closing price of the Common Stock for the ten trading days prior to the execution of the Securities Purchase Agreement ($4.79); (iii) the Investor is reasonably satisfied with the manner in which the Company intends to use the net cash proceeds of such issuance; and (iv) the Company has successfully implemented an EB-5 Program with respect to Mount Snow and one investor's application has approved. The Company's right to require the additional purchase expires two years from the closing of the Private Placement.

The Company's stockholders approved the issuance of the Series A Preferred Stock and the Warrants at the Company's 2016 Annual Meeting of Stockholders held on October 24, 2016. On November 2, 2016, the Company completed the sale and issuance of the Series A Preferred Stock and Warrants to the Investor.

On November 4, 2016, the Company used a portion of the proceeds from the Private Placement to repay the entire $5.5 million borrowed pursuant to the Bridge Loan Agreement and Bridge Loan Note described in Note 4 and an additional $1.1 million of the proceeds to fund the Interest Letter of Credit also described in Note 4.

The rights and preferences of the Series A Preferred Stock are set forth in the Certificate of Designation of Series A Cumulative Convertible Preferred Stock filed by the Company with the Missouri Secretary of State on October 26, 2016 (the "Certificate of Designation"), and include, among other things, the following:

Ranking; Seniority

The Series A Preferred Stock shall generally rank, with respect to liquidation, dividends and redemption, (i) senior to common stock and to any other junior capital stock; (ii) on parity with any parity capital stock; (iii) junior to any senior capital stock; and (iv) junior to all of the Company's existing and future indebtedness (except indebtedness issued on or prior to the Expiration Date (as defined below) that is convertible into or exercisable for any class or series of capital stock).

Additionally, until the earlier of (i) such date as no Series A Preferred Stock remains outstanding and (ii) January 1, 2027 (such earlier date, the "Expiration Date"), the Company is prohibited from (i) creating or issuing capital stock (or securities convertible into capital stock) that grants holders the right to receive dividends or interest prior to the Expiration Date when there are accrued or unpaid dividends with respect to the Series A Preferred Stock or the right to receive any liquidation payment prior to the Expiration Date at a time when the Series A Preferred Stock holders have not received their full liquidation value of $1,000 per share of Series A Preferred Stock (the "Liquidation Value"); (ii) paying any dividend or interest on capital stock (or securities convertible into capital stock) when there are accrued or unpaid dividends with respect to the Series A Preferred Stock; (iii) paying any liquidation payment on capital stock (or securities convertible into capital stock) at a time when the Series A Preferred Stock holders have not received their full Liquidation Value; or (iv) issuing any indebtedness convertible into or exercisable for capital stock.

The Company shall not make any redemption payment on any capital stock (or any security convertible into capital stock) at any time prior to the Expiration Date when any shares of Series A Preferred Stock have not been redeemed except for the redemption of junior securities to the extent permitted under "Dividend Rights" below. The foregoing shall not restrict the Company's ability to create, authorize the creation of, issue, sell, or obligate itself to issue (i) any indebtedness (other than, prior to the Expiration Date, indebtedness convertible into capital stock); or (ii) any common stock (or any capital stock convertible into common stock (other than any capital stock that is prohibited by this paragraph)).

Dividend Rights

From and after the date that is nine months from the date of issuance, cumulative dividends shall accrue on the Series A Preferred Stock on a daily basis in arrears at the rate of 8% per annum on the Liquidation Value. All accrued and accumulated dividends on the Series A Preferred Stock shall be paid prior and in preference to any dividend or distribution on or redemption of any junior securities, provided that the Company may, prior to the payment of all accrued and accumulated dividends on the Series A Preferred Stock, (i) declare or pay any dividend or distribution payable on the common stock in shares of common stock; or (ii) repurchase common stock held by employees or consultants of the Company upon termination of their employment or services pursuant to agreements providing for such repurchase. The Company may also redeem or repurchase junior securities at any time when there are no accrued or accumulated unpaid dividends on the Series A Preferred Stock.

Liquidation

In the event of any liquidation, dissolution or winding up of the Company, the holders of Series A Preferred Stock shall be entitled to be paid out of the assets of the Company available for distribution to its stockholders, before any payment shall be made to the holders of junior securities, and subject to the rights of any parity or senior securities, an amount in cash equal to $1,000 per share plus all unpaid accrued and accumulated dividends. The Series A Preferred Stock shall not be entitled to any further payment or other participation in any distribution of the available assets of the Company. Neither the consolidation nor merger with or into any other person or entity, nor the voluntary sale, lease, transfer or conveyance of all or substantially all of the Company's property or business, shall be deemed to constitute a liquidation.

Redemption

The Series A Preferred Stock is subject to redemption at the option of the Company at a price per share equal to 125% of the Liquidation Value, plus all unpaid accrued and accumulated dividends, whether or not declared, at any time on or after the third anniversary of the issuance of the Series A Preferred Stock that the average closing price of the common stock on the 30 trading days preceding notice of the exercise of the redemption right is greater than 130% of the Conversion Price, as defined below (the "Redemption Price").

In addition, upon a change of control, any holder of Series A Preferred Stock shall have the right to elect to have all or any portion of its then outstanding Series A Preferred Stock redeemed for cash at the Redemption Price by the Company or the surviving entity of such change of control. The Redemption Price may, at the option of the Company, be paid in shares of common stock. The change in control redemption features results in the Company not being solely in control of the redemption feature. This means the Company does not control settlement by delivery of its own common shares (because, there is no cap on the maximum number of common shares that could be potentially issuable upon redemption). As such cash settlement of the instrument could be presumed and the instrument is currently classified as temporary equity. As of April 30, 2017, the Series A Preferred Stock has not been adjusted to its redemption amount as the Company does not currently expect to exercise its redemption option and a change of control is not within the Company's control.

Conversion

Upon the earlier of a change of control or the nine-month anniversary of the date of issuance, the holders of the Series A Preferred Stock have the right to convert the Series A Preferred Stock into shares of common stock equal to the number of shares to be converted, times the Liquidation Value, divided by the Conversion Price and receive in cash all accrued and unpaid dividends. The initial conversion price per share is $6.29, subject to adjustment pursuant to the terms of the Certificate of Designation (the "Conversion Price"). The conversion feature is not considered to be a beneficial conversion feature. Holders of the Series A Preferred Stock also have basic anti-dilution rights.

Voting Rights

Each holder of Series A Preferred Stock shall be entitled to vote, on an as-converted basis, with holders of outstanding shares of common stock, voting together as a single class, with respect to any and all matters presented to the stockholders of the Company.

Warrants

The terms of the Warrants issued in the Private Placement are all identical except for the number of shares for which the Warrants are exercisable and the exercise prices of each of the Warrants, which are as stated above. Each of the Warrants may be exercised in whole or in part at any time for a period of 12 years from the date of issuance. The exercise price must be paid in cash. The exercise price of the Warrants and the number of shares of common stock issuable upon exercise of the Warrants are subject to adjustment in the event of a stock split, stock dividend, reorganization, reclassification, consolidation, merger, sale and similar transaction.

The following table shows the warrants outstanding for the year ending April 30, 2017.

	Shares	Weighted Average Exercise Price	
Warrants outstanding - beginning of the year	-	$	-
Warrants exercised	-	-	
Warrants granted	2,719,018	7.36	
Warrants expired	-	-	

Warrants outstanding - end of period	2,719,018 $	7.36

Registration Rights Agreement

In connection with the closing of the Private Placement, on November 2, 2016, the Company entered into a Registration Rights Agreement with the Investor that grants the following registration rights with respect to the common stock issuable upon conversion of the Series A Preferred Stock and exercise of the Warrants, exercisable by the holders of a majority of the registrable securities: (i) at any time after six months following the closing date, demand registration rights on a Form S-3 (i.e., a short-form registration); (ii) at any time after six months following the closing date, demand registration rights on a Form S-1 (i.e., a long-form registration); and (iii) piggyback registration rights.

The Company is not required to effect more than four short-form registrations or two long-form registrations during any nine-month period or any demand registration unless the number of registrable securities sought to be registered is at least 30% of the registrable securities for a short-form registration or 50% of the registrable securities for a long-form registration and, in any event, not less than 100,000 registrable securities. The Company may delay the filing of or causing to be effective any registration statement if the Company determines in good faith that such registration will (i) materially and adversely affect the negotiation or consummation of any actual or pending material transaction; or (ii) otherwise have a material adverse effect, provided that the Company may not exercise such right to delay more than once in any consecutive 12 month period or for more than 90 days. The Registration Rights Agreement also includes customary provisions regarding market standoffs, registration procedures and expenses, blackout periods, indemnification, reporting required to comply with Rule 144 under the Securities Act of 1933, as amended, and confidentiality. The Company must apply commercially reasonable efforts to undertake these actions.

Stockholders’ Agreement

On November 2, 2016, in connection with the closing of the Private Placement, the Company entered into the Stockholders’ Agreement (the “Stockholders’ Agreement”) together with Timothy D. Boyd, Stephen J. Mueller and Richard K. Deutsch (the “Management Stockholders”) and the Investor.

