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DISTRICT COURT, GRAND COUNTY, COLORADO 307 Moffat Avenue Hot Sulphur Springs, CO 80451	
Plaintiff: GRANBY RANCH METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado, v. **Defendants:** HEADWATERS METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado; GRAY JAY VENTURES, LLC.; REDWOOD CAPITAL FINANCE CO., LLC, GRANBY PRENTICE, LLC; and GR TERRA, LLC.	
Attorneys for Headwaters Metropolitan District and GR Terra LLC: Jamie H. Steiner, #49304 JoAnn T. Sandifer *(Admitted Pro Hac Vice)* Husch Blackwell LLP 1801 Wewatta St., Suite 1000 Denver, CO 80202 Phone: 303-749-7200 Fax: 303-749-7272 E-mail: jamie.steiner@huschblackwell.com joann.sandifer@huschblackwell.com	▲ ***COURT USE ONLY*** ▲ Case No. 2021CV30008 Division 1

GR TERRA LLC'S ANSWER, AFFIRMATIVE DEFENSES TO PLAINTIFF'S SECOND AMENDED COMPLAINT, JURY DEMAND AND COUNTERCLAIMS

Defendant GR Terra LLC ("Defendant" or "GR Terra") submits this answer, affirmative defenses, jury demand and counterclaims to the claims remaining in Plaintiff Granby Ranch Metropolitan District's Second Amended Complaint ("Amended Complaint") following this Court's order dated January 28, 2022 granting, in part, the Defendants' Motions to Dismiss.

PARTIES, JURISDICTION, AND VENUE

1. Defendant admits that GRMD was organized as a Metropolitan District pursuant to the Colorado Special District Act, Section 32-1-101 et seq., C.R.S. The remainder of the

allegations in paragraph 1 are legal conclusions to which no response is required. To the extent further response is required, Defendant denies these allegations.

2. Admit.

3. Defendant lacks sufficient knowledge or information to form a belief as to the allegations of paragraph 3 and footnote 1 and therefore denies same.

4. Defendant lacks sufficient knowledge or information to form a belief as to the allegations of paragraph 4 and therefore denies same. Defendant further states that Redwood Capital has been dismissed as a defendant from this case.

5. Defendant lacks sufficient knowledge or information to form a belief as to the allegations of paragraph 5 and therefore denies same.

6. Admit.

7. Defendant admits that Headwaters and GPGH are located within Grand County, Colorado as is the leased premises referred to in the Amended Complaint. The balance of the allegations of paragraph 7 are legal conclusions to which no response is required. To the extent further response is required, Defendant denies these allegations.

GENERAL ALLEGATIONS

8. Defendant admits that GRH, Headwaters and GRMD are separate entities, but denies that they are related entities. Defendant is without sufficient knowledge and information to form a belief as to the balance of the allegations in paragraph 8 and therefore denies same.

9. Defendant states that the Service Plan referenced in paragraph 9 speaks for itself and denies any characterization of that document inconsistent with the terms thereof. Defendant is without sufficient knowledge and information to form a belief as to the balance of the allegations in paragraph 9 and therefore denies same.

10. Defendant states that the Service Plans referenced in paragraph 10 and attached to the Amended Complaint as Exhibits 1 and 2 speak for themselves and denies any characterization of those documents inconsistent with the terms thereof. Defendant is without sufficient knowledge and information to form a belief as to the balance of the allegations in paragraph 10 and therefore denies same.

11. Defendant states that it is unable to respond to the first sentence of paragraph 11 as the term "property" is not defined. Defendant is without sufficient knowledge and information to form a belief as to the allegations in the second sentence of paragraph 11 and therefore denies same. Defendant states that the remainder of the allegations of paragraph 11 are either characterizations of documents that speak for themselves or legal conclusions, to which no

response is required. To the extent a response is required to these allegations, Defendant denies same.

12. Defendant denies the allegations of paragraph 12.

13. Defendant states that the Consolidated Service Plan referenced in paragraph 13 and attached to the Amended Complaint as Exhibit 3 speaks for itself and denies any characterization of that document inconsistent with the terms thereof.

14. Defendant states that it is unable to respond to the first sentence of paragraph 14 as the term "affairs" is ambiguous and the timeframe referenced is not defined. The remainder of the allegations are characterizations of the Master IGA, and that document speaks for itself. Defendant denies any characterization of the Master IGA inconsistent with the terms thereof and also states that the Master IGA was terminated as of June 1, 2006 and was of and of no force or effect after that date.

15. The allegations of paragraph 15 are characterizations of the Master IGA, and that document speaks for itself. Defendant denies any characterization of the Master IGA inconsistent with the terms thereof and states that the Master IGA was terminated as of June 1, 2006 and was of no force or effect after that date.

16. The allegations of paragraph 16 and footnote 2 are characterizations of the Fee Resolution attached to the Amended Complaint as Exhibit 4. That document speaks for itself, and Defendant denies any characterization of the Fee Resolution inconsistent with the terms thereof. Defendant further states that the Fee Resolution was superseded in its entirety on July 17, 2013, and was of no force or effect after that date.

17. The allegations of paragraph 17 are characterizations of the Fee Resolution attached to the Amended Complaint as Exhibit 4. That document speaks for itself, and Defendant denies any characterization of the Fee Resolution inconsistent with the terms thereof. Defendant further states that the Fee Resolution was superseded in its entirety on July 17, 2013, and was of no force or effect after that date.

18. Defendant admits that, to the best of its current knowledge and understanding, the referenced parties entered the Granby IGA attached to the Amended Complaint as Exhibit 5. Defendant further states that the Granby IGA was superseded and replaced in its entirety on November 8, 2016, and was of no force or effect after that date.

19. The allegations of paragraph 19 are characterizations of the Granby IGA attached to the Amended Complaint as Exhibit 5. That document speaks for itself, and Defendant denies any characterization of the Granby IGA inconsistent with the terms thereof. Defendant also states that the Granby IGA was superseded and replaced in its entirety on November 8, 2016, and was of no force or effect after that date.

20. The allegations of paragraph 20 are characterizations of the Granby IGA attached to the Amended Complaint as Exhibit 5. That document speaks for itself, and Defendant denies any characterization of the Granby IGA inconsistent with the terms thereof. Defendant also states that the Granby IGA was superseded and replaced in its entirety on November 8, 2016, and was of no force or effect after that date.

21. Defendant admits that, to the best of its current knowledge and understanding, the document attached to the Amended Complaint as Exhibit 6 is the LPA referenced in paragraph 21. Defendant denies the allegations of the first and third sentences of paragraph 21.

22. The allegations of paragraph 22 are characterizations of the LPA attached to the Amended Complaint as Exhibit 6. That document speaks for itself, and Defendant denies any characterization of the LPA inconsistent with the terms thereof.

23. Defendant denies the allegations of paragraph 23 and footnote 3 thereto. Defendant further states that the allegations of paragraph 23 are characterizations of the LPA attached to the Amended Complaint as Exhibit 6. That document speaks for itself, and Defendant denies any characterization of the LPA inconsistent with the terms thereof.

24. Defendant denies the first sentence of paragraph 24. Defendant states that the remainder of the allegations of paragraph 24 are either characterizations of documents that speak for themselves or legal conclusions, to which no response is required. To the extent a response is required, Defendant denies same and denies any characterization of the LPA inconsistent with the terms thereof. "

25. The first sentence of paragraph 25 is a legal conclusion to which no response is required, and to the extent a response is required, Defendant denies that conclusion. Defendant denies the remainder of the allegations of paragraph 25 and denies any characterization of referenced documents that are inconsistent with the terms thereof.

26. Defendant denies the allegations of paragraph 26.

27. The allegations of paragraph 27 are characterizations of the LPA attached to the Amended Complaint as Exhibit 6. That document speaks for itself, and Defendant denies any characterization of the LPA inconsistent with the terms thereof.

28. The allegations of paragraph 28 are characterizations of the LPA attached to the Amended Complaint as Exhibit 6. That document speaks for itself, and Defendant denies any characterization of the LPA inconsistent with the terms thereof.

29. Defendant states that it is unable to respond to paragraph 29 as the term "Non-Disturbance Agreement" is ambiguous and undefined. The remainder of the allegations of paragraph 29 are characterizations of the LPA attached to the Amended Complaint as Exhibit 6. That document speaks for itself, and Defendant denies any characterization of the LPA inconsistent with the terms thereof.

30. Defendant admits that, to the best of its current knowledge and information, the referenced parties entered the Second Granby IGA attached to the Amended Complaint as Exhibit 7. Defendant denies the remainder of the allegations of paragraph 30.

31. Defendant is unable to respond to the allegations in the first sentence of paragraph 31 as the term "control" and "homeowner-controlled" are vague and ambiguous; to the extent a response to those allegations is required, Defendant denies same. Defendant admits that based upon its current knowledge and understanding, Headwaters, GRMD and Granby Ranch Metropolitan Districts Nos. 2 through 8 agreed to terminate the Master IGA pursuant to the Termination of Intergovernmental Agreement attached to the Amended Complaint as Exhibit G and admits that in Recital G of that Termination Agreement, the parties indicated their intent that GRMD and Headwaters should operate independently of one another. Defendant denies all allegations of paragraph 31 not expressly admitted herein.

32. The allegations of paragraph 32 state legal conclusions to which no response is required; to the extent a response is required, Defendant denies same.

33. Defendant lacks sufficient knowledge or information to form a belief as to the allegations of the last sentence of paragraph 33 and therefore denies same. The remaining allegations of paragraph 33 are characterizations of the referenced letter dated September 1, 2020. That document speaks for itself, and Defendant denies any characterization of that latter inconsistent with the terms thereof.

34. Defendant admits the first three sentences of paragraph 34. Defendant lacks sufficient knowledge or information to form a belief as to the allegations of the final sentence of paragraph 34 and therefore denies same.

35. Defendant admits that on August 14, 2020, after providing all notices required by Colorado statute, the Public Trustee held a public sale of the Leased Premises and other property subject to the Deed of Trust. Following the sale, the Public Trustee issued a Certificate of Purchase for the subject property, including the Leased Premises, to Granby Prentice. Granby Prentice assigned the Certificate of Purchase to GP Granby Holdings LLC (now known as Gray Jay Ventures, LLC). After the expiration of the redemption period, title to the property vested in GP Granby Holdings free and clear of all liens and encumbrances junior to the Deed of Trust, including the LPA. On August 27, 2020, the Public Trustee issued a Public Trustee's Deed to GP Granby Holdings granting it title to the Leased Premises and other subject property, which deed was recorded in the land records for Grand County on August 1, 2020 at Reception No. 202000007560. Defendant is without sufficient knowledge or information to form a belief as to the balance of the allegations of paragraph 45 and therefore denies same. Defendant denies all allegations of paragraph 35 not admitted herein.

36. Defendant denies the first sentence of paragraph 36 and states that the LPA was terminated through the foreclosure (and other means). Defendant admits the allegation of the second sentence of paragraph 36. Defendant lacks sufficient knowledge or information to form a belief as to the remainder of the allegations of paragraph 36 and therefore denies same.

37. Defendant lacks sufficient knowledge or information to form a belief as to the allegations of paragraph 37 and therefore denies same.

38. Defendant acknowledges that the allegations of paragraph 38 may state Plaintiff's legal positions, but Defendant denies those conclusions and states that the LPA was terminated via the foreclosure, or alternatively, based upon the notice of termination referenced in paragraph 40 below or, alternatively, by other means in accordance with the terms of the Lease.

39. Defendant states that the allegations of paragraph 39 are characterizations of the LPA attached to the Amended Complaint as Exhibit 6. That document speaks for itself, and Defendant denies any characterization of the LPA inconsistent with the terms thereof. Defendant further states that first sentence of paragraph 39 states a legal conclusion to which no response is required; to the extent a response is required, Defendant denies same. Defendant denies the allegations of the second and third sentences of paragraph 39.

40. Admit.

41. The allegations of paragraph 41 are characterizations of the LPA. That document speaks for itself, and Defendant denies any characterization of the LPA inconsistent with the terms thereof.

42. Defendant denies the allegations of paragraph 42.

43. Defendant states that paragraph 43 states a legal conclusion to which no response is required; to the extent a response is required, Defendant denies same.

44. Based upon its current knowledge and understanding, Defendant admits the first sentence of paragraph 44. Defendant denies the second, third and last sentences of paragraph 44. Defendant lacks sufficient knowledge or information to form a belief as the remainder of the allegations of paragraph 44 and therefore denies same.

45. Defendant admits the first and third sentences of paragraph 45. Defendant lacks sufficient knowledge and information to form a belief as to the allegations in the second sentence of paragraph 45 and therefore denies same. Defendant denies the last sentence of paragraph 45.

46. Defendant denies the allegations of paragraph 46.

47. Defendant admits that it purchased the property *formerly* subject to the LPA on or about May 5, 2021, Defendant denies that the property was subject to the LPA at the time of its purchase because the LPA had terminated before that time.

