

**FIRST AMENDMENT TO  
CONSTRUCTION FUNDING AND REIMBURSEMENT AGREEMENT**

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This FIRST AMENDMENT TO CONSTRUCTION FUNDING AND REIMBURSEMENT AGREEMENT (this "First Amendment") is made and entered into as of the 19<sup>th</sup> day of November, 2008, by and between **Headwaters Metropolitan District**, a quasi-municipal corporation and political subdivision of the State of Colorado (the "District"), and **Granby Realty Holdings LLC**, a Colorado limited liability company (the "Developer"). The District and the Developer shall collectively be referred to herein as the "Parties."

RECITALS

WHEREAS, on January 1, 2008, the Parties entered into a *Construction Funding and Reimbursement Agreement (2008)* wherein the Developer agreed to loan to the District one or more sums of money to fund certain capital costs (the "Agreement"); and

WHEREAS, Sections 1 and 13 of the Agreement provide that the terms of the Agreement may be amended or modified by written agreement of the Parties; and

WHEREAS, the Parties desire to extend the terms of the Agreement for additional one (1) year terms as set forth below.

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

TERMS AND CONDITIONS

1. EXTENSION OF TERM. The Parties hereby extend the terms of the Agreement for a term to expire December 31, 2009, unless otherwise terminated by either party in accordance with the Agreement. Notwithstanding the foregoing, the Agreement shall automatically renew on January 1<sup>st</sup> of each succeeding year for an additional one (1) year term unless: 1) terminated by the Parties pursuant to the Agreement; or 2) failure by the District to budget and appropriate funds for the succeeding year.

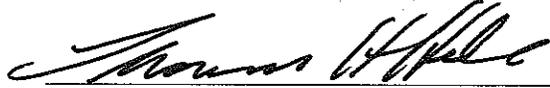
2. PRIOR PROVISIONS EFFECTIVE. Except as specifically amended hereby, all the terms and provisions of the Agreement shall remain in full force and effect.

3. COUNTERPART EXECUTION. This First Amendment may be executed in several counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

*[Signature page follows]*

IN WITNESS WHEREOF, the Parties have executed this First Amendment as of the day and year first above written.

**HEADWATERS METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado

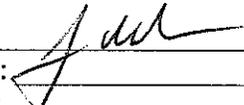


Thomas H. Hale, President

ATTEST:

  
\_\_\_\_\_  
Secretary

**GRANBY REALTY HOLDINGS LLC**,  
a Colorado limited liability company

By:   
\_\_\_\_\_  
Its: \_\_\_\_\_

*[Signature page to First Amendment to Construction Funding and Reimbursement Agreement]*