The Stockholders’ Agreement provides that Investor has a right to nominate a director to sit on the Company’s board of directors so long as it beneficially owns, on a fully diluted, as-converted basis, at least 20% of the outstanding equity securities of the Company, subject to satisfaction of reasonable qualification standards and Nominating and Corporate Governance Committee approval of the nominee. On November 2, 2016, the board of directors appointed Rory A. Held to serve as a director of the Company upon the nomination of the Investor pursuant to the terms of the Stockholders’ Agreement and the recommendation of the Nominating and Corporate Governance Committee.

The Stockholders' Agreement restricts transfers of the Company's securities by the Investor and the Management Stockholders, or subjects such transfers to certain conditions, except (i) to permitted transferees; (ii) pursuant to a public sale; (iii) pursuant to a merger or similar transaction; or (iv) with respect to the Investor, with the prior consent of the Company, which shall not be unreasonably withheld. Transferees of Management Stockholders (other than transferees pursuant to a public sale or merger or similar transaction) generally remain bound by the Stockholders' Agreement. Transferees of the Investor (other than affiliates) do not have all of the Investor's rights thereunder.

In the event of a desired transfer of equity securities held by Management Stockholders (other than pursuant to clauses (i) through (iii) in the paragraph above) the Investor may exercise a right of first offer to purchase all, but not less than all, of the offered shares and has tag along rights providing the Investor the right to participate in the transfer in accordance with the terms of the Stockholders' Agreement. In the event of a desired transfer of equity securities held by the Investor (other than pursuant to clauses (i) through (iii) in the paragraph above) the Company shall have a right of first refusal to purchase all, but not less than all, of the offered shares.

Pursuant to the terms of the Stockholders' Agreement, for so long as at least 50% of the Series A Preferred Stock issued in the Private Placement is outstanding and the Investor beneficially owns, on a fully diluted, as-converted basis, at least 11.4% of the outstanding equity securities of the Company (the "11.4% Ownership Requirement"), the Investor shall have pre-emptive rights with respect to future issuances of securities, subject to standard exceptions. Furthermore, for so long as the Investor meets the 11.4% Ownership Requirement, the Investor's approval is required in order for the Company or any subsidiary to (i) materially change the nature of its business from owning, operating and managing ski resorts; (ii) acquire or dispose of any resorts, assets or properties for aggregate consideration equal to or greater than 30% of the enterprise value of the Company and its subsidiaries; or (iii) agree to do any of the foregoing.

The Stockholders' Agreement terminates upon the earliest of (i) the date on which none of the Investor or the Management Stockholders owns any equity securities; (ii) the dissolution, liquidation or winding up of the Company; (iii) a change of control; or (iv) the unanimous agreement of all stockholders party to the Stockholders' Agreement.

Note 6. Income Taxes

The provision for income taxes for the years ended April 30, 2017, 2016, and 2015 consists of the following (in thousands):

	2017	2016	2015
Current:			
Federal	$ 59	$ -	$ -
State taxes based on income	27	-	168
	86	-	168
Deferred:			
Federal	589	(1,753)	(895)
State	(22)	(325)	(51)
	567	(2,078)	(946)
	653	(2,078)	(778)
Income tax related purchase accounting adjustments	96	-	-
	$ 749	$ (2,078)	$ (778)

Deferred income taxes consist of the following at April 30, 2017 and 2016 (in thousands):

	2017	2016
Deferred tax assets:		
Deferred gain on sale/leaseback	$ 1,081	$ 1,194
Accrued compensation	341	238
Unearned revenue	916	897
Net operating loss carryforwards	10,425	11,146
	12,763	13,475
Deferred tax liabilities:		
Property and equipment	(24,646)	(25,055)
	(24,646)	(25,055)

$	(11,883)	$	(11,580)

Deferred income taxes are included in the April 30, 2017 and 2016 consolidated balance sheets as follows (in thousands):

	2017	2016
Current assets	$ 591	$ 1,092
Noncurrent liabilities	(12,474)	(12,672)
	$ (11,883)	$ (11,580)

Realization of deferred tax assets is dependent upon sufficient future taxable income during the period that the deductible temporary differences and carryforwards are expected to be available to reduce taxable income. Based on the reversal patterns of existing taxable temporary differences, the net deferred tax assets will be recovered. There was no valuation allowance deemed necessary.

Loss carryforwards for tax purposes as of April 30, 2017, have the following expiration dates (in thousands):

	Amount
Expiration date	
2031	$ 11,336
2032	1,939
2033	2,907
2034	343
2035	10,680
	$ 27,205

The Company accounts for income taxes in accordance with ASC 740, "Income Taxes" ("ASC 740"). Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. A valuation allowance is provided for the amount of deferred tax assets that, based on available evidence, are not expected to be realized.

For fiscal years 2017, 2016, and 2015, the expected income tax rate differs from the statutory rate as follows (in thousands):

	2017	2016	2015
Computed expected tax expense (benefit)	$ 677	$ (1,804)	$ (895)
Increase (decrease) in income tax expense (benefit) resulting from:			
Permanent differences	35	38	41
State income tax	2	(325)	60
Other	35	13	16
Income tax expense (benefit)	$ 749	$ (2,078)	$ (778)

In connection with the Company's initial public offering in November 2014, a change of ownership in the Company occurred pursuant to the provisions of the Tax Reform Act of 1986. As a result, the Company's usage of its net operating loss carryforwards will be limited each year; however, management believes the full benefit of those carryforwards will be realized prior to their respective expiration dates.

The Company accounts for unrecognized tax benefits also in accordance with ASC 740, which prescribes a minimum probability threshold that a tax position must meet before a financial statement benefit is recognized. The minimum threshold is defined as a tax position that is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution to any related appeals or litigation, based solely on the technical merits of the position. The Company has no accrual for interest or penalties related to uncertain tax positions at April 30, 2017 and 2016, and did not recognize interest or penalties in the consolidated statements of income (loss) during the years ended April 30, 2017, 2016, and 2015.

The major jurisdictions in which the Company files income tax returns include the federal and state jurisdictions within the United States. The tax years after 2010 remain open to examination by federal and state taxing jurisdictions. However, the Company has net operating losses beginning in 2001 which would cause the statute of limitations to remain open for the year in which the net operating losses was incurred.

Management regularly assesses the likelihood that its net deferred tax assets will be recovered from future taxable income. To the extent management believes that it is more likely than not that a net deferred tax asset will not be realized, a valuation allowance is established. When a valuation allowance is established or increased, an income tax charge is included in the consolidated financial statements and net deferred tax assets are adjusted accordingly. Changes in tax law, statutory tax rates, and estimates of the Company's future taxable income levels could result in actual realization of the net deferred tax assets being materially different from the amounts provided for in the consolidated financial statements. If the actual recovery amount of the deferred tax asset is less than anticipated, the Company would be required to write off the remaining deferred tax asset and increase the tax provision, resulting in a reduction of net income and stockholders' equity.

The Company does not have any unrecognized tax benefits and has not incurred any interest and penalties for fiscal years 2017, 2016, and 2015.

Note 7. Acquisition

Effective January 6, 2016, the Company acquired all of the outstanding common stock of Hunter Mountain in Hunter, New York, for $35.0 million paid to the sellers in cash and the Company's assumption of $1.7 million in capitalized lease obligations. During the year ended April 30, 2016, the Company incurred approximately $0.1 million in transaction costs. The Company also incurred $1.3 million of financing costs which were capitalized as deferred financing costs associated with the debt obligations.

The Company financed $20.0 million of the acquisition price pursuant to the terms of the Hunter Mountain Credit Agreement and Hunter Mountain Note with EPR, which bears interest at a rate of 8.0%, subject to annual increases as discussed in Note 4, "Long-term Debt/Line of Credit." The Company borrowed an additional $1.0 million under the Hunter Mountain Credit Agreement to fund closing and other costs. Debt under the Hunter Mountain Note requires monthly interest payments until its maturity on January 5, 2036. An additional $15.0 million of the Hunter Mountain acquisition price was financed through a draw on the Company's line of credit with Royal Banks of Missouri, of which the outstanding balance was converted to a term loan that bears interest at the prime rate plus 1.0% and matures on January 6, 2020.

Hunter Mountain's results of operations are included in the accompanying consolidated financial statements for the year ended April 30, 2016 from the date of acquisition. The allocation of the purchase price is as follows (in thousands):

Cash and cash equivalents	$ 1,640
Accounts receivable	395
Inventories	341
Prepaids	246
Buildings and improvements	14,052
Land	6,200
Equipment	19,120
Other assets	4
Goodwill	4,382
Intangible assets	865

Total assets acquired	47,245
Accounts payable and accrued expenses	1,481
Accrued salaries, wages and related taxes & benefits	250
Unearned revenue and deposits	2,993
Capital Lease Obligations	1,724
Deferred tax liability	5,797
Net assets acquired	$ 35,000

The Company adjusted the purchase price allocation in the fourth quarter of 2016 as a result of obtaining more information regarding the values of certain assets and liabilities. The adjustments were primarily to increase (decrease) buildings and improvements, equipment, intangible assets, goodwill, and the deferred tax liability by $752, $7,470, $865, $(6,280), and $3,085, respectively. The income statement effect related to these adjustments was not material.