FIRST CLAIM FOR RELIEF
(Breach of Contract against Gray Jay Ventures)

48. Defendant incorporates its responses to all of the allegations contained in the foregoing paragraphs as if the responses were fully restated herein.

49-52. The allegations made in paragraphs 49-52 are not directed at Defendant and therefore no response is necessary. To the extent a response is deemed necessary, Defendant denies same.

SECOND CLAIM FOR RELIEF
(Breach of Contract against Headwaters)

53. Defendant incorporates its responses to all of the allegations contained in the foregoing paragraphs as if the responses were fully restated herein.

54-56. The allegations made in paragraphs 54-56 are not directed at Defendant and therefore no response is necessary. To the extent a response is deemed necessary, Defendant denies same.

THIRD CLAIM FOR RELIEF
(Breach of Contract against Redwood Capital)

57-61 This claim was dismissed pursuant to Court Order dated January 28, 2022.

FOURTH CLAIM FOR RELIEF
(Breach of Contract against Granby Prentice)

62. Defendant incorporates its responses to all of the allegations contained in the foregoing paragraphs as if the responses were fully restated herein.

63-66. The allegations made in paragraphs 63-66 are not directed at Defendant and therefore no response is necessary. To the extent a response is deemed necessary, Defendant denies same.

FIFTH CLAIM FOR RELIF
(Breach of Contract Against GR Terra)

67. Defendant incorporates its responses to all of the allegations contained in the foregoing paragraphs as if the responses were fully restated herein.

68. Defendant admits that it purchased the property *formerly* subject to the LPA on or about May 5, 2021, Defendant denies that the property was subject to the LPA at the time of its purchase because the LPA had terminated before that time.

69. Defendant denies the allegations of paragraph 69.

70. GR Terra admits that since it purchased the property formerly subject to the LPA, it has believed and maintained that the LPA was terminated prior to its purchase and therefore there has been no reason for it to "act as landlord." GR Terra further states that there has never been any tender of the purchase price under the LPA to it or notification from the former tenant of its intent to exercise any rights under that terminated document.

71. Defendant denies the allegations of paragraph 71.

72. The allegations of paragraph 72 state legal conclusions to which no response is required; to the extent a response is required, Defendant denies the allegations of paragraph 72 and all relief requested therein.

SIXTH CLAIM FOR RELIEF
(Tortious Interference with Contract against Gray Jay Ventures, Granby Prentice, and Redwood Capital)

73-78. This claim was dismissed pursuant to Court Order dated January 28, 2022.

SEVENTH CLAIM FOR RELIEF
(Breach of the Covenant of Good Faith and Fair Dealing against Headwaters and Gray Jay Ventures, as Landlord under the LPA)

79-86. This claim was dismissed pursuant to Court Order dated January 28, 2022.

EIGHTH CLAIM FOR RELIEF
(Declaratory Judgment against Gray Jay Ventures and GR Terra)

87. Defendant incorporates its responses to all of the allegations contained in the foregoing paragraphs as if the responses were fully restated herein.

88. Defendant denies the allegations of paragraph 88 and states that the LPA was terminated through the foreclosure.

89. Defendant denies the allegations of paragraph 89.

90. The allegations of paragraph 90 state legal conclusions to which no response is required; to the extent a response is required, Defendant denies the allegations of paragraph 90.

91. Defendant denies the allegations of paragraph 91.

92. The allegations of the first sentence of paragraph 92 state legal conclusions to which no response is required; to the extent a response is required, Defendant denies the allegations of that sentence. Defendant denies the second and third sentences of paragraph 92.

93. The allegations of paragraph 93 state legal conclusions to which no response is required; to the extent a response is required, Defendant denies the allegations of paragraph 93.

94. Defendant denies the allegation of paragraph 94 and Plaintiff's right to the relief requested therein.

General Denial

GR Terra denies each allegation of the Amended Complaint that is not specifically admitted herein, including any factual allegations in the paragraph titled WHEREFORE to which a response is deemed necessary.

Affirmative Defenses

1. The Amended Complaint fails to state a claim upon which relief may be granted.

2. GRMD lacks standing to bring its claims for breach of contract and declaratory relief against GR Terra based on the Second Amended and Restated Lease Purchase Agreement ("LPA") because GRMD was not a party or successor party to the LPA and was not an intended third-party beneficiary given the terms of the LPA and the surrounding circumstances. Therefore, GRMD has no standing to seek to enforce the LPA or to seek a declaratory judgment regarding its validity and existence.

3. GRMD's claims for breach of contract and for declaratory relief against GR Terra fail to state a claim for relief because the LPA was extinguished by foreclosure. The LPA was junior to the Deed of Trust and there are no facts to prove that any attornment agreement was ever properly executed and recorded as necessary to bind subsequent owners, therefore the LPA was extinguished pursuant to C.R.S. § 38-38-501 via foreclosure before GR Terra acquired title to the Leases Premises.

4. GRMD's claims for breach of contract and for declaratory relief against GR Terra fail because even if the LPA survived the foreclosure, and Gray Jay succeeded to the rights of landlord thereunder, on November 11, 2020, Gray Jay notified Headwaters in accordance of the terms of the LPA that if the LPA was not terminated by way of foreclosure, Gray Jay was electing to terminate the LPA pursuant to section 10 thereof based upon Headwaters' failure to operate the Amenities for more than thirty days.

5. GRMD's breach of contract claim against GR Terra fails because GRMD has not, and cannot, plead that Headwaters ever tried to exercise the option to purchase the Leased Premises under the LPA or tendered the Purchase Price thereunder, necessary preconditions to any obligation on the part of GR Terra to accept the Purchase Price. In addition, GRMD has not, and cannot, plead that Headwaters had the ability or funds to exercise any right to purchase the Leased Premises under the terms of the LPA at any time before the LPA was terminated or that it even has the ability or funds to do so now if the LPA was in existence.

6. GRMD's breach of contract claim against GR Terra fails because GRMD's rights are limited by the terms of the contract in that a third-party beneficiary cannot have greater rights than the parties to the contract and (i) the LPA allows for termination thereof based upon various

circumstances, including foreclosure, default, or Headwaters' failure to appropriate rental payments and (ii) the LPA did not require Headwaters to acquire the Leased Premises prior to 2062; and (iii) the LPA precludes any recoupment of the rental payments by Headwaters.

7. GRMD's breach of contract claim against GR Terra and request for damages is barred by the terms of the LPA which limit remedies for the Landlord's default to specific performance.

8. GRMD's breach of contract claim against GR Terra is barred by GRMD's failure to adhere to mandatory contractual obligations and remedies in the LPA, including but not limited to, satisfaction of the default and notice provisions of the LPA before filing suit (including but not limited to LPA Section 24.b).

9. GRMD's breach of contract claim against GR Terra fails because the LPA and the purchase option therein are void under the statute of frauds in that the purchase option did not contain a sufficiently definite purchase price.

10. GRMD's breach of contract claim against GR Terra fails because the LPA and the purchase option therein are void under C.R.S. § 29-1-110, which prohibits local governments from spending or contracting to spend "any money, or incur any liability, or enter into any contract which, by its terms, involves the expenditures of money in excess of amounts appropriated" and the LPA obligates Headwaters, a public body, to expend funds to purchase the Leased Premises without any condition or qualification for appropriation by its legislative body.

11. GRMD's breach of contract claim against GR Terra fails because the LPA and the purchase option therein are void; the obligations of the LPA are illusory in that Headwaters had the option not to renew the LPA at the end of any one-year lease term and Headwaters' obligations to pay rent and to pay the Purchase Price are conditioned upon a future approval or authorization that could not be assured at the time of the agreement.

12. GRMD is estopped and/or otherwise barred from bringing its breach of contract claim against GR Terra based upon its own failure of performance under the LPA, including but not limited to its failure to tender any funds towards the purchase of the Leased Premises.

13. GRMD's claim for breach of contract against GR Terra is barred in whole or in part by one or more of the doctrines of latches, estoppel, waiver, acquiescence, or ratification.

14. GRMD's contract claim is barred by the applicable statute of limitations.

15. GRMD's claim for breach of contract against GR Terra is barred in whole or in part by its failure to mitigate its damages, if any.

16. GRMD's alleged breach of contract damages, if any, are caused by the acts or omissions of third parties.

17. GRMD's alleged damages for breach of contract, if any, are barred by the doctrine of superseding or intervening causes.

18. GRMD's alleged damages for breach of contract, if any, are barred as speculative.

19. GRMD's equitable claims are barred by the doctrine of acquiescence or ratification, waiver, laches and/or unclean hands.

20. GRMD's equitable claims fail because GRMD has an adequate remedy at law.

21. GRMD's equitable claims fail based upon GRMD's failure to join necessary and indispensable parties.

22. GRMD's equitable claims are barred by laches.

23. GR Terra expressly reserves the right to assert additional affirmative defenses that may become known through ongoing investigation and discovery.

Jury Demand

GR Terra hereby demands a jury trial, pursuant to C.R.C.P. 38, on all issues so triable.

Prayer for Relief

WHEREFORE, GR Terra respectfully requests that the Plaintiff's claims be dismissed with prejudice, Plaintiff takes nothing, Judgment be entered in GR Terra's favor on Plaintiff's claims, GR Terra be awarded attorneys' fees and costs in defending against Plaintiff's claims, and such other and further relief as the Court deems just and proper.

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Counterclaims

GR Terra LLC ("GR Terra") by and through the undersigned counsel, and for its Counterclaims against Granby Ranch Metropolitan District ("GRMD") states as follows:

Introduction

1. These claims are filed in response to GRMD's lawsuit attempting to enforce alleged contract rights against GR Terra, successor to the landlord under the lease purchase agreement ("LPA") that gives rise to GRMD's claims. GRMD asserts that it has standing to enforce these claims because it is a third-party beneficiary of the LPA due to its relationship and contractual agreements with Headwaters Metropolitan District ("Headwaters") the former tenant under the LPA.

2. But GRMD's claims are based upon a selective, inaccurate, and blatantly misleading recitation of the relevant facts. The relevant facts, documents and surrounding circumstances establish that the parties to the LPA never intended for GRMD to be a third-party beneficiary – as made abundantly clear by the Headwaters and GRMD's express termination of the agreements that GRMD relies upon for its claim of third-party beneficiary status and GRMD's repeated acknowledgements and agreements that the prior relationship between the two Districts has been severed and terminated.

3. Moreover, if GRMD had the ability to enforce the LPA, the facts and governing law establish that the LPA was terminated through foreclosure or alternatively under its own terms before GR Terra acquired the property. And even if not so terminated, any restrictive covenants therein should be canceled by this Court based upon the changed circumstances since that document was executed.

4. GR Terra therefore respectfully requests that this Court declare the LPA extinguished and quiet title to the property in GR Terra free and clear of the LPA and any restrictive covenants therein. GR Terra further seeks an adjudication that GRMD's filing of this unfounded and malicious Lawsuit – and the accompanying Notice of Lis Pendens – has slandered GR Terra's title and seeks an award of GR Terra's damages and attorneys' fees.

Parties, Venue and Jurisdiction

5. Counterclaim Plaintiff GR Terra is a Missouri limited liability company that is registered to do business in the State of Colorado.

6. Counterclaim Defendant GRMD is a Metropolitan District organized and existing pursuant to the Colorado Special District Act, § 32-1-101 et seq., C.R.S.

7. The Court possesses personal jurisdiction over Counterclaim defendants because they filed the litigation in this venue, among other reasons.

8. The Court possesses subject matter jurisdiction over the issues raised herein pursuant to Article 6, Section 9 of the Constitution of the State of Colorado.

9. Venue is proper in this Court pursuant to C.R.C.P. 98(c) because Headwaters and GRMD are located within the County of Grand, State of Colorado and the real property that is the subject of this lawsuit are located entirely within the County of Grand, State of Colorado.

General Allegations

Creation of the Special Districts and Master IGA

10. In 2003, SolVista Corp. was the owner and private developer of Granby Ranch, an approximately 5,000 acre planned mixed use development in Grand County. In accordance with an Annexation and Development Agreement, dated March 5, 2003, entered into by SolVista Corp. and the Town of Granby ("Town"), the Town approved Service Plans in July 2003, relating to the development of Granby Ranch. The Service Plans are attached as **Exhibits 1 and 2** to the Amended Complaint. By 2005, SolVista Corp. had transferred all of the property it then owned and included within the Service Areas of the Service Plans to Granby Realty Holdings LLC ("GRH") which included, but was not limited to, the areas comprising the golf course and ski resort, and related amenities.

11. In 2005, GRH obtained financing for the development from Redwood Capital Finance Co., LLC ("Redwood"). GRH granted Redwood a deed of trust to secure repayment of that debt (the "Deed of Trust"). The Deed of Trust encumbered the golf course and ski resort along with the other property transferred to GRH from SolVista Corp. The Deed of Trust was recorded with the Grand County Clerk and Recorder on June 2, 2005.

12. Headwaters was organized to coordinate the acquisition, financing, and construction of public improvements, including streets and roadways, safety protection systems, water improvements, sanitary sewer and storm drainage, and park and recreation facilities, benefitting Granby Ranch, (collectively, the "Facilities") and for the management, operation and maintenance of improvements not conveyed to the Town.

