

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

This SECOND AMENDMENT TO CONSTRUCTION FUNDING AND REIMBURSEMENT AGREEMENT (this "Second Amendment") is made and entered into as of the 17th day of July, 2013, 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, on November 19, 2008, the Parties amended the Agreement pursuant to a *First Amendment to Construction Funding and Reimbursement Agreement* (the "First Amendment") extending the terms of the Agreement for additional one year terms; and

WHEREAS, the Parties desire to enter into this Second Amendment to revise certain provisions of the Agreement related to the loan amount and term.

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. Amendment to Section 1 of Agreement - Loan Amount and Term. Section 1 of the Agreement is deleted in its entirety and replaced with the following provision:

1. Loan Amount and Term. To the extent the District does not have sufficient revenues legally available to pay and fund Capital Costs, the Developer agrees to loan to the District, in each year for five years (2013-2017), an amount equal to the Capital Costs as shown in the Capital Improvements Fund of the duly adopted and approved District budget, as adopted by the District for each year (the "Annual Maximum"). The obligation of the Developer to loan funds to the District pursuant to this Agreement is contingent upon the District providing a copy of the proposed Capital Improvement Fund budget for the next fiscal year to the Developer at least 30 days prior to adoption of the budget by the District. The Developer shall have a right to object to any line item included in the Capital Improvement Fund of the budget by providing written notice to the District of such objection at any time prior to the adoption of the budget by the District ("Objection Notice"). Upon receipt of an Objection Notice, the District shall have the right to cause the line item to be modified in a manner reasonably

acceptable to the Developer. The Developer shall have no obligation to fund any line item(s) for which an Objection Notice has been sent and for which modifications reasonably acceptable to the Developer have not been made. The maximum principal amount which the Developer is obligated to loan to the District under this Agreement shall be an amount equal to the sum of the Annual Maximums (the "Maximum Capital Loan Amount"). These funds shall be loaned to the District in amounts requested by the District through December 31, 2017, which shall constitute the "Loan Termination Obligation Date" of this Agreement; provided, however, that such requests shall not exceed the applicable Annual Maximum in any fiscal year, and in no event shall the total principal outstanding hereunder exceed the Maximum Capital Loan Amount, and provided further that all obligations of the Developer to fund amounts under this Agreement shall terminate on December 31, 2017.

2. Notice Addresses. The notice address for White, Bear & Ankele in Section 12 of the Agreement is hereby deleted and replaced with the following:

With a copy to: White, Bear and Ankele Professional Corporation
2154 E. Commons Ave., Suite 2000
Centennial, CO 80122
Attention: Clint C. Waldron
Phone: (303) 858-1800
Email: cwaldron@wbapc.com

3. Inconsistencies. In the case of any inconsistency or conflict between the terms and provisions of this Second Amendment and those of the Agreement or First Amendment, the provisions of this Second Amendment shall control.

4. Governing Law. The Agreement, First Amendment and this Second Amendment and all claims or controversies arising out of or relating thereto shall be governed and construed in accordance with the law of the State of Colorado, without regard to conflict of law principles that would result in the application of any law other than the law of the State of Colorado. Venue for all actions shall be in the District Court in and for Grand County, Colorado.

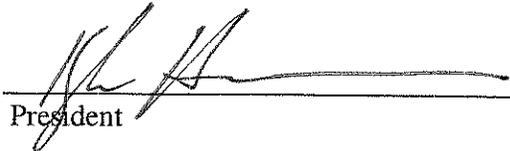
5. Prior Provisions Effective. Except as expressly modified by this Second Amendment, all other provisions of the Agreement and First Amendment shall remain in full force and effect. Except as the Agreement is specifically modified by the First Amendment and this Second Amendment, the Parties hereby ratify and reaffirm the terms of the Agreement.

6. Counterparts. This Second Amendment may be executed in several counterparts, each of which may be deemed an original, but all of which together shall constitute one and the same instrument. Executed copies hereof may be delivered by facsimile or email of a PDF document, and, upon receipt, shall be deemed originals and binding upon the signatories hereto, and shall have the full force and effect of the original for all purposes, including the rules of evidence applicable to court proceedings.

Signature Page Follows

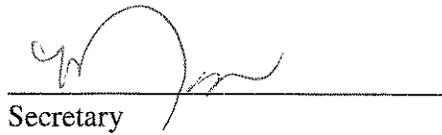
IN WITNESS WHEREOF, the Parties have executed this Second Amendment as of the day and year first above written.

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



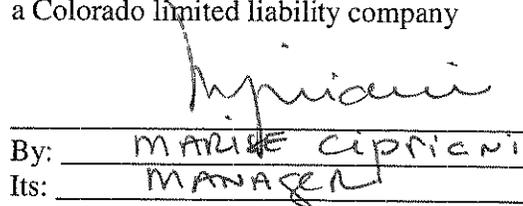
President

ATTEST:



Secretary

GRANBY REALTY HOLDINGS LLC,
a Colorado limited liability company



By: MARISE CIPRIANI
Its: MANAGER

Signature page to Second Amendment to Construction Funding and Reimbursement Agreement