The Company paid $35.0 million for the transaction and as part of the allocation received $1.6 million in cash, resulting in a net cash change of $33.4 million in cash. As part of the transaction, the Company has recognized goodwill associated with the expected synergies of combining operations as well as the overall enterprise value of the resort. No goodwill will arise for income tax purposes and accordingly, none of the book goodwill will be deductible for tax purposes. Hunter Mountain will be considered its own reporting unit with respect to goodwill impairment, which will be completed at least annually.

The revenue and net loss included in the accompanying consolidated statements of income (loss) for the year ended April 30, 2016 resulting from the Hunter Mountain acquisition since the acquisition date (January 6, 2016) were $13,614 and $3,083, respectively.

The following presents the unaudited pro forma consolidated financial information as if the acquisition of Hunter Mountain was completed on May 1, 2014, the beginning of the Company's 2015 fiscal year. The following pro forma financial information includes adjustments for depreciation and interest paid pursuant to the Hunter Mountain Note and property and equipment recorded at the date of acquisition. This pro forma financial information is presented for informational purposes only and does not purport to be indicative of the results of future operations or the results that would have occurred had the acquisition taken place on May 1, 2014 (in thousands except per share data):

	(Unaudited) Year ended April 30	
	2016	2015
Net revenues	$ 102,860	$ 132,233
Net loss	$ (9,776)	$ (1,426)
Pro forma basis and diluted loss per share	$ (0.70)	$ (0.17)

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Note 8. Sale/Leaseback

In November 2005, the Company sold Mad River Mountain and simultaneously leased the property back for a period of 21 years. The resultant gain was deferred and is being ratably recognized in income over the term of the lease.

Note 9. Employee Benefit Plan

The Company maintains a tax-deferred savings plan for all eligible employees. Employees become eligible to participate after attaining the age of 21 and completing one year of service. Employee contributions to the plan are tax-deferred under Section 401(k) of the Internal Revenue Code of 1986, as amended. Company matching contributions are made at the discretion of the board of directors. No contributions were made in 2017, 2016, and 2015.

On November 4, 2015, the Company's board of directors adopted the Peak Resorts, Inc. 2014 Equity Incentive Plan (the "Incentive Plan"), and on November 5, 2014, the Company's stockholders approved the Incentive Plan. The stockholders approved a maximum of 559,296 shares to be available for issuance under the Incentive Plan. The Incentive Plan authorizes the Company to grant stock options, stock appreciation rights, restricted stock, restricted stock units, stock bonuses, other stock based awards, cash awards, or any combination thereof, as defined in and allowed by the Incentive Plan. During fiscal 2017, the Company issued 46,770 restricted stock units to independent directors and officers. During fiscal 2016, the Company issued 63,741 restricted stock units to independent directors, of which 5,334 were forfeited. As of April 30, 2017, the Company has a remaining balance of 463,842 shares available for issuance. The Company has recorded compensation expense of $0.2 million associated with these awards during fiscal 2017 and 2016. The Company did not incur any compensation expense in fiscal 2015.

Note 10. Financial Instruments and Concentrations of Credit Risk

The following methods and assumptions were used to estimate the fair value of each class of financial instruments to which the Company is a party:

Cash and cash equivalents, restricted cash: Due to the highly liquid nature of the Company's short term investments, the carrying values of cash and cash equivalents and restricted cash approximate their fair values.

Accounts receivable: The carrying value of accounts receivable approximate their fair value because of their short term nature.

Accounts payable, accrued salaries and accrued expenses: The carrying value of accounts payable, accrued salaries and accrued liabilities approximates fair value due to the short term maturities of these amounts.

Unearned revenue: The carrying value of unearned revenue approximate their fair value because of their short term nature.

Long term debt: The fair value of the Company's long term debt is estimated based on the quoted market prices for the same or similar issues or on the current rates offered to the Company for debt of the same remaining maturities. The interest rates on the Company's long term debt instruments are consistent with those currently available to the Company for borrowings with similar maturities and terms and, accordingly, their fair values are consistent with their carrying values.

Concentrations of credit risk: The Company's financial instruments that are exposed to concentrations of credit risk consist primarily of cash and cash equivalents and restricted cash. The Company's cash and cash equivalents and restricted cash are on deposit with financial institutions where such balances will, at times, be in excess of federally insured limits. Excess cash balances are collateralized by the backing of government securities. The Company has not experienced any loss as a result of those deposits.

Note 11. Commitments and Contingencies

Construction commitment: As of April 30, 2017, the Company had $3.9 million in third party commitments currently outstanding with its main contractor on the Mount Snow development project.

Loss contingencies: The Company is periodically involved in various claims and legal proceedings, many of which occur in the normal course of business. Management routinely assesses the likelihood of adverse judgments or outcomes, including consideration of its insurable coverage and discloses or records estimated losses in accordance with ASC 450, "Contingencies". After consultation with legal counsel, the Company does not anticipate that liabilities arising out of these claims would, if plaintiffs are successful, have a material adverse effect on its business, operating results or financial condition.

Leases: The Company leases certain land, land improvements, buildings and equipment under non cancelable operating leases. Certain of the leases contain escalation provisions based generally on changes in the CPI with maximum annual percentage increases capped at 1.5% to 4.5%. Additionally, certain leases contain contingent rental provisions which are based on revenue. The amount of contingent rentals was insignificant in all periods presented. Total rent expense under such operating leases was $1,669, $1,732, and $1,756 for years ended April 30, 2017, 2016 and 2015, respectively. The Company also leases certain equipment under capital leases.

Future minimum rentals under all non cancelable leases with remaining lease terms of one year or more for years subsequent to April 30, 2017 are as follows (in thousands):

	Capital	Operating

	Leases	Leases
2018	$ 2,096	$ 1,653
2019	1,952	1,600
2020	937	1,564
2021	26	1,538
2022	1	1,555
Thereafter	-	7,284
	5,012	$ 15,194
Less: amount representing interest	519	

	4,493
Less: current portion	1,785
Long-term portion	$ 2,708

Off-balance sheet arrangement: We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

Note 12. Earnings (Loss) Per Share

The computation of basic and diluted earnings (loss) per share for the years ended April 30, 2017, 2016 and 2015 is as follows (in thousands except share and per share data):

	2017	2016	2015
Net earnings (loss)	$ 1,241	$ (3,226)	$ (1,854)
Adjustment for preferred stock accretive dividends	(800)		
Net earnings available to common shareholders for basic and diluted EPS	441	(3,226)	(1,854)
Weighted number of shares:			
Common shares outstanding for basic and diluted earnings (loss) per share	13,982,400	13,982,400	8,420,756
Vested restricted stock units for basic and diluted earnings (loss) per share	35,238	12,893	-
	14,017,638	13,995,293	8,420,756
Basic earnings (loss) per share	0.03	$ (0.23)	$ (0.22)
Weighted number of shares:			
Unvested restricted stock units for diluted earnings per share	23,654	-	-
	14,041,292	13,995,293	8,420,756
Diluted earnings (loss) per share	$ 0.03	$ (0.23)	$ (0.22)

The accounting treatment of the Series A Preferred Stock issued in connection with the Private Placement described in Note 5 is accounted for as temporary equity. As a result, the weighted average number of shares associated with the conversion are included in the diluted earnings (loss) per share calculation if the effect is not anti-dilutive even though the Company's stock price as of April 30, 2017 is lower than the conversion prices associated with Series A Preferred Stock. For 2017 basic earnings per share, the accretive dividend of $800 associated with the Series A Preferred Stock dividend free period has been deducted from net earnings to arrive at the net earnings available to common shareholders. For 2017, the Series A Preferred Stock effect has been excluded from the diluted earnings per share as the effect would be anti-dilutive.

Restricted stock units were granted during fiscal year 2016, but the 19,515 outstanding unvested units have not been included in the calculation of diluted earnings per share because the impact is anti-dilutive due to the net loss for the year ended April 30, 2016.