13. GRMD was organized contemporaneously with Headwaters, in order to provide the funding for the Facilities and for the ongoing operations of Headwaters and GRMD.

14. The Service Plans for Headwaters and GRMD set forth the relationship between Headwaters and GRMD and provided that Headwaters was to construct, manage, own, operate and maintain the Facilities and provide services to Granby Ranch, and GRMD was to produce tax and other revenue sufficient to pay all costs related to the construction, financing, acquisition, operation, and maintenance of the Facilities. The Service Plans are attached to the Amended Complaint as **Exhibits 1 & 2.**[1]

15. The Service Plan for GRMD further provided: "Until the Service District [Headwaters] is consolidated or dissolved in accordance with the District IGA [Master IGA set forth below], only the Service District will have the authority to provide services and complete

[1] Exhibits attached to the Amended Complaint are referenced by the numerical exhibit numbers used in the Amended Complaint and are incorporated herein by reference. Counterclaim Plaintiff's new exhibits are referenced by letters and are attached hereto and incorporated herein by this reference.

public improvements within the Service Area." Art. III. Headwaters has not been consolidated or dissolved.

16. While GRMD originally included approximately 3,563 acres within its boundaries when it was formed, its size was reduced in 2005 to approximately 869 acres. In 2010, its size was further reduced to 225.37 acres.

17. In order to assure the orderly provision of the Facilities and essential services to Granby Ranch, and to assure the economic administration of the Districts' fiscal affairs, the Service Plans disclosed and established the necessity for a master intergovernmental agreement to fully implement the provisions of the Service Plans.

18. The 2003 Master Intergovernmental Agreement ("2003 Master IGA") between Headwaters and GRMD, attached to the Service Plans as Exhibit F, contemplated that Headwaters would serve as the "Service District" and would manage and control the financing of infrastructure, budget monies for public purposes, construct and finance infrastructure, and establish necessary service charges and development fees for the "Taxing District."

19. The 2003 Master IGA contemplated that GRMD would serve as the "Taxing District" and would impose the required mill levy to pay debt obligations of the districts (including Headwaters) and fund Headwaters' administrative and operating expenses.

20. On June 1, 2006, GRMD and Headwaters entered a new District Facilities Construction and Service Agreement ("2006 Master IGA"), which among other things, expressly terminated the 2003 Master IGA. A copy of the 2006 Master IGA is attached hereto as **Exhibit A**.

21. Pursuant to the 2006 Master IGA, the Districts agreed that Headwaters would own, operate, construct, and maintain the Facilities benefiting Headwaters and GRMD and that GRMD would pay all costs related to the construction, financing, acquisition, operation and maintenance of the Facilities.

22. Granby Ranch Metropolitan District Nos. 2-8 ("GRMD Nos. 2-8") are separate and distinct metropolitan districts from GRMD that were organized to more fully accommodate phasing of the Granby Ranch project and to provide greater flexibility for the potential uses of property within the development.

23. On September 17, 2008, GRMD, Headwaters, and GRMD No. 2-8 entered a "First Amended and Restated District Facilities Construction and Service Agreement ("2008 Master IGA"), which among other things, expressly terminated the 2006 Master IGA.

24. As set forth below, the parties to the 2006 and 2008 Master IGAs terminated both of those agreements in November of 2017.

The Amenity Fee Agreement and Resolution

25. Headwaters and GRMD approved a Joint Resolution to Establish an Amenity Fee, effective May 26, 2005 ("2005 Fee Resolution"), providing that Headwaters would impose and collect a one-time amenity fee upon property in both Headwaters and GRMD to be paid to Headwaters by each seller upon the initial transfer of a lot or residential unit. The fee was imposed for the purpose of financing the acquisition, leasing, construction, and replacement of amenities, including the issuance of bonds. A copy of the 2005 Fee Resolution is attached as **Exhibit 4** to the Amended Complaint.

26. Under the 2005 Joint Resolution, residential dwelling units for which an Amenity Fee had been paid were entitled to certain priority access to amenities and discounts for use of the amenities as set forth therein.

27. Separate and apart from the 2005 Resolution, on June 1, 2005, Headwaters entered an Amenity Fee Agreement with GRH where the parties agreed to the imposition of an amenity fee to be paid by a seller and collected by Headwaters on a one-time basis upon the sale of a lot or parcel of land within *all* of the approximately 4,937 acres of property then owned by GRH, including the approximately 3,563 acres of property then within the boundaries of GRMD. A copy of the 2005 Fee Agreement is attached hereto as **Exhibit B.**

28. The stated purpose of the fee under the 2005 Fee Agreement was the acquisition, financing, leasing, construction, replacement, operation, maintenance and repair of certain improvements benefiting the property owned by GRH, including the golf course, ski area, and other recreational improvements, referred to therein as the "Amenities."

29. Pursuant to the 2005 Fee Agreement, GRH agreed to subject *all of its property* to the amenity fees and granted certain minimum use and enjoyment of the Amenities to subsequent owners and purchasers of homes in the development.

30. The 2005 Fee Agreement provides that "[n]othing contained herein obligates the Developer to convey, lease, or otherwise contract for any specific Amenities." Recital C.

31. GRMD was not a party to the 2005 Fee Agreement. The 2005 Fee Agreement inured to the benefit of the parties thereto and their success and assigns, and it did not identify any third-party beneficiaries.

The Granby IGA

32. In accordance with the Service Plans, on December 9, 2003, GRMD, Headwaters and the Town entered into an Intergovernmental Agreement, which was subsequently amended by a First Amendment to Intergovernmental Agreement dated May 20, 2005, and a Second Amendment to Intergovernmental Agreement dated April 11, 2006 (collectively, the "2003 Granby IGA").

33. On February 26, 2008, GRMD, Headwaters, the Town, and GRMD Nos. 2-8 entered into an intergovernmental agreement ("Granby IGA"). A copy of the Granby IGA is attached as **Exhibit 5** to the Amended Complaint. The Granby IGA superseded and replaced the 2003 Granby IGA in its entirety.

34. The Granby IGA provided that GRMD, Headwaters and GRMD Nos. 2-8 "will be authorized to acquire, construct, own, operate and maintain the ski area and lifts, ski lodge, golf courses . . . . as more fully described on Exhibit A, attached hereto and incorporated by references, collectively called the 'Amenities.'" That agreement acknowledged that the Amenities are not required to be dedicated or conveyed by the Developer for public use, authorized the imposition of an amenities fee upon dwelling units in the District to defray the costs of "acquisition, construction and installation of the Amenities," and provided Granby residents with preferred access and discounts to the Amenities. ¶ 5(b) – (f).

The Exclusion Agreement and First Amendment to 2006 Master IGA

35. On April 21, 2010, GRH, Headwaters and GRMD entered an Exclusion Agreement ("Exclusion Agreement") to, among other things, document the terms and conditions under which GRMD would exclude certain property from its boundaries. A copy of the Exclusion Agreement is attached hereto as **Exhibit C.**

36. The Exclusion Agreement provides that unless otherwise agreed to by Headwaters, the Amenity Fee established under the 2005 Fee Resolution would remain in full force and effect, that the excluded property would remain liable for payment of same, and that Headwaters would continue to impose and collect the Amenity Fee pursuant to the terms of the Amenity Fee Resolution. § 3.2.

37. Section 3.2.1 of the Exclusion Agreement further states:

> GRMD acknowledges and agrees that the Amenity Fees are payable to HWMD [Headwaters] and GRMD has no right, title or interest thereto. Accordingly, any Amenity Fees received by GRMD shall be paid over to HWMD by GRMD as soon as practical, and GRMD agrees to execute any necessary documents to assign all right, title, and interest in any Amenity Fee to HWMD.

38. Pursuant to the Exclusion Agreement, GRH, GRMD and Headwaters repudiated the 2008 Master IGA and reinstated the 2006 Master IGA. § 4.1.

39. The Exclusion Agreement provides that the obligations of Headwaters and GRMD under the 2006 Master IGA are subject to annual budgeting and appropriations and that financial obligations of a district payable after the current year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available in accordance with the applicable rules, regulations, and resolutions of the district and applicable law. § 4.3.1.

40. The Exclusion Agreement amended the 2006 Master IGA to provide that the failure of a District to budget and appropriate funds for the succeeding year shall terminate the 2006 Master IGA in its entirety as of December 31 of the current year and that if either district anticipated terminating the 2006 Master IGA, it should notify and confirm its intent in August and September of the year of the anticipated termination. § 4.3.2.

41. Under the Exclusion Agreement, Headwaters and GRMD agreed to fully cooperate to give effect to the intent and purposes of that Agreement and to act in good faith in the performance of that Agreement. § 9.6.

42. On the same day as the Exclusion Agreement, GRMD and Headwaters entered into a first amendment to the 2006 Master IGA to make the payment and termination provisions of that document consistent with the provisions of the Exclusion Agreement, including amendment of the 2006 Master IGA to state that the payment obligations of either district are subject to annual budgeting and appropriations, that the financial obligations of a district payable after the current year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available, providing for termination of the 2006 Master IGA if either district fails to budget and appropriate funds for the succeeding year, and providing for notice of same if either party anticipates such termination as set forth in the Exclusion Agreement. A copy of the First Amendment to 2006 Master IGA is attached hereto as **Exhibit D**.

The Lease Purchase Agreement

43. On December 31, 2012, GRH as "Landlord" and Headwaters as "Tenant" entered into a Second Amended and Restated Lease Purchase Agreement ("LPA") for the stated purpose of giving Headwaters the right to use and an option to acquire a portion of the Granby Ranch development, including the ski area and golf course and improvements located thereon (as defined in the LPA, the "Leased Premises"). A copy of the LPA is attached to the Amended Complaint as **Exhibit 6**. GRMD was not a party to the LPA.

44. The ski area and golf area portions of the Leases Premises are referred to in the LPA (and herein) as the "Amenities," Recital C.

45. The initial term of the LPA was one year, which would automatically renew for an additional 49 one-year terms unless Headwaters stopped appropriating rent in its budget or the LPA was terminated for other reasons set forth therein. § 2.

46. For the life of the LPA, GRH remained responsible for the payment of utilities, taxes, costs of certain insurance, and maintenance, and GRH retained fee title to the Leased Premises, including improvements. §§ 5-6, 8.a.

47. Annual rent under the LPA consisted solely of an amount equal to the proceeds of all Amenity Fees collected by Headwaters each year under the 2005 Fee Resolution, the 2005 Fee Agreement and another 2005 fee agreement with a different property owner; "Rental Payments" were to be collected by Headwaters and in turn remitted to GRH. § 3.a-c.

48. There was no set amount of rent because, as the parties acknowledged in the LPA, "the amount of Amenity Fees received by the Tenant may fluctuate greatly from month to month and year to year." § 3.b.

49. Headwaters did not retain any Amenity Fees to fund operation of the Amenities or other district expenses. § 3.a. Nor was Headwaters required to remit a minimum amount of Amenity Fees per year; rather, the LPA was not to be construed as indebtedness of Headwaters or a pledge of Headwaters' credit. § 3.a, c.

50. All Rental Payments Headwaters made to GRH under the LPA were "absolute and unconditional in all events" and not subject to recoupment, counterclaims, or other defenses. § 3.a.

51. The LPA had multiple termination provisions. Termination of the LPA was automatic upon the earliest of any of the following events: a) the expiration of the Original Term or any Renewal Term due to the failure of Headwaters to appropriate Amenity Fees to be paid pursuant to the terms of the LPA to continue leasing the Leased Premises for the ensuing Renewal Term; b) default by Headwaters and GRH's election to terminate the LPA; c) all Amenity Fees collectable under the Amenity Fee Agreements and the Fee Resolution have been collected in full; d) payment of the Purchase Price as defined in the LPA exclusively from Amenity Fees; e) with the Landlords' prior written consent, payment of the Purchase Price from sources other than Amenity Fees; or f) December 31, 2062. § 2.

52. In addition, the LPA provided that "if Tenant ever ceases to operate the Amenities on the Leased Premises for 30 days or longer, . . . Landlord may, in its sole discretion and after at least 10 days advance notice to Tenant . . . elect to terminate this Lease . . . ." § 10.

53. Section 23 of the LPA stated that Headwaters would acquire the Leased Premises for the defined Purchase Price on December 31, 2062 if the Lease was not terminated before that date. § 23.

54. The LPA stated that the Purchase Price of the Leased Premises would be the lesser of (i) the Adjusted Appraisal Value as more fully specific therein and (ii) "all Amenity Fees collectable by Tenant under the Amenity Fee Agreements and the Fee Resolution." § 23(b).

55. The LPA contained a merger/integration provision stating that:

> This instrument shall merge all undertakings, representations, understandings, and agreements whether oral or written, between the Parties with respect to the Leased Premises and the provisions of this Lease and shall constitute the entire Lease unless otherwise hereafter modified by both Parties in writing.

§ 28(c).

56. The LPA granted the Landlord and Headwaters the right to modify the LPA in writing at any time, and no party other than GRH and Headwaters had any right to notices under the LPA, including notices of default or termination. §§ 20, 28 (e).