Note 13. Selected Quarterly Financial Data

Selected quarterly financial data for the years ended April 30, 2017, 2016 and 2015 is as follows (in thousands, except for per share data):

2017

Quarter ended
(unaudited)

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	Year ended April 30, 2017	April 30, 2017	January 31, 2017	October 31, 2016	July 31, 2016
Revenue	$ 123,249	$ 51,263	$ 56,385	$ 8,475	$ 7,126
Income (loss) from operations	$ 14,069	$ 17,607	$ 16,715	$ (10,136)	$ (10,117)
Net income (loss)	$ 1,241	$ 8,962	$ 8,165	$ (7,982)	$ (7,904)
Basic earnings (loss) per share	$ 0.03	$ 0.58	$ 0.58	$ (0.57)	$ (0.56)
Diluted earnings (loss) per share	$ 0.03	$ 0.52	$ 0.47	$ (0.57)	$ (0.56)

2016

		Quarter ended (unaudited)			
	Year ended April 30, 2016	April 30, 2016	January 31, 2016	October 31, 2015	July 31, 2015
Revenue	$ 95,729	$ 45,475	$ 38,667	$ 6,155	$ 5,432
Other operating income - gain on involuntary conversion	$ 195	$ -	$ 195	$ -	$ -
Income (loss) from operations	$ 5,169	$ 14,174	$ 8,833	$ (8,875)	$ (8,963)
Net income (loss)	$ (3,226)	$ 7,041	$ 3,700	$ (6,888)	$ (7,079)
Basic and diluted earnings (loss) per share	$ (0.23)	$ 0.50	$ 0.26	$ (0.49)	$ (0.51)

2015

		Quarter ended (unaudited)			
	Year ended April 30, 2015	April 30, 2015	January 31, 2015	October 31, 2014	July 31, 2014
Revenue	$ 104,858	$ 47,047	$ 45,985	$ 6,230	$ 5,596
Other operating income - gain on settlement of lawsuit	$ 2,100	$ -	$ -	$ 2,100	$ -
Income (loss) from operations	$ 17,482	$ 18,947	$ 14,498	$ (6,887)	$ (9,076)
Net income (loss)	$ (1,854)	$ 9,780	$ 3,269	$ (6,743)	$ (8,160)
Basic and diluted earnings (loss) per share	$ (0.22)	$ 0.70	$ 0.27	$ (1.69)	$ (2.05)

Note 14. Related Party Transactions

In February 2016, a director was added to the Company's board of directors. This director is a partner at a law firm utilized by the Company. In fiscal 2017, the Company incurred expenses of $393 with the firm. In fiscal 2016, the Company incurred expenses of $196 with the firm.

Note 15. Subsequent Events

On July 12, 2017, the Company's board of directors declared a second quarter fiscal 2018 cash dividend payable on August 11, 2017 to common shareholders of record on July 27, 2017 at a rate of $0.07 per share.

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure.

Not Applicable.

ITEM 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

The Company’s management, with the participation of the Company’s Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the Company’s disclosure controls and procedures (as that term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)), as of the end of the period covered by this annual report on Form 10-K. Based on that evaluation, management, with the participation of the Chief Executive Officer and Chief Financial Officer, concluded that the Company’s disclosure controls and procedures, as of the end of the period covered by this annual report on Form 10-K, are functioning effectively to provide reasonable assurance that the information required to be disclosed by the Company in reports filed under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC and is accumulated and communicated to the Company’s management, including its Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure. A controls system, no matter how well designed and operated, cannot provide absolute assurance that the objectives of the controls system are met, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected.

Management’s Report on Internal Control Over Financial Reporting and Attestation Report of the Registered Public Accounting Firm

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rule 13a-15(f) of the Exchange Act. Management has assessed the effectiveness of our internal control over financial reporting as of April 30, 2017 based on criteria established in Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. As a result of this assessment, management concluded that, as of April 30, 2017, our internal control over financial reporting was effective. This annual report on Form 10-K does not include an attestation report of our independent registered public accounting firm pursuant to the rules of the SEC for emerging growth companies.

Changes in Internal Control over Financial Reporting

There have been no changes in the Company's internal control over financial reporting during the three-month period ending April 30, 2017 identified in connection with the evaluation required by Rules 13a-15(d) and 15d-15(d) under the Exchange Act that have materially affected, or that are reasonably likely to materially affect, the Company's internal control over financial reporting.

Item 9B. Other Information.

On July 12, 2017, the Company’s board of directors declared a second quarter fiscal 2018 cash dividend payable on August 11, 2017 to common shareholders of record on July 27, 2017 at a rate of $0.07 per share.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

The information required by this Item 10 of Form 10-K will be included in our 2017 Proxy Statement to be filed with the SEC in connection with the solicitation of proxies for our 2017 Annual Meeting of Stockholders ("2017 Proxy Statement") and is incorporated herein by reference. The 2017 Proxy Statement will be filed with the SEC within 120 days after the end of the fiscal year to which this report relates.

Item 11. Executive Compensation.

The information required by this Item 11 of Form 10-K will be included in our 2017 Proxy Statement and is incorporated herein by reference. The 2017 Proxy Statement will be filed with the SEC within 120 days after the end of the fiscal year to which this report relates.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The information required by this Item 12 of Form 10-K will be included in our 2017 Proxy Statement and is incorporated herein by reference. The 2017 Proxy Statement will be filed with the SEC within 120 days after the end of the fiscal year to which this report relates.

Equity Compensation Plan Information

On November 4, 2014, the Company’s board of directors adopted the Peak Resorts, Inc. 2014 Equity Incentive Plan (the “Incentive Plan”), and on November 5, 2014, the Company’s stockholders approved the Incentive Plan. The stockholders approved a maximum of 559,296 shares to be available for issuance under the Incentive Plan. The Incentive Plan authorizes the Company to grant stock options, stock appreciation rights, restricted stock, restricted stock units, stock bonuses, other stock-based awards, cash awards, or any combination thereof, as defined in and allowed by the Incentive Plan. As of April 30, 2017, 463,842 shares remained available for issuance, as illustrated in the table below:

Plan Category

	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (c)
Equity Compensation Plans Approved by Security Holders	_	_	463,842
Equity Compensation Plans Not Approved by Security Holders	_	_	_
Total	_	_	463,842

Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information required by this Item 13 of Form 10-K will be included in our 2017 Proxy Statement and is incorporated herein by reference. The 2017 Proxy Statement will be filed with the SEC within 120 days after the end of the fiscal year to which this report relates.

Item 14. Principal Accounting Fees and Services.

The information required by this Item 14 of Form 10-K will be included in our 2017 Proxy Statement and is incorporated herein by reference. The 2017 Proxy Statement will be filed with the SEC within 120 days after the end of the fiscal year to which this report relates.

PART IV

Item 15. Exhibits and Financial Statement Schedules.

(a) The following documents are filed as part of this annual report on Form 10-K:

1. Financial Statements.

The consolidated financial statements of Peak Resorts, Inc. and subsidiaries, together with the report thereon of the Company's independent registered public accounting firm, are included in Part II, Item 8, "Financial Statements and Supplementary Data" of this annual report on Form 10-K. See Index to Consolidated Financial Statements therein.

2. Financial Statement Schedules

None.

3. Exhibits

The exhibits required to be filed as part of this annual report on Form 10-K are listed in the attached Exhibit Index.

(b) The exhibits filed with this annual report on Form 10-K are listed in the attached Exhibit Index.

(c) None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

PEAK RESORTS, INC.

Date: July 13, 2017By:/s/ Timothy D. Boyd

Timothy D. Boyd

Chief Executive Officer and President

(Principal Executive Officer)

Date: July 13, 2017By:/s/ Stephen J. Mueller

Stephen J. Mueller

Chief Financial Officer and Vice President (Principal Financial Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Timothy D. Boyd	Chief Executive Officer, President and Chairman of the Board of Directors	July 13, 2017
Timothy D. Boyd	(Principal Executive Officer)	
/s/ Stephen J. Mueller	Chief Financial Officer, Vice President and Director	July 13, 2017
Stephen J. Mueller	(Principal Financial Officer)	
/s/ Christopher J. Bub	Vice President and Chief Accounting Officer (Principal Accounting Officer)	July 13, 2017
Christopher J. Bub		

/s/ Richard K. Deutsch	Vice President-Business and Real Estate Development and Director	July 13, 2017
Richard K. Deutsch		
/s/ Stanley W. Hansen	Director	July 13, 2017
Stanley W. Hansen		
/s/ Carl E. Kraus	Director	July 13, 2017
Carl E. Kraus		
/s/ Christopher S. O'Connor	Director	July 13, 2017
Christopher S. O'Connor		
/s/ David W. Braswell	Director	July 13, 2017
David W. Braswell		
/s/ Rory A. Held	Director	July 13, 2017
Rory A. Held		

EXHIBIT INDEX

Exhibit Number	Description
2.1	Agreement of Sale and Purchase between Wildcat Mountain Ski Area, Inc., Meadow Green-Wildcat Skilift Corp. and Meadow Green-Wildcat Corp., as sellers, and WC Acquisition Corp., as purchaser, effective as of October 20, 2010 (filed as Exhibit 2.1 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
2.2	Agreement of Sale by and among Blue Ridge Real Estate Company and JFBB Ski Areas, Inc., dated as of October 31, 2011 (filed as Exhibit 2.3 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
2.3	Amendment to Agreement of Sale by and among Blue Ridge Real Estate Company and JFBB Ski Areas, Inc., dated as of December 6, 2011

	(filed as Exhibit 2.4 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
2.4	Second Amendment to Agreement of Sale by and among Blue Ridge Real Estate Company and JFBB Ski Areas, Inc., dated as of December 15, 2011 (filed as Exhibit 2.5 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
2.5	Agreement of Sale by and among Big Boulder Corporation and JFBB Ski Areas, Inc., dated as of October 31, 2011 (filed as Exhibit 2.6 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
2.6	Amendment to Agreement of Sale by and among Big Boulder Corporation and JFBB Ski Areas, Inc., dated as of December 6, 2011 (filed as Exhibit 2.7 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and

incorporated herein by reference).

2.7 Second Amendment to Agreement of Sale by and among Big Boulder Corporation and JFBB Ski Areas, Inc., dated as of December 15, 2011 (filed as Exhibit 2.8 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).