57. The LPA was not recorded in the Grand County real estate records upon its execution in December of 2012. It was first recorded in the real estate records some seven years later, in January of 2020, by, on information and belief, Matt Girard, an individual with no official capacity with either Headwaters or GRMD, no affiliation with GRH, and no interest in the Leased Premises.

No NonDistrubance and Attornment Agreement

58. The LPA acknowledges that the Leased Premises were, at the time of execution of the LPA, subject to the Deed of Trust "which is prior and superior to this Lease." § 13(b).

59. While the LPA provided that the GRH would cause to be delivered to Headwaters a Subordination, Nondisturbance, and Attornment Agreement, to be executed by the Redwood as lender, no such executed agreement was ever delivered to Headwaters.

60. No document was ever recorded with the Grand County real estate records wherein Redwood (or any successors in interest) ever agreed to be bound by the terms of the LPA or to recognize same upon default and foreclosure.

The 2013 Fee Agreement

61. In July of 2013, GRH and Headwaters entered into an Amended and Restated Amenity Fee Agreement ("2013 Fee Agreement") that superseded and replaced the 2005 Fee Agreement. A copy of the 2013 Fee Agreement is attached hereto as **Exhibit E**. In that agreement, GRH again agreed to subject *all of its property*, which included the property within the GRMD boundaries, to the one-time amenity fee payable as set forth therein.

62. The 2013 Fee Agreement affirmed the one-time amenity fee to be collected by Headwaters and affirmed the rights of eligible property owners to priority access to the Amenities as determined by Headwaters from time to time in its sole and absolute discretion. The 2013 Fee Agreement again provided that the developer had no obligation to convey, lease, or otherwise contract for any specific Amenities, Recital C, and it stated that this agreement "creates no third-party beneficiary rights in favor of any person not a Party to this Agreement unless the Parties mutually agree otherwise in writing, except that Granby Ranch Metropolitan District Nos. 3-7 shall be a third party beneficiary if any of the Property is included within its respective boundaries." § 21(d).

63. Separately and independently, in July of 2013, Headwaters and GRMD passed an Amended and Restated Joint Resolution to establish an amenity fee ("2013 Fee Resolution."). The 2013 Fee Resolution superseded and replaced the 2005 Fee Resolution. The 2013 Fee Resolution approved an amenity fee to be paid to Headwaters imposed on approximately 9.16

acres of property then within Headwaters and approximately 212.15 acres of property then within GRMD. A copy of the 2013 Fee Resolution is attached hereto as **Exhibit F.**

Amendment of the Service Plans and Termination of the Master IGA.

64. On August 22, 2016, GRMD, Headwaters, GRMD No. 8 and GRH entered into a Letter Agreement ("Letter Agreement") to, among other things, "eliminate any obligations between the parties other than GRMD's funding of road operations, maintenance and minor repairs;" and "terminate any financial obligations other than road operation, maintenance and minor repairs between GRMD and Headwaters." A copy of the Letter Agreement is attached hereto as **Exhibit G**.

65. In furtherance of the Letter Agreement, on October 11, 2016, a second amendment to the Service Plan for GRMD was approved by the Town to, among other things, "clarify that the relationship between GRMD and Headwaters as otherwise set forth in the Service Plan is terminated and rendered null and void." A copy of the 2016 Amendment to GRMD Service Plan is attached hereto as **Exhibit H.**

66. The 2016 Amendment to the GRMD Service Plan stated:

> The Original Service Plan is amended as a whole to clarify that the District IGA between GRMD and HMD will be terminated [and] GRMD will provide all its own operation and maintenance functions …. [and] any obligation of GRMD, other than as set forth in the road maintenance and snow removal agreement, to provide funds to HMD [Headwaters], or any delegation of power or delegation of approval or disapproval authority to HMD of any acts of the District, are repealed and rendered null and void with the intent that any role or relationship of GRMD as a "Tax District" and HMD as a "Service District" is terminated.

67. On November 8, 2016, an amendment to the Service Plan for Headwaters was approved by the Town Board of Trustees for the express purpose of modifying the relationship between Headwaters and GRMD. A copy of the 2016 Amendment to Headwaters Service Plan is attached hereto as **Exhibit I**.

68. Specifically, Headwaters' Service Plan was amended "to clarify" that the IGA between GRMD and Headwaters would be terminated and that GRMD would thereafter provide all of its own operation and maintenance functions. § III(1). That section further stated:

> The Service Plan is further amended to clarify that any obligation of Granby Ranch Metropolitan District, other than as set forth in the road maintenance and snow removal agreement, to provide funds to the District, or any delegation of power or delegation of approval or disapproval authority to the District of any acts of Granby Ranch Metropolitan District, are repealed and rendered null and void ***with the intent that any role or relationship of the District (as the Service District) and Granby Ranch Metropolitan District (as the Tax District) is terminated.***

§ III(1) (emphasis added).

69. As contemplated in the Letter Agreement and the amendments to the Service Plans of Headwaters and GRMD, on November 17, 2017, GRMD, GRMD Nos. 2-8, entered a Termination of Intergovernmental Agreement ("Master IGA Termination"). A copy of the Master IGA Termination is attached to the Amended Complaint as **Exhibit 8**.

70. The Master IGA Termination stated that both the 2006 Master IGA and 2008 Master IGA were terminated and of no further force and effect. §§ 2-3.

71. The Master IGA Termination provided that "the Parties intend for certain of the Granby Ranch Districts, specifically GRMD, to operate independently from Headwaters," and that "[d]ue to the amended service plans and the intention of certain of the Parties to operate independently from each other, there is no further need for the Master IGAs." Recital H.

72. The Master IGA Termination further provided that Headwaters, GRMD, and Granby Ranch Metropolitan Districts Nos. 2-8 have "fully satisfied their obligations under the Master IGAs and are released from any further obligations thereunder" §4, and stated that:

> To the extent permitted by law, each District hereby waives the right to recover from and generally, unconditionally, fully and irrevocably releases, waives, acquits and forever discharges each of the other Districts, their officers and directors (collectively "Released Parties"), from and against any and all costs, losses, claims, liabilities, expenses, demands, debts, controversies, actions or causes of action, agreements, and promises, including reasonable attorneys' fees (including appeals) (collectively, "Claims"), which has been raised or could have been raised, whether arising before, on or after the date hereof.

§ 5.

The Second Granby IGA.

73. On November 8, 2016, the Town, Headwaters, GRMD, and the GRMD Nos. 2-8 entered into an Amended and Restated Intergovernmental Agreement (the "Second Granby IGA"). A copy of the Second Granby IGA is attached to the Amended Complaint as **Exhibit 7**.

74. The Second Granby IGA superseded and replaced the Granby IGA in its entirety.

75. The Second Granby IGA provides that GRMD, Headwaters and GRMD Nos. 2-8 "will be authorized to acquire, construct, own, operate and maintain the ski area and lifts, ski lodge, golf courses . . . . as more fully described on Exhibit A, attached hereto and incorporated by references, collectively called the 'Amenities.'" Ex. 5, ¶ 5(a). No Exhibit A was attached to or included in the executed version of the Second Granby IGA.

76. The parties stipulated that the Second Granby IGA "constitutes the entire agreement among the Parties and supersedes all prior written or oral agreements, negotiations, or representations and understandings of the Parties with respect to the subject matter contained herein."

77. The Second Granby IGA acknowledges the potential authority of Headwaters, GRMD, and the Granby Metropolitan Districts Nos. 2-8 to acquire the Amenities, ¶ 5(a), but imposed no obligation on Headwaters to acquire the Amenities. Nor did it provide any right for Headwaters to acquire the Amenities as the then owner of the Amenities (GRH) was not a party to the Second Granby IGA.

78. The Second Granby IGA affirms that the Amenities are not required to be dedicated or conveyed by the Developer for public use, authorizes the imposition of an amenity fee upon dwelling units in the district to defray the costs of "acquisition, construction and installation of the Amenities," and provides Granby residents with preferred access and discounts to the Amenities.

79. The Second Granby IGA provides that GRMD, Headwaters and GRMD Nos. 2-8 "shall be jointly and severally liable for each obligation of the Districts set forth herein."

80. The parties further stipulated that the Second Granby IGA "is not intended to, and shall not be deemed to confer any rights upon any persons or entities not named as parties, nor to limit in any ways the powers and responsibilities of the Town, the Districts, or any other entity not a party hereto."

2018 Waiver and Release Agreement

81. In April of 2018, GRH, Headwaters, GRMD, and GRMD No. 8 entered into an agreement entitled Agreement Re Waiver and Release of Claims ("Waiver and Release Agreement") to resolve disputes among them relating to the Master IGAs among other issues. A copy of the Waiver and Release Agreement is attached hereto as **Exhibit J**.

82. The Waiver and Release Agreement acknowledges that due to the status of development within GRMD and the amendment of the services plans, the Master IGAs "are no longer necessary." Recital S.

83. Pursuant to the Waiver and Release Agreement, the parties broadly released each other and their successor and assigns "from an against any and all claims, demands, obligations, duties, liabilities, damages, costs, and remedies therefor of every kind, description, character or nature whatsoever now or in the future, whether known or unknown, raised or which could have been raised, which may otherwise exist or which may arise in relation to ….the Master IGA, … or any other matter related to the formation, administration, and operation of the District (the "Claims") existing as of the Release Date. § 1.

84. The release and waiver of claims relating to the Master IGA was effective upon the termination of the Master IGA and the obligations of the parties therein. § 3(c).

85. The release and waiver of claims for other matters relating to the formation, administration and operation of the Districts was effective upon refinancing of the Senior Bonds, release and discharge of the Subordinate Bonds, and Termination of the Master IGAs. § 3(e). All of those events occurred prior to 2019.

Granby Ranch Foreclosure.

86. The Governor of the State of Colorado ordered all ski resorts to close effective March 15, 2020, and the ski amenities remained closed through December 10, 2020. Golf courses were not closed by the State of Colorado.

87. On or about April 8, 2020, the former operating entity, Granby Ranch Amenities ("GRA") provided notice to the Headwaters board that it intended to terminate its agreement with Headwaters to manage the Leased Premises on or before October 5, 2020. GRA then provided notice in May 2020 that it would no longer operate the Amenities after May 30, 2020.

88. On or about April 21, 2020, two Headwaters board members received an email from Matt Girard, the president of GRMD, requesting that Headwaters "consider terminating the management agreement immediately per clause 6.1(iii) in that GRA has ceased to operate the golf Amenity as required under the agreement, as any reasonable person would interpret the fact that GRA having no staff working and no intention to hire staff to work on opening the golf course as, for all practical purposes, "ceasing operations", and have already done so for a period of 30 days." A copy of the April 21, 2020 Email from Matt Girard is attached hereto as **Exhibit K**.

89. Eventually, GRH defaulted on its obligations under the Deed of Trust. In January 2020, the court appointed a receiver over the property subject to the Deed of Trust, including the Leased Premises.

90. In the spring of 2020, Granby Prentice, then holder of the Deed of Trust, initiated nonjudicial foreclosure proceedings pursuant to C.R.S. § 38-38-101, *et seq.* Following issuance of an order authorizing sale and the August 14, 2020 sale by the Public Trustee, Granby Prentice submitted the highest bid and was issued a Certificate of Purchase for the property that included the Leased Premises. *Id.* Granby Prentice then assigned the Certificate of Purchase to GP Granby Holdings LLC, now known as Gray Jay Ventures, LLC ("Gray Jay").

91. Pursuant to C.R.S. § 38-38-501, on or about August 31, 2020, Gray Jay, as holder of the Certificate of Purchase upon expiration of all redemption periods, took title to Granby Ranch, including the Leased Premises. In August of 2020, the Public Trustee issued a Public Trustee's Deed to GP Granby Holdings granting it title to the Leased Premises and other subject property, which deed was recorded in the land records for Grand County on August 31, 2020 at Reception No. 202000007560.

92. The foreclosure terminated the LPA, a junior lien on the property subject to the Deed of Trust.

93. Gray Jay did not succeed GRH as Landlord under the LPA because, by operation of law, the foreclosure extinguished the LPA.

94. On November 11, 2020, Gray Jay notified Headwaters that, even if the LPA was not terminated by way of foreclosure, Gray Jay was electing to terminate the LPA pursuant to section 10 thereof based upon Headwaters' failure to operate the Amenities for more than thirty days. A copy of that notice is attached hereto as **Exhibit L**.

95. Following the foreclosure, Gray Jay and its affiliates secured and funded the services of new contractors to operate the golf course, ski area, and other facilities.

96. Based upon its belief that the LPA had been terminated, Headwaters did not budget or appropriate rental payments for payment of rent under the LPA for fiscal years 2021 and 2022.

97. On May 5, 2021, GR Terra and its affiliate, GRCO LLC, purchased the majority of the Granby Ranch development, including the property formerly comprising the Leased Premises, from Gray Jay. GR Terra and GRCO LLC have already begun to make significant investments to continue the development of Granby Ranch and enhance the Amenities.

Headwaters Never Exercised Its Option to Purchase

98. At no point during the term of the LPA did Headwaters ever attempt to or offer to purchase the Leased Premises pursuant to any provision of the LPA. It has never provided notice to the Landlord under the LPA of any intent to acquire the Leased Premises pursuant to that document; nor has it ever tendered the Purchase Price set forth in the LPA.

99. Not all of the Amenity Fees collectable under the Amenity Fee Agreements and the Fee Resolution have been collected by Headwaters.

100. On information and belief, at the most, no more than $6,060,000 in Amenity Fees have been imposed and collected by Headwaters.

101. Headwaters does not currently have, and has never had, sufficient funds to purchase the Leased Premises and cannot pay the Purchase Price, and Headwaters' Board of Directors has never budgeted nor appropriated funds for Headwaters' purchase of the Leased Premises.

102. Moreover, Headwaters has not collected Amenity Fees nor paid Rent under the LPA in an amount sufficient to pay the Purchase Price exclusively from Amenity Fees. Headwaters also does not have Amenity Fees on hand in an amount sufficient to pay the Purchase Price exclusively from Amenity Fees.

103. Headwaters has never requested and landlord under the LPA has never given written consent for Headwaters to make payment of the Purchase Price from sources other than Amenity Fees.

104. GRMD never tried to acquire the Leased Premises from GR Terra and has never tried to tender the Purchase Price specified therein to GR Terra.

Plaintiff's Claims In the Lawsuit

105. In direct contravention and derogation of the relationship and agreements between Headwaters and GRMD, as modified and terminated over the years, GRMD filed this lawsuit in February 2021, as amended in May of 2021, and again in July of 2021, asserting, among other things, that GR Terra has breached the LPA and seeking damages for same and asking the Court to declare that the LPA continues to encumber GR Terra's property.

106. GRMD's claims against GR Terra (and all other Defendants) are premised upon GRMD's assertion that it is a third-party beneficiary to the LPA and is entitled to recover, some $6 million in "equity" in the property now owned by GR Terra. The claims erroneously assert that, under the LPA, Headwaters paid over $6 million dollars in Amenity Fees to the owner of the Leased Premises (GRH and its successors) on GRMD's behalf and that this sum represents equity of GRMD.

107. On May 20, 2021, GRMD filed in this Court, and recorded in the land records through a filing with the County Clerk and Recorder, a "Notice of Commencement of Action" stating that the action had been commenced wherein relief is claimed affecting title to the property legally described therein in that notice, which includes property now owned by GR Terra. A copy of the notice, constituting a Lis Pendens upon the subject property, is attached hereto as **Exhibit M**.

108. In response to GRMD's claims, Headwaters has been required to retain legal counsel and to expend significant resources and attorneys' fees to defend these unfounded and frivolous claims, including those now dismissed by this Court. In addition, the Lis Pendens –and the false statements in GRMD's lawsuit – have caused and will continue to cause, significant damages to GR Terra.

Count I
(Declaratory Judgment – C.R.C.P. 57 and C.R.S. § 13-51-101 et. seq.)

109. The allegations of paragraphs 1 through 108 of these Counterclaims are incorporated by this reference as if fully set forth herein.

110. The LPA, including the option to purchase therein, was executed and recorded following execution and recording of the Deed of Trust. As such, the LPA was a junior lien or

encumbrance on the property and the option to purchase therein was, at most, a junior sale contract.

111. Under the non-judicial foreclosure provisions in Article 38 of Title 30 of the Colorado statutes, a non-judicial foreclosure of a senior deed of trust extinguishes junior liens and land contracts.

112. Headwaters, the tenant under the LPA, was provided all required notices of the non-judicial foreclosure sale, and Headwaters did not exercise its statutory cure or redemption rights. Thus, Gray Jay, as the party holding the Certificate of Purchase upon expiration of the redemption periods, took title to the property formerly subject to the Leased Premises free and clear of the LPA and the purchase option therein.

113. The option to purchase provision of the LPA did not constitute a covenant running with the land, but even if it did, that covenant was junior to the LPA and extinguished through the foreclosure proceedings.

114. Alternatively, even if the LPA survived the foreclosure and Gray Jay succeeded to the rights of landlord thereunder, on November 11, 2020, Gray Jay notified Headwaters in accordance with the terms of the LPA, that if the LPA was not terminated by way of foreclosure, Gray Jay was electing to terminate the LPA pursuant to section 10 thereof based upon Headwaters' failure to operate the Amenities for more than thirty days.

115. Alternatively, even if the LPA was not terminated by the foreclosure or by Gray Jay's exercise of its option to terminate as set forth above, the LPA was terminated by Headwaters' failure to appropriate Amenity Fees for payment of rent for calendar year 2021. Under Section 2(a) of the LPA, the LPA automatically terminated by its own terms upon Headwaters' failure to appropriate Amenity Fees to be paid pursuant to the terms of the Lease; therefore, the LPA terminated as Jan. 1, 2021.

116. The option to purchase provision of the LPA did not constitute a covenant running with the land, but even if it did and even if not extinguished by the foreclosure, restrictive covenants are limited by the terms thereof and subject to termination rights thereunder and the LPA was terminated under its terms based upon Gray Jay's termination notice and/or Headwaters' failure to appropriate rent payments for the 2021 calendar year.

117. GR Terra is a party that is interested under a written contract, or other writings constituting a contract, and it may have determined any question of construction or validity arising under the contract, and obtain a declaration of rights, status, or other legal relations thereunder, pursuant to the terms of C.R.C.P. 57 and the Uniform Declaratory Judgment Law, § 13-51-101 et. seq.

118. GR Terra has no adequate remedy at law.

119. Accordingly, GR Terra seeks a declaration that the LPA was terminated for one or more of the foregoing reasons and that no party, including GRMD, has any right to seek to enforce any provision thereof.

120. WHEREFORE, GR Terra respectfully requests that this Court enter judgment in its favor and against GRMD as follows:

A. Declaring that the LPA was terminated in it entirely through foreclosure of the Leased Premises, or alternatively, through Gray Jay's notice of termination, or alternatively, due to Headwaters' failure to appropriate funds for rental payments as of January 1, 2021.

B. Awarding reasonable attorneys' fees and costs as provided in the parties' agreement and by law;

C. Granting such other and further relief as the Court may deem just.

Count II
(Declaratory Judgment – C.R.C.P. 57 and C.R.S. § 13-51-101 et. seq.)

121. The allegations of paragraphs 1 through 120 of these Counterclaims are incorporated by this reference as if fully set forth herein.

122. In the alternative to the relief sought above, GR Terra asserts that if the LPA and the option to purchase therein constitute covenants running with the land, then this Court should exercise its equitable power to declare that those covenants are removed and canceled from the property.

123. This court, sitting in equity has the power and authority to remove or cancel restrictive covenants as clouds on title; such power may be exercised when, as here, it is shown that the restrictive covenants no longer serve the purpose for which they were imposed and are no longer beneficial to those claiming under them.

124. As set forth above, even if GRMD could claim that the LPA created restrictive covenants to its benefit based upon the prior relationship and agreements between GRMD and Headwaters, those parties expressly terminated and severed that relationship, agreed that they would operate independently of one another, and GRMD granted Headwaters broad waivers and releases of any claims it might have based upon their prior relationships, including any claim that could require Headwaters to purchase the Leased Premises on its behalf.

125. For the reasons set forth herein any such restrictions could serve no longer serve any benefit to GRMD. Headwaters itself is not asserting any restrictive covenants in its favor under the LPA or seeking any rights to acquire the Leased Premises. There is no reason under these circumstances for GRMD's continued assertion of restrictive covenants in its favor, particularly when GRMD is not even a party to the LPA.

126. Moreover, any such restrictive covenants could serve no benefit to GRMD in that Headwaters is not obligated, if it ever was, to acquire the Leased Premises at all, much less to purchase on GRMD's behalf, and Headwaters has no ability or funds to acquire the Leased Premises under the LPA or otherwise.

127. GR Terra has no adequate remedy at law.

128. Accordingly, GR Terra seeks a declaration from this Court that, to the extent the LPA created restrictive covenants, those covenants are terminated, removed and canceled from the property.

129. WHEREFORE, GR Terra respectfully requests that this Court enter judgment in its favor and against GRMD as follows:

A. Declaring that the LPA and any restrictive covenants therein are terminated, removed and canceled from the property.

B. Awarding reasonable attorneys' fees and costs as provided in the parties' agreement and by law;

C. Granting such other and further relief as the Court may deem just.

Count III
(Quiet Title Action –C.R.C.P. § 105(a)).

130. The allegations of paragraphs 1 through 129 of these Counterclaims are incorporated by this reference as if fully set forth herein.

131. GR Terra is the fee owner of the property that contains the land and improvements designated as the Leased Premises under the LPA, such Leased Premises are legally described in the LPA, attached as **Exhibit 6** to the Amended Complaint. GR Terra is in possession of the Leased Premises.

132. GRMD is asserting that the LPA continues to encumber GR Terra's property and asserts that it has rights in and to the property described as the Leased Premises.

133. GR Terra asserts that the LPA was terminated through foreclosure of the Leased Premises, or alternatively, through Gray Jay's notice of termination, or alternatively, due to Headwaters' failure to appropriate funds for rental payments as of January 1, 2021.

134. In addition, GR Terra is asserting that to the extent the LPA was not terminated, any restrictive covenants in favor of GRMD should be removed based upon changed circumstances.

135. Pursuant to C.R.C.P. 105, et. seq., GR Terra is filing this action to obtain a complete adjudication of the rights of all parties with respect to the Leased Premises and damages caused by GRMD's unlawful assertion of rights in the Leased Premises.

136. WHEREFORE, GR Terra respectfully requests that this Court enter judgment in its favor and against GRMD and quieting title of the property that formerly comprised the Leased Premises in GR Terra free and clear of the LPA as follows:

A. Declaring that the LPA was terminated through foreclosure of the Leased Premises, or alternatively, through Gray Jay's notice of termination, or alternatively, due to Headwaters' failure to appropriate funds for rental payments as of January 1, 2021.

B. Declaring that the LPA and any restrictive covenants therein are terminated, removed and canceled from the property.

C. Declaring that title to the property is quieted in GR Terra free and clear of the LPA and any restrictive covenants therein, including any covenants in favor of GRMD, and declaring that GRMD has no rights to or interests in the property formerly comprising the Leased Premises for the reasons set forth above.

D. Ordering GRMD to pay damages to GR Terra incurred by reason of GRMD's wrongful assertions of rights in and to the property that formerly comprised the Leased Premises;

E. Ordering GRMD to pay GR Terra's reasonable attorneys' fees and costs as provided in the parties' agreement and by law;

F. Grant such other and further relief as the Court may deem just.

Count IV
(Slander of Title)

137. The allegations of paragraphs 1 through 136 of these Counterclaims are incorporated by this reference as if fully set forth herein.

138. On May 20, 2021, GRMD recorded a Notice of Commencement of Action, referred to herein as Notice of Lis Pendens, in the Grand County land records stating that GRMD had commenced this action wherein relief is claimed affecting title to the property legally described therein in that notice, which includes the property that formerly comprise the Leases Premises and now owned by GR Terra.

139. GRMD's lawsuit includes a claim that the GR Terra's property remains subject to the LPA – a document that granted lease rights and potential purchase options through 2062 –

and the lawsuit asserts that GRMD as a third-party beneficiary has the right to enforce the obligation under the LPA and specifically to compel Headwaters to purchase the Leased Premises on its behalf. GRMD's also lawsuit seeks a declaration that GR Terra's property remains subject to the LPA.

140. As set forth above, GRMD's claims are based upon agreements that GRMD has itself modified and terminated over the years and on alleged contract rights that GRMD has expressly waived and relinquished. The agreements executed by GRMD squarely defeat GRMD's claimed rights in this lawsuit to force Headwaters to acquire the Leased Premises on GRMD's behalf or to force GR Terra to accept any such offer of purchase.

141. Moreover, GRMD's claims for reinstatement of the LPA intentionally ignore the facts and legal conclusions that the LPA terminated through foreclosure of the Leased Premises, or alternatively, through Gray Jay's notice of termination, or alternatively, due to Headwaters' failure to appropriate funds for rental payments as of January 1, 2021.

142. GRMD's factual allegations and claims in its lawsuit are false. GRMD's claims for reinstatement of the are unfounded, frivolous and in bad faith.

143. On information and belief, GRMD has filed its claims and Notice of Lis Pendens with malice and with the intent to vex, annoy or injure GR Terra.

144. GRMD's Notice of Lis Pendens recorded in the land records (and its lawsuit referenced therein) have caused and will continue to cause GR Terra to incur damages in that the false and unfounded allegations therein create a cloud on GR Terra's title, diminish the fair market value of the property, and have interfered with and will continue to interfere with and deter GR Terra's development of its property, its financing for the development, and its potential sale of all or portions of the property.

145. In addition, GR Terra has been forced to incur costs and expenses, including attorneys' fees, to commence these legal proceedings to remove the Notice of Lis Pendens from its property.