2.8 Stock Purchase Agreement by and among Peak Resorts, Inc., as buyer, and S. Sandy Satullo, II Revocable Trust of 3/13/00, S. Sandy Satullo, II, Trustee, S. Sandy Satullo, III, Tia N. Satullo Revocable Trust, Tia S. Winfield, Trustee, Stuart S. Satullo Revocable Trust of January 20, 2005, Stuart S. Satullo, Trustee, James B. Stinnett, Raymond C. Stinnett and Linda G. Musfeldt, as sellers, and S. Sandy Satullo II on its own behalf and on behalf of each seller, dated as of October 17, 2012 (filed as Exhibit 2.8 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein

	by reference).
2.9	Stock Purchase Agreement by and among Paul Slutzky, Charles B. Slutzky, David Slutzky, Gary Slutzky, and Caol Slutzky-Tenerowicz and Peak Resorts, Inc., dated as of November 30, 2015 (filed as Exhibit 2.1 to the Quarterly Report on Form 10-Q filed on December 15, 2015 and incorporated herein by reference).
3.1	Amended and Restated Articles of Incorporation (filed as Exhibit 3.1 to the Quarterly Report on Form 10-Q filed on December 8, 2016 and incorporated herein by reference).
3.2	Amended and Restated By-laws, as amended (filed as Exhibit 3.2 to the Quarterly Report on Form 10-Q filed on September 8, 2016 and incorporated herein by reference).
4.1	Form of Peak Resorts, Inc. Common Stock Certificate (filed as Exhibit 4.1 to Amendment No. 1 to the Registrant's Registration Statement on Form S-1 filed on November 10, 2014 and incorporated herein by reference).

4.2	Certificate of Designation of Series A Cumulative Convertible Preferred Stock of Peak Resorts, Inc. (filed as Exhibit 4.1 to the Current Report on Form 8-K filed on October 28, 2016 and incorporated herein by reference).
4.3	Warrant No. 1 issued to CAP 1 LLC, dated as of November 2, 2016 (filed as Exhibit 4.1 to the Current Report on Form 8-K filed on November 8, 2016 and incorporated herein by reference).
4.4	Warrant No. 2 issued to CAP 1 LLC, dated as of November 2, 2016 (filed as Exhibit 4.2 to the Current Report on Form 8-K filed on November 8, 2016 and incorporated herein by reference).

4.5	Warrant No. 3 issued to CAP 1 LLC, dated as of November 2, 2016 (filed as Exhibit 4.3 to the Current Report on Form 8-K filed on November 8, 2016 and incorporated herein by reference).
10.1	Loan Agreement by and between Peak Resorts, Inc. and L.B.O. Holding, Inc., as borrowers, and EPT Mount Attitash, Inc., as lender, dated April 4, 2007 (filed as Exhibit 10.1 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.2	Promissory Note from Peak Resorts, Inc. and L.B.O. Holding, Inc. in favor of EPT Mount Attitash, Inc. dated April 4,

	2007 (filed as Exhibit 10.2 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.3	Note Modification Agreement by and between Peak Resorts, Inc. and L.B.O. Holding, Inc., as borrowers, and EPT Mount Attitash, Inc. as lender, dated October 30, 2007 (filed as Exhibit 10.3 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.4	Agreement Concerning a Loan for a Holder of a Special Use Permit by and between the U.S. Department of Agriculture, Forest Service; EPT

	Mount Attitash, Inc. and L.B.O. Holding, Inc., dated April 4, 2007 (filed as Exhibit 10.4 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.5	Agreement Concerning a Loan for a Holder of a Special Use Permit by and between the U.S. Department of Agriculture, Forest Service; EPT Mount Snow, Inc. and Mount Snow, Ltd., dated April 4, 2007 (filed as Exhibit 10.5 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.6	Promissory Note from Peak Resorts, Inc. and Mount

	Snow, Ltd. in favor of EPT Mount Snow, Inc., dated April 4, 2007 (filed as Exhibit 10.6 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.7	Modification Agreement by and between Peak Resorts, Inc. and Mount Snow, Ltd., as borrowers, and EPT Mount Snow, Inc. as lender, dated April 1, 2010 (filed as Exhibit 10.7 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.8	Second Modification Agreement by and between Peak Resorts, Inc. and Mount Snow, Ltd., as borrowers,

	and EPT Mount Snow, Inc. as lender, dated July 13, 2012 (filed as Exhibit 10.8 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.9	Third Modification Agreement by and between Peak Resorts, Inc. and Mount Snow, Ltd., as borrowers, and EPT Mount Snow, Inc. as lender, dated April 1, 2013 (filed as Exhibit 10.9 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.10	Loan Agreement by and between Peak Resorts, Inc. and Mount Snow, Ltd., as borrowers, and EPT

Mount Snow, Inc., as lender, dated April 4, 2007 (filed as Exhibit 10.10 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).

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10.11	First Modification Agreement by and between Peak Resorts, Inc. and Mount Snow, Ltd., as borrowers, and EPT Mount Snow, Inc., as lender, dated June 30, 2009 (filed as Exhibit 10.11 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.12	Amended and Restated Promissory Note from Peak Resorts, Inc. and Mount Snow, Ltd. in favor of EPT Mount Snow, Inc., dated June 30, 2009 (filed as Exhibit 10.12 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.13	Letter Agreement by and between Peak Resorts, Inc. and Mount Snow, Ltd., as borrowers, and EPT Mount Snow, Inc., as lender, dated June 20, 2009 (filed as Exhibit 10.13 to the Registrant's Registration Statement on Form

	S-1 filed on October 20, 2014 and incorporated herein by reference).
10.14	Amended and Restated Credit and Security Agreement among Mad River Mountain, Inc.; SNH Development, Inc.; L.B.O. Holding, Inc.; Mount Snow, Ltd.; Peak Resorts, Inc.; Hidden Valley Golf and Ski, Inc.; Snow Creek, Inc.; Paoli Peaks, Inc.; Deltrecs, Inc.; Brandywine Ski Resort, Inc.; Boston Mills Ski Resort, Inc.; and JFBB Ski Areas, Inc., as borrowers, and EPT Ski Properties, Inc., as lender, dated October 30, 2007 (filed as Exhibit 10.14 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.15	Option Agreement between Hidden Valley Golf and Ski, Inc.; Snow Creek, Inc.; Paoli Peaks, Inc.; Brandywine Ski Resort, Inc.; Boston Mills Ski Resort, Inc.; and

	JFBB Ski Areas, Inc., as sellers, and EPT Ski Properties, Inc. as purchaser, dated October 30, 2007 (filed as Exhibit 10.15 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.16	Second Amended and Restated Promissory Note from Peak Resorts, Inc.; JFBB Ski Areas, Inc.; Mad River Mountain, Inc.; SNH Development, Inc.; L.B.O. Holding, Inc.; Mount Snow, Ltd.; Hidden Valley Golf and Ski, Inc.; Paoli Peaks, Inc.; Deltrecs, Inc.; Brandywine Ski Resort, Inc.; and Boston Mills Ski Resort, Inc. in favor of EPT Ski Properties, Inc., dated August 5, 2008 (filed as Exhibit 10.16 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.17	

	Third Amended and Restated Promissory Note from Peak Resorts, Inc.; JFBB Ski Areas, Inc.; Mad River Mountain, Inc.; SNH Development, Inc.; L.B.O. Holding, Inc.; Mount Snow, Ltd.; Hidden Valley Golf and Ski, Inc.; Paoli Peaks, Inc.; Deltrecs, Inc.; Brandywine Ski Resort, Inc.; and Boston Mills Ski Resort, Inc. in favor of EPT Ski Properties, Inc., dated December 15, 2011 (filed as Exhibit 10.17 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.18	Fourth Amended and Restated Promissory Note from Peak Resorts, Inc.; JFBB Ski Areas, Inc.; Mad River Mountain, Inc.; SNH Development, Inc.; L.B.O. Holding, Inc.; Mount Snow, Ltd.; Hidden Valley Golf and Ski, Inc.; Paoli Peaks, Inc.; Deltrecs, Inc.;

	Brandywine Ski Resort, Inc.; and Boston Mills Ski Resort, Inc. in favor of EPT Ski Properties, Inc., dated May 14, 2012 (filed as Exhibit 10.18 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.19	Fifth Amended and Restated Promissory Note from Peak Resorts, Inc.; JFBB Ski Areas, Inc.; Mad River Mountain, Inc.; SNH Development, Inc.; L.B.O. Holding, Inc.; Mount Snow, Ltd.; Hidden Valley Golf and Ski, Inc.; Paoli Peaks, Inc.; Deltrecs, Inc.; Brandywine Ski Resort, Inc.; and Boston Mills Ski Resort, Inc. in favor of EPT Ski Properties, Inc., dated July 13, 2012 (filed as Exhibit 10.19 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).