146. GR Terra reserves its right to seek punitive damages after initial disclosures have been exchanged per CRS 13-21-103(1.5).

147. WHEREFORE, GR Terra respectfully requests that this Court enter judgment in its favor and against GRMD as follows:

A. Ordering that the Lis Pendens be removed from the Grand County land records.

B. Order GRMD to pay damages to GR Terra incurred by reason of GRMD's improper filing of the Notice of Lis Pendens, including consequential damages and costs and attorneys' fees incurred in this proceeding to remove the improper Lis Pendens;

C. Grant such other and further relief as the Court may deem just.

Dated this 11th day of February, 2022.

HUSCH BLACKWELL LLP

s/ Jamie H. Steiner
Jamie H. Steiner, #49034
JoAnn T. Sandifer (Admitted Pro Hac Vice)

Attorneys for Headwaters Metropolitan District and GR Terra LLC

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing **GR TERRA LLC'S ANSWER, AFFIRMATIVE DEFENSES TO PLAINTIFF'S SECOND AMENDED COMPLAINT, JURY DEMAND AND COUNTERCLAIMS** was served via the Colorado Courts e-filing system on February 11, 2022, addressed to the following:

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EXHIBIT A

DISTRICT FACILITIES CONSTRUCTION
AND SERVICE AGREEMENT

DISTRICT FACILITIES CONSTRUCTION AND SERVICE AGREEMENT entered into and dated as of June 1, 2006, by and between Headwaters Metropolitan District and Granby Ranch Metropolitan District.

(Cover Sheet Only)

EXHIBIT A

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DISTRICT FACILITIES CONSTRUCTION AND SERVICE AGREEMENT

This **DISTRICT FACILITIES CONSTRUCTION AND SERVICE AGREEMENT** (the "Agreement") is made and entered into and dated as of June 1, 2006, by and between **HEADWATERS METROPOLITAN DISTRICT** (formerly SolVista Metropolitan District No. 1, the "Operating District") and **GRANBY RANCH METROPOLITAN DISTRICT** (formerly SolVista Metropolitan District No. 2, the "Taxing District"), individually and/or collectively referred to as "the District" or "the Districts," as the context indicates. Said Districts are quasi-municipal corporations and political subdivisions of the State of Colorado.

RECITALS

WHEREAS, the formation of the Districts was approved by the Town of Granby, Colorado for the purpose of providing the Facilities, as more specifically set forth in their Service Plan (defined below), which was prepared for the Districts pursuant to Sections 32-1-201, C.R.S. et seq., and with respect to which all required governmental approvals have been obtained therefor; and

WHEREAS, the Service Plan may be amended from time to time as permitted herein and any and all such amendments shall become part of the Service Plan as such term is used herein; and

WHEREAS, under the Service Plan, the Districts are required to work together and coordinate their efforts with respect to all activities contemplated in the Service Plan including but not limited to the management and administration of the Districts, the provision of essential services by the Districts, and the design, financing, acquisition, construction, installation, and/or operation and maintenance of enhancements to the standard public infrastructure; and

WHEREAS, the Service Plan discloses and establishes the necessity for and desirability of an intergovernmental agreement or intergovernmental agreements between the Districts concerning the manner in which the Districts shall implement the Service Plan; and

WHEREAS, pursuant to the Colorado Constitution Article XIV, Section 18(2)(a), and Section 29-1-203, C.R.S., the Districts may cooperate or contract with each other to provide any function, service or facility lawfully authorized to each, and any such contract may provide, inter alia, for the sharing of costs, the imposition of taxes, and the incurring of debt; and

WHEREAS, at an election of the qualified electors of the Taxing District duly called and held in accordance with law and pursuant to due notice, a majority of eligible electors who voted at such election voted in favor of the Taxing District incurring indebtedness in an amount sufficient to lawfully authorize the Taxing District to enter into an agreement containing terms as set forth herein with the Operating District; and

WHEREAS, the Service Plan describes certain public improvements, services and facilities (the "Facilities") to be financed in accordance with a general plan of finance described

therein or in accordance with plans of finance permitted therein, from the proceeds of indebtedness to be issued by the Districts, to be payable from funds held or obtained by the Taxing District; and

WHEREAS, the Districts agree that the Facilities are needed by the Districts and that the Facilities will benefit the residents and property owners in the Districts in terms of cost, quality, level of service, and management and operation of such Facilities; and

WHEREAS, the Districts have agreed, and the Service Plan provides, that the Operating District will own (subject to discretionary transfer to other governmental entities or authorities), operate, maintain, and construct the Facilities benefiting the Districts, and that the Taxing District will pay all costs related to the construction, operation, and maintenance of such Facilities by the Operating District as set forth in and in accordance with the terms of this Agreement; and

WHEREAS, as contemplated by the Service Plan, the Districts have previously entered into that certain Master Intergovernmental Agreement dated December 10, 2003 (the "2003 IGA"), pursuant to which the Taxing District was obligated to, among other matters, impose an ad valorem property tax levy for construction, acquisition, operation and maintenance of Facilities, including the payment of debt service on obligations issued by the Operating District to fund such amounts, and transfer all proceeds thereof to the Service District; and

WHEREAS, subsequent to the execution of the 2003 IGA, the Districts determined that the Taxing District should issue its Limited Tax General Obligation Bonds, Series 2006 (the "Series 2006 Bonds") for the purpose of funding the construction and acquisition of the Facilities, the issuance of which Series 2006 Bonds necessitates certain modifications to the 2003 IGA; and

WHEREAS, in connection with the issuance by the Taxing District of the Series 2006 Bonds, the Districts desire to enter into this Agreement to terminate the 2003 IGA and to provide, in lieu of the arrangements set forth in the 2003 IGA, for the implementation of principles and objectives set forth in the Service Plan regarding the financing, construction, operation and maintenance of the Facilities, and regarding administration of the affairs of the Districts including the collection, management and expenditure of funds of the Districts, and also desire to accommodate ; and

WHEREAS, the Districts understand that it may be necessary for additional agreements to be executed between them regarding matters addressed herein, but desire at this time to establish by this Agreement the general framework for implementation of the provisions of the Service Plan; and

WHEREAS, all amendments to this Agreement made pursuant hereto and not in specific conflict with specific limits of the ballot questions that authorized the debt represented by this Agreement shall be deemed part of this Agreement and fully authorized by such ballot questions.

COVENANTS

NOW, THEREFORE, for and in consideration of the promises and the mutual covenants and stipulations herein, the Districts agree as follows:

ARTICLE I

GENERAL PROVISIONS

1.1 Interpretation. In this Agreement, unless the context expressly indicates otherwise, the words defined below shall have the meanings set forth below:

a. The term "herein," "hereunder," "hereby," "hereto," "hereof" and any similar term, refer to this Agreement as a whole and not to any particular article, section, or subdivision hereof; the term "heretofore" means before the date of execution of the Agreement; and the term "hereafter" means after the date of execution of this Agreement.

b. All definitions, terms, and words shall include both the singular and the plural, and all capitalized words or terms shall have the definitions set forth in Section 2.1 hereof.

c. Words of the masculine gender include correlative words of the feminine and neuter genders, and words importing the singular number include the plural number and vice versa.

d. The captions or headings of this Agreement are for convenience, only and in no way define, limit, or describe the scope or intent of any provision, article, or section of this Agreement.

e. All schedules, exhibits, and addenda referred to herein are incorporated herein by this reference.

1.2 Effective Date and Term. This Agreement shall be effective upon execution hereof by the Districts and shall represent the valid, binding and legally enforceable obligation of the Districts until such time as each of the terms and conditions hereof has been performed in their entirety, or until this Agreement is terminated by mutual written agreement of the Districts as permitted herein or as otherwise might be provided herein.

1.3 Purpose and Scope of Agreement. This Agreement shall be governed and interpreted, in general, by the following provisions in this Section 1.3. It is agreed by the Districts that the statements of intention set forth in this Section 1.3 are essential to the proper interpretation of this Agreement and are intended to clarify the general intent of specific provisions contained herein. The following statements are illustrative of the Districts' intentions and while they are to be used to construe and govern this Agreement, they are not intended to constitute an all-inclusive statement of the intentions of the Districts. Reference shall also be

made to the Service Plan for purposes of construing this Agreement and the intent of the Districts manifested by the Districts' course of conduct or other extrinsic evidence. The Districts agree that any District shall be entitled to any remedy, order, judgment or action that is or may be necessary in order to make operative the intentions of the Districts as expressed herein:

a. The Service Plan states that the Operating District will be responsible for managing the financing, construction, operation and maintenance of the Facilities for the benefit of the Districts. The Service Plan describes the nature of the relationship between the Districts and contemplates that this Agreement would be executed by the Districts to effectuate that relationship.

b. The Service Plan contemplates that the Operating District would issue limited property tax revenue bonds to fund the costs of constructing and acquiring the Facilities, which bonds would be payable from the property taxes of the Taxing District. Alternatively, the Service Plan allows for or does not prevent the Taxing District from issuing limited tax general obligation bonds, subject to the consent of the Operating District. Subsequent to the initial approval of the Service Plan, the boundaries of the Taxing District were reduced to include only the properties in the initial phases of development. As a result, the Districts have determined that issuance by the Taxing District of the Series 2006 Bonds and transfer of the proceeds thereof to the Operating District in accordance with the terms of this Agreement would result in a fair and equitable allocation of the costs of Facilities to the properties in the Taxing District benefited by such Facilities. The Taxing District acknowledges that the anticipated growth in the tax base within the Taxing District will be caused, to a significant degree, by the availability of Services and Facilities from the Operating District.

c. The Service Plan contemplates that the essential terms of this Agreement between the Operating District and the Taxing District concerning the costs of acquiring, constructing, or otherwise providing, and the costs of operating and maintaining, the Facilities, all as further set forth herein would be voted upon by the electorate of the Taxing District at the organizational election of the Taxing District. The Districts recognize that numerous amendments and adjustments to this Agreement may be necessary over time; subject, however, to the requirement that any increase in the monetary amount of the obligations of the Taxing District to make payments to the Operating District, or any increase in the maximum annual tax increase or the total repayment cost of the debt evidenced by this Agreement beyond the amount set forth in ballot questions presented to the electorate of the Taxing District may require additional voter authorization. The Districts agree that unless the Districts receive the advice of legal counsel to the contrary, no further authorization of the electorate will be required to authorize other substantive changes to this Agreement.

d. The Districts acknowledges that, as might be necessary, the Districts may negotiate for and obtain certain security or credit enhancement for the Taxing District's bonds from Persons which as of the date hereof own property within the Taxing District and Operating District, and that if such security or credit enhancement is provided, substantial damage will result to such Persons in the event this Agreement is breached by the Taxing District or the Operating District in any material manner. Consequently, the Districts agree that neither the Operating District nor the Taxing District shall be entitled to terminate this Agreement except

pursuant to the express provisions of Article VIII below, and that this Agreement is intended to be strictly enforced to the maximum extent permitted by law. Nothing in this paragraph shall be construed as granting any rights to third parties.

e. The purpose of this Agreement is to set forth the rights and obligations of the Taxing District to fully fund and, of the Operating District to construct, own, or transfer, and to operate and maintain, enhancements to the standard public infrastructure of benefit to the Districts. This Agreement shall in all circumstances be interpreted consistent with the Service Plan and the intentions expressed therein regarding the role of each District in implementing the Service Plan. The Districts acknowledge that performance of this Agreement for the full term hereof is key to full implementation of the Service Plan by the Districts and that any material departure herefrom by either District, or any attempt by any of the Districts to terminate this Agreement or materially alter its terms except in accordance herewith, by judicial action or otherwise, is acknowledged to be and shall constitute a "material departure" from the Service Plan which, in addition to all other remedies set forth herein, the aggrieved District(s) shall be entitled to seek to enjoin in accordance with Section 32-1-207, C.R.S., as amended from time to time. Notwithstanding the foregoing agreements regarding "material departures" from the Service Plan, the agreements and acknowledgements of the Parties relative thereto are expressed solely for the benefit of the Parties to aid in their efforts to enforce this Agreement and shall not constitute or be admissible as admissions by any Party in efforts which may be taken by any other Person to enjoin activities by any District under state law.

f. It is agreed by the Districts that the Operating District is not, and shall not be considered or deemed in the future, a service company, nor a regulated public utility as defined in Section 40-1-103(1)(a), C.R.S., as amended from time to time, nor as such terms are defined in any constitutional provision, statute, or law of the State of Colorado, nor as defined in any rule or regulation of any entity or Person asserting jurisdiction in matters relating to this Agreement or the subject matter hereof. The Districts further agree that in the event the Operating District is ever determined by a third party to be a public utility as defined in Section 40-1-103(1)(a), C.R.S., then the Operating District is intended to be exempt from any regulation by the Public Utilities Commission or any other special commission, pursuant to the Colorado Constitution, Article XXV, and Article V Section 35, and Sections, 32-1-1001(j)(k) and 32-1-1006, C.R.S., and other applicable statutes.