10.20	Blanket Conveyance, Bill of Sale and Assignment between Wildcat Mountain Ski Area, Inc., Meadow Green Wildcat Skilift Corp. and Meadow Green Wildcat Corp., as assignors, and WC Acquisition Corp., as assignee, dated November 19, 2010 (filed as Exhibit 10.20 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.21	Agreement Concerning a Loan for a Holder of a Special Use Permit by and between the U.S. Department of Agriculture, Forest Service; Meadow Green Wildcat Corp, as lender, and WC Acquisition Corp., as borrower, dated November 19, 2010 (filed as Exhibit 10.21 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.22	

	Promissory Note from WC Acquisition Corp. in favor of Wildcat Mountain Ski Area, Inc.; Meadow Green Wildcat Skilift Corp.; and Meadow Green Wildcat Corp., dated November 22, 2010 (filed as Exhibit 10.22 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.23	Unconditional Guaranty of Peak Resorts, Inc., dated November 12, 2010 (filed as Exhibit 10.23 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.24	Lease Agreement by and between EPT Mad River, Inc. and Mad River Mountain, Inc., dated November 17, 2005 (filed as Exhibit 1024 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014

	and incorporated herein by reference).
10.25	First Amendment to Lease Agreement by and between EPT Mad River, Inc. and Mad River Mountain, Inc., dated June 30, 2006 (filed as Exhibit 10.25 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.26	Ground Lease by and between Crotched Mountain Properties, L.L.C. and SNH Development, Inc., dated May 27, 2003 (filed as Exhibit 10.26 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.27	First Amendment to Ground Lease by and between Crotched Mountain Properties, L.L.C. and SNH Development, Inc., dated April 3, 2004 (filed as Exhibit 10.27 to the Registrant's Registration Statement on Form

	S-1 filed on October 20, 2014 and incorporated herein by reference).
10.28	Second Amendment to Ground Lease by and between Crotched Mountain Properties, L.L.C. and SNH Development, Inc., dated January 31, 2008 (filed as Exhibit 10.28 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.29	Lease by and between the Estate of Charles Marvin Weeks and Paoli Peaks, Inc., dated September 26, 1990 (filed as Exhibit 10.29 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.30	U.S. Department of Agriculture Forest Service Special Use Permit for Attitash (filed as Exhibit 10.30 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014

	and incorporated herein by reference).
10.31	U.S. Department of Agriculture Forest Service Special Use Permit for Mount Snow (filed as Exhibit 10.31 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.32	U.S. Department of Agriculture Forest Service Special Use Permit for Wildcat Mountain (filed as Exhibit 10.32 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.33	Promissory Note from SNH Development, Inc. in favor of EPT Crotched Mountain Ski Resort, Inc., dated March 10, 2006 (filed as Exhibit 10.33 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).

10.34	Amended and Restated Promissory Note from SNH Development, Inc. in favor of EPT Crotched Mountain Ski Resort, Inc., dated July 13, 2012 (filed as Exhibit 10.34 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.35	Guaranty of Payment made by Peak Resorts, Inc. for the benefit EPT Crotched Mountain, Inc., dated March 10, 2006 (filed as Exhibit 10.35 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.36	Loan Agreement by and between Peak Resorts, Inc.; JFBB Ski Areas, Inc.; Mad River Mountain, Inc.; SNH Development, Inc.; L.B.O. Holding, Inc.; Mount Snow, Ltd.; HiddenValley Golf and Ski, Inc.; Snow Creek, Inc.; Paoli Peaks, Inc.;

	Deltrecs, Inc.; Brandywine Ski Resort, Inc.; Boston Mills Ski Resort, Inc.; and WC Acquisition Corp., as borrowers, and EPT Ski Properties, Inc., dated July 13, 2012 (filed as Exhibit 10.36 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.37	Loan Agreement by and between Sycamore Lake, Inc. and Peak Resorts, Inc., as borrowers, and EPT Ski Properties, Inc., as lender, dated November 19, 2012 (filed as Exhibit 10.37 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.38	First Amendment to Loan Agreement by and between Sycamore Lake, Inc. and Peak Resorts, Inc., as borrowers, and EPT Ski Properties, Inc. as lender, dated July 26, 2013 (filed as Exhibit 10.38 to the Registrant's

	Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.39	Promissory Note from Sycamore Lake, Inc. and Peak Resorts, Inc. in favor of EPT Ski Properties, Inc., dated November 19, 2012 (filed as Exhibit 10.39 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.40	Option Agreement between Peak Resorts, Inc. and Sycamore Lake, Inc., as sellers, and EPT Ski Properties, Inc., as purchaser, dated November 19, 2012 (filed as Exhibit 10.40 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.41	Modification and Consent Agreement by and between Peak Resorts, Inc. and Mount Snow, Ltd., as borrowers, EPT

	Mount Snow, Inc., as lender, and EPT Ski Properties, Inc., dated July 26, 2013 (filed as Exhibit 10.41 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.42	Letter Agreement regarding the Modification and Consent Agreement by and between Peak Resorts, Inc. and Mount Snow, Ltd., as borrowers, EPT Mount Snow, Inc., as lender, and EPT Ski Properties, Inc., dated June 13, 2014 (filed as Exhibit 10.42 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.43	Purchase and Sale Agreement by and between Piggy and the Three J's, LLC and the Estate of James L. McGovern, III, as seller, and Mount Snow Ltd., as buyer, dated April 15, 2013 (filed as Exhibit 10.43 to the Registrant's Registration Statement on Form

	S-1 filed on October 20, 2014 and incorporated herein by reference).
10.44	Form of Peak Resorts, Inc. Indemnification Agreement (filed as Exhibit 10.44 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.45	Agreement by and between Mount Snow, Ltd. and Leitner Poma of America, dated as of March 24, 2011 (filed as Exhibit 10.45 to the Registrant's Registration Statement on Form S-1 filed on October 20, 2014 and incorporated herein by reference).
10.46	Executive Employment Agreement by and between Peak Resorts, Inc. and Timothy D. Boyd, dated as of June 1, 2011 (filed as Exhibit 10.46 to Amendment No. 1 to the Registrant's Registration Statement on Form S-1 filed on November 10, 2014 and incorporated herein by

reference).

10.47	Executive Employment Agreement by and between Peak Resorts, Inc. and Stephen J. Mueller, dated as of June 1, 2011 (filed as Exhibit 10.47 to Amendment No. 1 to the Registrant's Registration Statement on Form S-1 filed on November 10, 2014 and incorporated herein by reference).
10.48	Executive Employment Agreement by and between Peak Resorts, Inc. and Richard Deutsch, dated as of June 1, 2011(filed as Exhibit 10.48 to Amendment No. 1 to the Registrant's Registration Statement on Form S-1 filed on November 10, 2014 and incorporated herein by reference).
10.49	Peak Resorts, Inc. 2014 Equity Incentive Plan (filed as Exhibit 10.1 to the Registrant's

	Registration Statement on Form S-8 filed on January 15, 2015 and incorporated herein by reference).
10.50	Restructure Agreement by and between Peak Resorts, Inc., Hidden Valley Golf & Ski, Inc. Boston Mills Ski Resort, Inc., Brandywine Ski Resort, Inc., Paoli Peaks, Inc., Snow Creek, Inc., JFBB Ski Areas, Inc., Mad River Mountain, Inc., SNH Development, Inc., L.B.O. Holdings, Inc., Mount Snow, Ltd., Deltrecs, Inc. and Sycamore Lake, Inc. and EPT Crotched Mountain, Inc., EPT Mount Snow, Inc., EPT Mount Attitash, Inc., EPT Ski Properties, Inc., Crotched Mountain Properties, LLC, and EPT Mad River,

	Inc., dated as of November 10, 2014 (filed as Exhibit 10.50 to Amendment No. 1 to the Registrant's Registration Statement on Form S-1 filed on November 10, 2014 and incorporated herein by reference).
10.51	Master Credit and Security Agreement, dated as of December 1, 2014, among Peak Resorts, Inc., Mount Snow, Ltd., Sycamore Lake, Inc., Brandywine Ski Resort, Inc., Boston Mills Ski Resort, Inc., Deltrecs, Inc., and JFBB Ski Areas, Inc, as borrowers, and EPT Ski Properties, Inc. and EPT Mount Snow, Inc., as lender (filed as Exhibit 10.1 to the Quarterly Report on Form 10-Q filed on January 6, 2015 and incorporated herein by

	reference).
10.52	Amendment to Master Credit and Security Agreement, effective as of December 1, 2014, by and among Peak Resorts, Inc., Mount Snow, Ltd., Sycamore Lake, Inc., Brandywine Ski Resort, Inc., Boston Mills Ski Resort, Inc., Deltrecs, Inc. and JFBB Ski Areas, Inc., as borrowers, and EPT Ski Properties, Inc. and EPT Mount Snow, Inc., as lenders (filed as Exhibit 10.1 to the Current Report on Form 8-K/A filed on January 29, 2015 and incorporated herein by reference).
10.53	Amended and Restated Promissory Note from Peak Resorts, Inc., Boston Mills Ski Resort, Inc. Brandywine Ski Resort, Inc. and

	Deltrecs, Inc. in favor of EPT Ski Properties, Inc., dated December 1, 2014 (filed as Exhibit 10.2 to the Quarterly Report on Form 10-Q filed on January 6, 2015 and incorporated herein by reference).
10.54	Amended and Restated Promissory Note from Peak Resorts, Inc. and Sycamore Lake, Inc. in favor of EPT Ski Properties, Inc., dated December 1, 2014 (filed as Exhibit 10.3 to the Quarterly Report on Form 10-Q filed on January 6, 2015 and incorporated herein by reference).
10.55	Amended and Restated Promissory Note from Peak Resorts, Inc. and JFBB Ski Areas, Inc. in favor of EPT Ski Properties, Inc., dated

	December 1, 2014 (filed as Exhibit 10.4 to the Quarterly Report on Form 10-Q filed on January 6, 2015 and incorporated herein by reference).
10.56	Amended and Restated Promissory Note from Peak Resorts, Inc. and Mount Snow, Ltd. in favor of EPT Ski Properties, Inc., dated December 1, 2014 (filed as Exhibit 10.5 to the Quarterly Report on Form 10-Q filed on January 6, 2015 and incorporated herein by reference).

10.57 Master Cross Default Agreement, dated as of December 1, 2014, by and among EPT Ski Properties, Inc., EPT Mount Snow, Inc. and EPT Mad River, Inc. and Peak Resorts, Inc., Mad River Mountain, Inc., Mount Snow, Ltd., Sycamore Lake, Inc., Deltrecs, Inc., Brandywine Ski Resort, Inc., Boston Mills Ski Resort, Inc. and JFBB Ski Areas, Inc., as borrowers, and SNH Development, Inc., L.B.O. Holding, Inc., Hidden Valley Golf and Ski, Inc., Snow Creek, Inc., Paoli Peaks, Inc. and Crotched Mountain Properties, LLC, as guarantors (filed as Exhibit 10.6 to the Quarterly Report on Form 10-Q filed on January 6,

	2015 and incorporated herein by reference).
10.58	Amended and Restated Master Cross Default Agreement by and among EPT Ski Properties, Inc., EPT Mount Snow, Inc. and EPT Mad River, Inc. and Peak Resorts, Inc., Mad River Mountain, Inc., Mount Snow, Ltd., Sycamore Lake, Inc., Deltrecs, Inc., Brandywine Ski Resort, Inc., Boston Mills Ski Resort, Inc., JFBB Ski Areas, Inc., Hunter Mountain Acquisition, Inc., Hunter Mountain Ski Bowl Inc., Hunter Mountain Festivals, Ltd., Hunter Mountain Rentals Ltd., Hunter Resort Vacations, Inc., Hunter Mountain Base Lodge, Inc. and Frosty Land,

	Inc., as borrowers, and SNH Development, Inc., L.B.O. Holding, Inc., Hidden Valley Golf and Ski, Inc., Snow Creek, Inc., Paoli Peaks, Inc. and Crotched Mountain Properties, LLC, as guarantors, dated as of January 6, 2016 (filed as Exhibit 10.3 to the Current Report on Form 8-K filed on January 8, 2016 and incorporated herein by reference).
10.59	Guaranty Agreement, made as of December 1, 2014, by Peak Resorts, Inc., JFBB Ski Areas, Inc., Mad River Mountain, Inc., SNH Development, Inc., L.B.O. Holding, Inc., Mount Snow, Ltd., Sycamore Lake, Inc., Hidden Valley Golf and Ski, Inc., Snow

	Creek, Inc., Paoli Peaks, Inc., Deltrecs, Inc., Brandywine Ski Resort, Inc., Boston Mills Ski Resort, Inc., WC Acquisition Corp., Resort Holdings, L.L.C. and BLC Operators, Inc., as guarantors, for the benefit of EPT Ski Properties, Inc. and EPT Mount Snow, Inc. (filed as Exhibit 10.7 to the Quarterly Report on Form 10-Q filed on January 6, 2015 and incorporated herein by reference).
10.60	Option Agreement between Brandywine Ski Resort, Inc., Boston Mills Ski Resort, Inc., JFBB Ski Areas, Inc. and Sycamore Lake, Inc., as seller, and EPT Ski Properties, Inc., as purchaser,

	dated as of December 1, 2014 (filed as Exhibit 10.8 to the Quarterly Report on Form 10-Q filed on January 6, 2015 and incorporated herein by reference).
10.61	Master Right of First Refusal Agreement, made as of December 1, 2014, by and between EPT Ski Properties, Inc. and Peak Resorts, Inc. (filed as Exhibit 10.9 to the Quarterly Report on Form 10-Q filed on January 6, 2015 and incorporated herein by reference).
10.62	Right of First Refusal Agreement (Mount Attitash), dated as of December 1, 2014, among L.B.O. Holding, Inc. and EPT Ski Properties, Inc. (filed as Exhibit 10.10 to the Quarterly

	Report on Form 10-Q filed on January 6, 2015 and incorporated herein by reference).
10.63	Second Amendment to Lease Agreement, made as of December 1, 2014, by and between EPT Mad River, Inc. and Mad River Mountain, Inc. (filed as Exhibit 10.11 to the Quarterly Report on Form 10-Q filed on January 6, 2015 and incorporated herein by reference).
10.64	Third Amendment to Lease Agreement, made as of June 8, 2016, by and between EPT Mad River, Inc. and Mad River Mountain, Inc. (filed as Exhibit 10.64 to the Annual Report on Form 10-K/A filed on July 15, 2016 and

	incorporated herein by reference).
10.65	Credit Facility, Loan and Security Agreement by and between Peak Resorts, Inc., Hidden Valley Golf and Ski, Inc., Paoli Peaks, Inc., Snow Creek, Inc., LBO Holding, Inc., and SNH Development, Inc., and Royal Banks of Missouri, dated as of December 22, 2015 (filed as Exhibit 10.1 to the Current Report on Form 8-K filed on December 29, 2015 and incorporated herein by reference).
10.66	Promissory Note from Peak Resorts, Inc., Hidden Valley Golf and Ski, Inc., Paoli Peaks, Inc., Snow Creek, Inc., LBO Holding, Inc., and SNH Development, Inc. in favor of Royal Banks of Missouri, dated as of

December 22, 2015 (filed as Exhibit 10.2 to the Current Report on Form 8-K filed on December 29, 2015 and incorporated herein by reference).

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10.67	Master Credit and Security Agreement among Peak Resorts, Inc., Hunter Mountain Acquisition, Inc., Hunter Mountain Ski Bowl Inc., Hunter Mountain Festivals, Ltd., Hunter Mountain Rentals Ltd., Hunter Resort Vacations, Inc., Hunter Mountain Base Lodge, Inc. and Frosty Land, Inc., as borrowers, and EPT Ski Properties, Inc., as lender, dated as of January 6, 2016 (filed as Exhibit 10.1 to the Current Report on Form 8-K filed on January 8, 2016 and incorporated herein by reference).
10.68	Promissory Note from Peak Resorts, Inc., Hunter Mountain Acquisition, Inc., Hunter Mountain Ski Bowl Inc.,

	Hunter Mountain Festivals, Ltd., Hunter Mountain Rentals Ltd., Hunter Resort Vacations, Inc., Hunter Mountain Base Lodge, Inc. and Frosty Land, Inc. in favor of EPT Ski Properties, Inc., dated as of January 6, 2016 (filed as Exhibit 10.2 to the Current Report on Form 8-K filed on January 8, 2016 and incorporated herein by reference).
10.69	Guaranty Agreement, by Peak Resorts, Inc., Hunter Mountain Acquisition, Inc., Hunter Mountain Ski Bowl Inc., Hunter Mountain Festivals, Ltd., Hunter Mountain Rentals Ltd., Hunter Resort Vacations, Inc., Hunter Mountain Base Lodge, Inc., Frosty Land, Inc.,

JFBB Ski Areas, Inc., Boston Mills Ski Resort, Inc., Brandywine Ski Resort, Inc., Sycamore Lake, Inc., Mount Snow, Ltd. and Deltrecs, Inc., as borrowers, Mad River Mountain, Inc., SNH Development, Inc., L.B.O. Holding, Inc., Hidden Valley Golf and Ski, Inc., Snow Creek, Inc., Paoli Peaks, Inc., WC Acquisition Corp., Resort Holdings, L.L.C. and BLC Operators, Inc., as guarantors, for the benefit of EPT Ski Properties, Inc. and EPT Mount Snow, Inc., made as of January 6, 2016 (filed as Exhibit 10.4 to the Current Report on Form 8-K filed on January 8, 2016 and incorporated herein by

	reference).
10.70	Form of Peak Resorts, Inc. Director Restricted Stock Unit Agreement (filed as Exhibit 10.7 to the Quarterly Report on Form 10-Q filed on March 15, 2016 and incorporated herein by reference).
10.71	Promissory Note from Peak Resorts, Inc., Hidden Valley Golf and Ski, Inc., Paoli Peaks, Inc., Snow Creek, Inc., LBO Holding, Inc., and SNH Development, Inc. in favor of Royal Banks of Missouri, dated as of August 5, 2016 (filed as Exhibit 10.1 to the Current Report on Form 8-K filed on August 11, 2016 and incorporated herein by reference).
10.72	Securities Purchase Agreement dated August 22, 2016

	between Peak Resorts, Inc. and CAP 1 LLC (filed as Exhibit 10.1 to the Current Report on Form 8-K filed on August 23, 2016 and incorporated herein by reference).
10.73	Voting Agreement dated August 22, 2016 among Peak Resorts, Inc., CAP 1 LLC, Timothy D. Boyd, Stephen J. Mueller and Richard K. Deutsch (filed as Exhibit 10.2 to the Current Report on Form 8-K filed on August 23, 2016 and incorporated herein by reference).
10.74	Master Credit and Security Agreement among Peak Resorts, Inc. and Mount Snow, Ltd., as borrowers, and EPT Mount Snow, Inc., as lender, dated as of September 1, 2016 (filed as

	Exhibit 10.1 to the Current Report on Form 8-K filed on September 7, 2016 and incorporated herein by reference).
10.75	Promissory Note from Peak Resorts, Inc. and Mount Snow, Ltd. in favor of EPT Mount Snow, Inc., dated as of September 1, 2016 (filed as Exhibit 10.2 to the Current Report on Form 8-K filed on September 7, 2016 and incorporated herein by reference).