g. It is not the intention of the Operating District to offer or provide service by this Agreement to members of the general public outside of the Taxing District's service area; rather, it is the Operating District's intention to offer and provide certain services to the Operating District and the Taxing District in accordance with the Service Plan.

h. It is the intention of the Districts to enter into this Agreement to further their interests and to comply with the Service Plan as quasi-municipal corporations conducting business in the State of Colorado.

i. It is not the intention of the Districts, and the Districts expressly disavow any claim or attempt, to dedicate any of their property to a public use outside of the Districts, or to make any offer to provide service to the public outside of the service area of the Districts, or to

make any representation that any District is capable of providing service to the public at large through this Agreement. The Operating District does not desire to offer, and shall not be construed as offering, to furnish service to the public or any individual resident or property owner outside the service area of the Operating District or the Taxing District through this Agreement. Nothing herein shall prevent the Operating District from providing service to property owners outside the Operating District's service area through a separate contract.

j. This Agreement shall be construed as a private intergovernmental agreement between the Districts. It is expressly agreed by the Districts that no Person other than the Taxing District shall obtain hereby any enforceable rights to service from the Operating District, and to this end it is expressly declared by the Districts that no Person shall be construed as a third party beneficiary of any kind of this Agreement except as expressly stated herein.

k. Users in the Taxing District shall receive Service from and/or use of the Facilities owned by the Operating District only upon payment of Development Fees, User Fees, and other Charges and/or taxes to or for the benefit of the Operating District or its designee, and subject to the terms and conditions contained herein. No portion of the Facilities or capacity therein shall be dedicated for the private use or benefit of any Person or customer. Furthermore, Users within the Taxing District shall have no legally enforceable right to demand the Facilities or Service from the Operating District in excess of Facilities and Services for which the Operating District has received payment from the Taxing District. The Taxing District shall have all such rights and remedies as are available under this Agreement. All Service and Facilities contemplated herein shall be provided to the Taxing District only in accordance with the express agreements and limitations contained herein.

l. The Operating District shall be considered and deemed a contract carrier and not a common carrier.

m. The Districts agree that no effort shall be undertaken by any District to request supervision, control, or regulation of this Agreement, of any District, or of the property of any District, by the Public Utilities Commission of the State of Colorado, or any other regulatory authority or any other entity claiming jurisdiction of the subject matter hereof. The Taxing District shall assist the Operating District in defending against any claim of such jurisdiction.

n. It is the intention of the Districts that the payment obligations of the Taxing District to the Operating District hereunder shall be payable on a basis subordinate to payments due on any Bonds issued by the Taxing District.

ARTICLE II

DEFINITIONS

2.1 Definitions. As used herein, unless the context expressly indicates otherwise, the words defined below and capitalized throughout the text of this Agreement shall have the respective meanings set forth below:

a. "Accounts" shall mean and refer to Construction Account and Service Account collectively.

b. "Agreement" shall mean this Agreement and any amendment hereto made in accordance herewith.

c. "Amenities" shall mean the property and improvements which are the subject of that certain Lease Purchase Agreement dated June 1, 2005, between the Operating District and Granby Realty Holdings LLC, including generally the ski area and golf course locate din the Town of Granby, Colorado.

d. "Annual Payment Option" shall mean the option which may be elected by the Taxing District pursuant to Section 3.2 hereof to make payments for Capital Costs as specifically permitted herein, except as such amounts are modified and adjusted pursuant to the terms hereof.

e. "Board" or "Boards" shall mean the lawfully organized Boards of Directors of the Districts.

f. "Bonds" shall mean bonds (whether general obligation bonds or revenue bonds), debentures, notes, certificates, anticipation notes, and such other general or special obligations of the Taxing District (including lines of credit) as the Taxing District shall in its sole discretion determine to issue or incur for the purpose of satisfying in whole or in part its obligations under this Agreement.

g. "Budget Elements" shall mean the specific elements of the Operating District's budget documents setting forth the anticipated capital costs of provision of the Facilities proposed to be constructed during the Budget Year, and shall also mean the specific elements of Service to be provided by the Operating District during the Budget Year.

h. "Budget Year" shall mean the year (immediately following the Planning Year) during which Capital Costs and Service Costs are to be incurred.

i. "Capital Costs" shall mean those costs derived from the financing model as set forth in the Service Plan, as may be amended from time to time, which are to be incurred by the Operating District for the purpose of planning, designing, constructing and acquiring, including the costs and fees of issuance of Bonds, a portion or all of the Facilities including, but not limited to:

1. All costs of materials attributable to the actual construction or acquisition of the Facilities, including all costs incurred to acquire the Facilities from third Persons and all related components and materials used therein, all costs incurred for the acquisition of water rights, all costs of organization of the Districts, and all other costs or fees due or paid under cost recovery or other agreements with third Persons, together with all costs incurred to obtain financing for the Facilities. For those items for which any construction contract provides that payment is to be made on a per unit basis, the construction cost shall be that amount actually paid pursuant to the construction contract so providing, which sum should reflect the cost of the actual quantities used;

2. All labor costs incurred in the actual construction or acquisition of the Facilities;

3. All costs attributable to the construction or acquisition of the Facilities or any part or component thereof incurred as a result of change orders approved in accordance with any construction contract;

4. All costs incurred for design, planning, engineering, construction, management, landscape architecture and engineering, soil testing and inspection, and line and systems testing and inspection attributable to the Facilities;

5. Site and right-of-way acquisition costs to the extent permitted by law, including legal fees;

6. All legal and accounting costs incurred in connection with the financing, construction or acquisition of the Facilities;

7. All costs for construction administration, financial, inspection and other professional fees together with any site, right-of-way, permit, or easement acquisition costs;

8. Any other costs, expenses or expenditures associated with the furtherance of the construction of the Facilities; and

9. Any funds retained or payments accrued and owing by the Operating District for construction completed but not yet paid during that Budget Year.

j. "Charges" shall mean all rates, fees, tolls, charges or penalties imposed by the Districts with the exception of Development Fees and ad valorem property taxes.

k. "Commencement Date" shall mean the first business day of that month in which operation of any portion of the Facilities begins.

l. "Construction" shall include, but not be limited to, design engineering, construction, expansion, acquisition, maintenance, repair, and replacement of the Facilities, and

all appurtenances thereto necessary or convenient to the completion, use, and operation of the Facilities.

m. "Construction Account" shall mean the account created by the Operating District on its financial records for the purpose of holding funds to be expended for the Construction of the Facilities and for other purposes contemplated in this Agreement.

n. "Construction Schedule" shall mean the schedule showing the anticipated Facilities planned for Construction during the Budget Year.

o. "Development Fees" shall mean the fees imposed and collected by the Operating District or Taxing District, including but not limited to Facilities Fees, for the right of residents and property owners in the Taxing District to connect to or gain access to the Facilities provided pursuant to this Agreement.

p. "Districts" shall mean the Operating District and the Taxing District collectively, including any duly authorized representative, officer, director, employee, agent, engineer or attorney of any District, if applicable.

q. "Emergency Repair" shall mean any repair or replacement of the Facilities which in the opinion of the Operating District, require immediate action in order to avoid damage to the Facilities, unscheduled interruption of service, or danger to District's residents or property owners.

r. "Estimated Capital Costs" shall mean the estimated costs for constructing or acquiring Facilities for the Budget Year, derived in accordance with Section IV and as set forth in the Service Plan, subject to such modification as is contemplated by the Service Plan.

s. "Estimated Service Costs" shall mean the estimated costs for operation and maintenance of the Facilities, and administration of the Districts for the Budget Year derived in accordance with Section 5.7 hereof.

t. "Event of Default" shall mean one of the events or the existence of one of the conditions set forth in Article VIII hereof.

u. "Facilities" shall mean the public improvements, services and facilities generally described in the Service Plan, but excluding the Amenities.

v. "Facilities Fees" shall mean the fees imposed and collected by the Districts pursuant to the Amended and Restated Joint Resolution of the Districts to Establish a Capital Facilities Fee adopted June 7, 2006, in addition to any fees payable pursuant to Capital Facilities Fee Agreements between the Operating District and Granby Realty Holdings LLC, and Aspen Meadows Condominiums, LLC, their successors and assigns, and any other owner of property within the boundaries of the Taxing District, to the extent relating to property within the boundaries of the Taxing District.

w. "Facilities Fees Resolution" shall mean the Amended and Restated Joint Resolution of the Districts to Establish a Capital Facilities Fee adopted _____ __, 2006.

x. "Final Budget" shall generally mean the final budget established by the Operating District pursuant to the provisions of Article IV regarding Construction of the Facilities and pursuant to the provisions of Article V regarding Service. The term shall derive its specific meaning from the context in which it is used.

y. "Major Repairs or Replacement" shall mean any single repair or replacement of any portion of the Facilities which requires an estimated total expenditure in excess of Twenty-Five Thousand Dollars ($25,000).

z. "Maximum Annual Payment" shall mean (i) the highest payment that the Operating District may require the Taxing District to pay in any one year for the combination of Capital Costs and Service Costs under this Agreement, (not to exceed the revenue that can be produced from the Maximum Mill Levy), together with other funds of the Taxing District legally available therefor, or (ii) fifty percent of the valuation for assessment of the taxable property in the Taxing District, whichever is greater.

aa. "Maximum Mill Levy" shall mean the highest mill levy that the Operating District may require the Taxing District to impose for payment of the combination of Capital Costs and Service Costs under this agreement not to exceed the highest mill levy permitted under the Service Plan, as amended, but in no event in excess of fifty (50) mills, as set forth in § 32-1-1101(6)(b) C.R.S. If another exemption for this Agreement is available under § 32-1-1101(6) C.R.S., or if an adjustment is otherwise allowed by law, the Maximum Mill Levy shall be subject to automatic adjustment.

bb. "Operating District" shall mean Headwaters Metropolitan District.

cc. "Operations and Maintenance," and/or "Operations" or "Maintenance" shall mean, whether such terms are used together or separately, the provision by the Operating District of such services as are necessary to assure the orderly and proper function of all the Facilities in order to provide Service as contemplated herein, and shall also include all general, administrative, accounting, legal, and other similar services required by the Operating District to maintain the proper organization and existence of the Operating District and the Taxing District, as well as the proper functioning of all the Facilities, the issuance of bonds, and all other costs set forth by the Operating District and portions of its budget in any year which are not specifically designated as Capital Costs or Debt Service Costs.

dd. "Party" or "the Parties" shall mean the Districts.

ee. "Person" shall mean any individual, corporation, joint venture, estate, trust, partnership, association, or other legal entity, including governmental entities, other than the Districts.

ff. "Planning Year" shall mean the year immediately preceding the corresponding Budget Year.

gg. "Plans" shall mean the plans, documents, drawings, and other specifications prepared by or for the Operating District for the Construction, installation, acquisition of, or connection to any Facilities, including any addendum thereto, and any change order, revision, and/or modification thereof.

hh. "Preliminary Budget Documents" shall mean those documents prepared by the Operating District for submission to the Taxing District during the Planning Year which may include a schedule for deposits into the Construction Fund Account and Service Account and may include a proposed Construction Schedule for the Budget Year.

ii. "Rebated Sales and Use Taxes" shall mean that portion of the sales and use taxes imposed and collected by the Town and payable to the Operating District in accordance with the Town IGA and the Annexation and Development Agreement (SolVista Property) dated March 5, 2003, between the Town and SolVista Corp..

jj. "Service" shall mean the provision by the Operating District of operations, maintenance and administrative services to the Taxing District, and the provision by the Operating District of covenant enforcement and design review services and such other services as contemplated in the Service Plan for which the Operating District shall be entitled to a User Fee.

kk. "Service Costs" shall mean costs derived from the financing model as set forth in the Service Plan, as may be amended from time to time, for all operation, maintenance, and administrative costs incurred by the Operating District in the performance of the duties and services required by this Agreement. In no event shall Service Costs include costs related to the operation or maintenance of the Amenities.

ll. "Service Fund" shall be that account owned and established by the Operating District into which the Taxing District shall deposit the full amount of the Estimated Service Costs and Service Costs for the Facilities and Services.

mm. "Service Plan" shall mean, collectively, the Service Plans for SolVista Metropolitan District No. 1 and SolVista Metropolitan District No.2, both as approved by the Town, as the same may be amended from time to time either by the Districts informally as non-material modifications under state law, or by official action of the Town. Any reference herein to Service Plan shall include any and all amendments, formal or otherwise to the Service Plan provided that the records of the Districts indicate or imply approval by the Districts of such amendments.

nn. "Taxing District" shall mean Granby Ranch Metropolitan District.

oo. "Town" shall mean the Town of Granby, Colorado.

pp. "Town IGA" shall mean that certain Intergovernmental Agreement between the Town and the Districts dated December 9, 2003, as amended from time to time.

qq. "Users" shall mean the residents, property owners, or Persons served by or receiving Service from the Operating District.

rr. "User Fees" shall mean the periodic fees imposed and collected by the Operating District from residents and property owners in the Taxing District for the monthly or other periodic Service provided by the Operating District.