10.76	First Addendum to Amended and Restated Master Cross Default Agreement by and among EPT Ski Properties, Inc., EPT Mount Snow, Inc. and EPT Mad River, Inc. and Peak Resorts, Inc., Mad River Mountain, Inc., Mount Snow, Ltd., Sycamore Lake, Inc., Deltrecs, Inc., Brandywine Ski Resort, Inc., Boston Mills Ski Resort, Inc., JFBB Ski Areas, Inc., Hunter Mountain Acquisition, Inc., Hunter Mountain Ski Bowl Inc., Hunter Mountain Festivals, Ltd., Hunter Mountain Rentals Ltd., Hunter Resort Vacations, Inc., Hunter Mountain Base Lodge, Inc. and Frosty Land, Inc., as borrowers, and SNH Development,

	Inc., L.B.O. Holding, Inc., Hidden Valley Golf and Ski, Inc., Snow Creek, Inc., Paoli Peaks, Inc. and Crotched Mountain Properties, LLC, as guarantors, dated as of September 1, 2016 (filed as Exhibit 10.3 to the Current Report on Form 8-K filed on September 7, 2016 and incorporated herein by reference).
10.77	Guaranty Agreement, by Peak Resorts, Inc., Hunter Mountain Acquisition, Inc., Hunter Mountain Ski Bowl Inc., Hunter Mountain Festivals, Ltd., Hunter Mountain Rentals Ltd., Hunter Resort Vacations, Inc., Hunter Mountain Base Lodge, Inc., Frosty Land, Inc., JFBB Ski Areas, Inc., Boston Mills Ski Resort, Inc.,

	Brandywine Ski Resort, Inc., Sycamore Lake, Inc., Mount Snow, Ltd. and Deltrecs, Inc., as borrowers, Mad River Mountain, Inc., SNH Development, Inc., L.B.O. Holding, Inc., Hidden Valley Golf and Ski, Inc., Snow Creek, Inc., Paoli Peaks, Inc., WC Acquisition Corp., Resort Holdings, L.L.C. and BLC Operators, Inc., as guarantors, for the benefit of EPT Ski Properties, Inc. and EPT Mount Snow, Inc., made as of September 1, 2016 (filed as Exhibit 10.4 to the Current Report on Form 8-K filed on September 7, 2016 and incorporated herein by reference).
10.78	Modification of Master Credit Agreements, effective as of October 24,

2016, by and among Peak Resorts, Inc., Mount Snow, Ltd., Sycamore Lake, Inc., Brandywine Ski Resort, Inc., Boston Mills Ski Resort, Inc., Deltrecs, Inc., JFBB Ski Areas, Inc., Hunter Mountain Acquisition, Inc., Hunter Mountain Ski Bowl Inc., Hunter Mountain Festivals, Ltd., Hunter Mountain Rentals Ltd., Hunter Mountain Resort Vacations, Inc., Hunter Mountain Base Lodge, Inc. and Frosty Land, Inc., as borrowers, and EPT Mount Snow, Inc., EPT Ski Properties, Inc. and EPT Mad River, Inc. as lenders (filed as Exhibit 10.3 to the Current Report on Form 8-K filed on October 28, 2016 and incorporated herein by

	reference).
10.79	2014 Credit Agreement Letter, dated as of July 13, 2016, agreed to by Peak Resorts, Inc., as borrower representative, and EPT Ski Properties, Inc., EPT Mount Snow, Inc. and EPT Mad River, Inc. (filed as Exhibit 10.1 to the Current Report on Form 8-K filed on October 28, 2016 and incorporated herein by reference).
10.80	Hunter Mountain Credit Agreement Letter, dated as of July 13, 2016, agreed to by Peak Resorts, Inc., as borrower representative, and EPT Ski Properties, Inc., EPT Mount Snow, Inc. and EPT Mad River, Inc. (filed as Exhibit 10.2 to the Current Report on Form 8-K filed on October 28, 2016 and incorporated

	herein by reference).
10.81	Waiver and Amendment of Securities Purchase Agreement, dated as of November 2, 2016, by and between Peak Resorts, Inc. and CAP 1 LLC (filed as Exhibit 10.1 to the Current Report on Form 8-K filed on November 8, 2016 and incorporated herein by reference).
10.82	Registration Rights Agreement, dated as of November 2, 2016, between Peak Resorts, Inc. and CAP 1 LLC (filed as Exhibit 10.2 to the Current Report on Form 8-K filed on November 8, 2016 and incorporated herein by reference).
10.83	Stockholders' Agreement, dated as of November 2, 2016, among Peak Resorts, Inc., Timothy D. Boyd, Stephen J. Mueller,

Richard K. Deutsch and CAP 1 LLC (filed as Exhibit 10.3 to the Current Report on Form 8-K filed on November 8, 2016 and incorporated herein by reference).

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10.84	Promissory Note from Peak Resorts, Inc., Hidden Valley Golf and Ski, Inc., Paoli Peaks, Inc., Snow Creek, Inc., LBO Holding, Inc., and SNH Development, Inc. in favor of Royal Banks of Missouri, dated as of January 6, 2017 (filed as Exhibit 10.1 to the Current Report on Form 8-K filed on January 12, 2017 and incorporated herein by reference).
10.85	Peak Resorts, Inc. Annual Incentive Plan Document (filed as Exhibit 10.2 to the Current Report on Form 8-K filed on January 12, 2017 and incorporated herein by reference).
10.86	Loan Agreement dated as of December 27, 2016 by and among Carinthia Group 1, L.P. and Carinthia Group 2, L.P., as lenders, and West Lake Water Project LLC, as borrower (filed as Exhibit 10.6 to the Quarterly Report on Form 10-Q filed on March 9, 2017 and incorporated herein by reference).
10.87	Non-Revolving Line of Credit Note from West Lake Water Project LLC in favor of Carinthia Group 1, L.P. and Carinthia Group 2, L.P., dated as of December 27,

	2016. (filed as Exhibit 10.7 to the Quarterly Report on Form 10-Q filed on March 9, 2017 and incorporated herein by reference).
10.88	Guaranty of Collection, dated as of December 27, 2016, from Peak Resorts, Inc. to Carinthia Group 1, L.P. and Carinthia Group 2, L.P with respect to the Loan Agreement dated as of December 27, 2016 by and among Carinthia Group 1, L.P. and Carinthia Group 2, L.P., as lenders, and West Lake Water Project LLC, as borrower (filed as Exhibit 10.8 to the Quarterly Report on Form 10-Q filed on March 9, 2017 and incorporated herein by reference).
10.89	Loan Agreement dated as of December 27, 2016 by and among Carinthia Group 1, L.P. and Carinthia Group 2, L.P., as lenders, and Carinthia Ski Lodge LLC, as borrower (filed as Exhibit 10.9 to the Quarterly Report on Form 10-Q filed on March 9, 2017 and incorporated herein by reference).
10.90	Non-Revolving Line of Credit Note from Carinthia Ski Lodge

	LLC in favor of Carinthia Group 1, L.P. and Carinthia Group 2, L.P., dated as of December 27, 2016 (filed as Exhibit 10.10 to the Quarterly Report on Form 10-Q filed on March 9, 2017 and incorporated herein by reference).
10.91	Guaranty of Collection, dated as of December 27, 2016, from Peak Resorts, Inc. to Carinthia Group 1, L.P. and Carinthia Group 2, L.P with respect to the Loan Agreement dated as of December 27, 2016 by and among Carinthia Group 1, L.P. and Carinthia Group 2, L.P., as lenders, and Carinthia Ski Lodge LLC, as borrower (filed as Exhibit 10.11 to the Quarterly Report on Form 10-Q filed on March 9, 2017 and incorporated herein by reference).
21.1	List of Subsidiaries.
23.1	Consent of RSM US LLP.
31.1	Certification of Principal Executive Officer, pursuant to Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes Oxley Act of 2002.
31.2	Certification of Principal Financial

	Officer, pursuant to Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes Oxley Act of 2002.
32.1	Certification of Chief Executive Officer and Chief Financial Officer furnished pursuant to Section 906 of the Sarbanes Oxley Act of 2002 (18 USC. Section 1350).
101.INS	XBRL Instance Document.

101.SCH	XBRL Taxonomy Extension Schema Document.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.

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