ARTICLE III

FINANCING OF THE FACILITIES AND OPERATIONS, MAINTENANCE AND ADMINISTRATIVE SERVICES GENERAL TERMS

3.1 No Additional Electoral Approval Required. The authorization for issuance of debt, fiscal year spending, revenue collections and other constitutional matters requiring voter approval for purposes of this Agreement, as well as the construction of the Facilities, and the provision of operation, maintenance and administrative services pursuant to the terms hereof, were approved at elections held for the Districts in accordance with law and pursuant to due notice. The performance of the terms of this Agreement requires no further electoral approval. To the extent that further voter authorization is required to give effect to any provision of this Agreement, the Taxing District agrees to use best efforts to obtain voter approval for such additional authorization and, if necessary, cooperate in obtaining approval of an amendment to the Service Plan at the request of the Operating District. If any claim is filed in a court of competent jurisdiction by a person with standing to do so, seeking to have this Agreement or any of its obligations declared void or unenforceable, or in any manner otherwise affecting this Agreement which could have a material adverse effect on any bonds issued by the Districts, or any District, or on the ability of the Operating District to conduct the activities contemplated herein, the Taxing District shall take all necessary action and use best efforts to immediately provide funds to the Operating District to enable it to perform all executory obligations hereunder. The Districts shall also vigorously oppose such claims and the Taxing District shall cooperate in taking all such other curative action requested by the Operating District.

3.2 Payments for Capital and Service Costs. The Districts acknowledge and agree that the maximum amount of Capital Costs and Service Costs, which could become due under this Agreement are not permitted to materially exceed the projections set forth in the Service Plan as such projections may be amended from time to time whether or not such amended projections are contained in formal amendments to the Service Plan. In the event the Operating Districts determine that inflation, contingencies or other unforseen matters require an increase in the maximum amount of Capital Costs or Service Costs necessary for the Districts, and additional authorization is necessary to implement the terms of this Agreement to meet such requirements, the Taxing District agrees to use best efforts to obtain additional authorization, and if necessary, to obtain approval of an amendment to the Service Plan. If, despite best efforts to

do so, the Taxing District is not able to obtain such additional authorization and/or any necessary amendment to the Service Plan, the Operating District may, in its sole discretion, make downward adjustments of Capital Costs and Service Costs as necessary to equal the aggregate amount of authorization at that time. In the event such downward adjustments are made to Capital Costs and Service Costs by the Operating District, the Operating District shall notify the Taxing District of the revised amounts within thirty (30) days thereafter.

Capital Costs and Service Costs due under this Agreement shall be paid by the Taxing District upon the execution of this Agreement in payments to the Construction Account and Service Account, respectively, unless the following options are exercised:

a. Annual Payment Option for Capital Costs. At the option of the Taxing District, the Taxing District may pay the portion of Capital Costs due hereunder in payments to the Construction Account made annually in amounts determined in accordance with Article IV hereof, payable without interest except in cases of an Event of Default. The Taxing District will have the option each year in conjunction with the preparation of budgets under Article IV hereof to either pay in full the then remaining balance of the maximum amount of Capital Costs, in an amount not to exceed the Capital Costs due under this Agreement or to elect the Annual Payment Option and pay the Estimated Capital Costs for the next succeeding year as determined hereunder, subject to the provisions of Section 3.2.c. and Section 3.9 hereof. Election by the Taxing District of the Annual Payment Option shall be made by delivery of a notice to the Operating District at the time budget review and approval is conducted pursuant to Article IV hereof and shall be deemed to have occurred in the absence of such notice upon adoption of a budget for the Budget Year in question by the Taxing District. The amount of payment due for the Annual Payment Option shall not be less than the greater of the amounts set forth in the Service Plan for capital construction costs or in the Final Budget of any given year, except as such amounts are adjusted and modified as permitted or required herein or in the Service Plan, but in no event in excess of the Maximum Annual Payment. The Districts recognize that the amounts set forth in the Service Plan are expressed in dollars which, in accordance with the Service Plan, may be adjusted for numerous factors subject to the overall limitation of the amount of debt of the Taxing District as set forth in the Service Plan.

b. Annual Payment Option for Service Costs. At the option of the Taxing District, the Taxing District may pay the portion of the maximum amount of Service Costs hereunder in payments to Service Account made annually in amounts determined in accordance with Article V hereof, payable without interest except in cases of an Event of Default. The Taxing District will have the option each year in conjunction with preparation of budgets in accordance with Section 5.7.c hereof to either pay in full the then remaining balance of the maximum amount of Service Costs, in an amount not to exceed the Service Costs due hereunder or to elect the Annual Payment Option and pay Estimated Service Costs as derived in accordance with Section 5.7.c. hereof for the next succeeding year. Election by the Taxing District of the Annual Payment Option shall be made by delivery of a notice to the Operating District at the time budget review and approval is conducted pursuant to Section 5.7.c hereof and shall be deemed to have occurred in the absence of such notice upon adoption of a budget for the Budget Year in question by the Taxing District. The amount of payment due under the Annual Payment Option shall be not less than the greater of the amount set forth in the Service Plan for Service

Costs or in the Final Budget of any given year, except as such amounts are adjusted and modified as permitted herein or in the Service Plan, but in no event in excess of the Maximum Annual Payment. The Districts recognize that the amounts set forth in the Service Plan are expressed in dollars which, in accordance with the Service Plan, may be adjusted for numerous factors subject to the overall limitation of the amount of debt of the Taxing District as set forth in the Service Plan.

c. Bond Payments. The Taxing District is issuing the Series 2006 Bonds for the purpose of funding certain Capital Costs. The Districts agree that, in the event that the assessed valuation of the Taxing District permits the issuance of additional Bonds by the Taxing District, as set forth in a financing model of the Districts, which may be amended from time to time by the Districts with or without a formal Service Plan amendment, the Taxing District shall use best efforts to issue such Bonds as contemplated therein. The proceeds of any Bonds issued by the Taxing District shall be paid to the Operating District in full or partial satisfaction of the Taxing District's obligation to pay Capital Costs, subject to certain limitations, ;as further provided in Section 3.9(a) hereof. All payments received by the Operating District in the form of bond proceeds transferred from the Taxing District shall be applied to reduce the then remaining balance of the maximum amount of Capital Costs due under this Agreement to the Operating District. If the Taxing District has issued Bonds and transferred the proceeds to the Operating District in full or partial fulfillment of its obligation to pay Capital Costs, the Taxing District's obligation to pay Service Costs and Capital Costs due under this Agreement from year to year shall be limited to the net revenue available to the Taxing District after all payments due on an annual basis are made on its Bonds so that in no event shall the Taxing District be required to make a payment hereunder in any year which would cause it to be unable to make full and timely payments of principal of and interest on such Bonds as the same become due and payable in each such year. The Taxing District shall also receive a credit against future Estimated Capital Costs if the net proceeds transferred to the Operating District exceed the Estimated Capital Costs for the year of issuance.

3.3 Accounts.

a. Upon the execution of this Agreement, the total Capital Costs and Service Costs due under this Agreement, or the Maximum Annual Payment for the year of execution hereof shall be paid by the Taxing District to the Accounts, subject to the provisions of Section 3.2 (c) hereof. The total cumulative deposits into the Accounts by the Taxing District over the life of this Agreement to cover Capital Costs and Service Costs shall not exceed the maximum amount of Capital Costs and Service Costs due hereunder, except as the same may be revised from time to time pursuant to or as permitted herein. The Districts specifically agree that in any given Budget Year, the payments required hereby (whether for that portion of the maximum amount of Capital Costs or Service Costs due hereunder, or the minimum payment required under the Annual Payment Option for the Estimated Capital Costs or Estimated Service Costs for the Budget Year) may be more or less than the amounts required under the Final Budget as a result of adjustments to such amounts as permitted or required under Articles IV and VI hereof or elsewhere in this Agreement.

b. Pursuant to the authorization approved by the electors of the Taxing District at an election duly called and held in accordance with law and pursuant to Sections 3.6 and 3.7 hereof, the Taxing District hereby pledges its full faith and credit subject to the Maximum Mill Levy, as limited hereby, to the punctual performance of the obligations, financial or otherwise, imposed upon the Taxing District by this Agreement, and accordingly, the Taxing District agrees that this Agreement constitutes a contractual general obligation indebtedness of the Taxing District, subordinate to any Bonds issued by the Taxing District and as limited hereby, lawfully approved by its respective electorates and lawfully and properly entered into by its respective Board. Notwithstanding anything else to the contrary in this agreement, the Service Costs and Capital Costs required to be paid under this Agreement shall be considered contractual debt of the Taxing District and shall not be considered to be the issuance of general obligation bonds pursuant to § 11-59-103(9) C.R.S. or under the limitations of the Service Plan unless specifically required to be so considered under the terms of the Service Plan.

3.4 Disbursements of Funds. The Operating District shall have the sole authority to withdraw monies from the Accounts and shall account to the Taxing District upon request for the funds withdrawn and payments made from the Accounts. Funds deposited by the Taxing District into the Accounts, together with interest earned thereon, shall be used only to pay Capital Costs and Service Costs incurred by the Operating District pursuant to this Agreement. By their execution hereof, the Districts covenant, promise and agree not to undertake any act or commit any omission with respect to the Accounts, the moneys therein, or the Facilities, which would adversely affect the tax-exempt status of the interest paid on any tax-exempt bonds issued by the Districts for the purpose of funding the Accounts or constructing or acquiring the Facilities.

3.5 Total Capital Costs Carry-Forward. Except as set forth herein or unless specifically agreed otherwise by the Districts, the portion of the Estimated Capital Costs set forth in the Final Budget which exceeds the limits described in Section 4.4.b. hereof in any Budget Year and which cannot be paid by the Taxing District in such Budget Year because of such limits shall automatically "carry forward" to the next Budget Year and shall become due as part of the next year's Estimated Capital Costs under such year's Final Budget. Such carry forwards shall continue to occur, and carry forward amounts shall continue to accrue, from year to year until all previous and current Estimated Capital Costs are paid in full to the Operating District and shall be paid by the Taxing District in accordance with the payment procedures set forth herein.

3.6 Pledge of Security for Payment. The financial obligations of the Taxing District assumed hereunder shall be contractual general obligation debt as limited hereby, and subordinate to the Taxing District's obligation to pay Bonds issued by the Taxing District and shall be payable from ad valorem property taxes generated as a result of the certification by the Taxing District of a mill levy not to exceed the Maximum Mill Levy, except as such obligations may actually be paid from any and all other revenues lawfully permitted to be used for such purpose. The full faith and credit of the Taxing District, subject to the Maximum Mill Levy and on a basis subordinate to the pledge made on any Bonds issued by the Taxing District and as may be further limited hereby, is pledged to the punctual payment of all amounts to be paid hereunder. The amounts to be paid hereunder shall, to the extent necessary, be paid out of the general revenues of the Taxing District or out of any funds legally available for that purpose,

including the proceeds of any Bonds issued by the Taxing District and any revenues made available to the Taxing District in accordance with the provisions of any indenture or resolution relating to the issuance of Bonds. For the purpose of reimbursing such general revenues, and for the purpose of providing the necessary funds to pay the amounts to be paid hereunder as the same become due, the Board of the Taxing District shall annually determine, fix and certify a rate of levy for ad valorem property taxes to the board of county commissioners of the county in which the Districts are located, which, when levied on all of the taxable property in the Taxing District, shall raise direct ad valorem property tax revenues which, when added to other funds of the Taxing District legally available therefore, will be sufficient to pay promptly and fully the amounts to be paid hereunder, as well as all other general obligation indebtedness of the Taxing District, as the same becomes due, subject to the Maximum Annual Payment. The Taxing District further covenants to maintain a schedule of rates, fees, tolls and charges with respect to the provision of public services by the Operating District which shall be sufficient, together with the proceeds of general ad valorem property taxes, if any, to pay the amounts to be paid hereunder, along with all other general obligation indebtedness of the Taxing District. NOTWITHSTANDING ANY OTHER PROVISION CONTAINED HEREIN, ALL OBLIGATIONS OF THE TAXING DISTRICT SET FORTH IN THIS AGREEMENT ARE EXPRESSLY SUBORDINATE TO THE TAXING DISTRICT'S OBLIGATIONS WITH RESPECT TO ANY BONDS, AND ARE SUBJECT TO THE TERMS AND PROVISIONS OF ANY INDENTURE, RESOLUTION, REIMBURSEMENT AGREEMENT OR OTHER DOCUMENTATION RELATING TO THE ISSUANCE OF SUCH BONDS.

3.7 Effectuation of Pledge of Security, Current Appropriation. The sums herein required to pay the amounts due hereunder are hereby appropriated for that purpose, and said amounts for each year shall be included in the annual budget and the appropriation resolution or measures to be adopted or passed by the Board of the Taxing District in each year while any of the obligations herein authorized are outstanding and unpaid. No provisions of any constitution, statute, resolution or other order or measure enacted after the execution of this Agreement shall in any manner be construed as limiting or impairing the obligation of the Taxing District to levy ad valorem property taxes in a manner other than as set forth herein, or as limiting or impairing the obligation of the Taxing District to levy, administer, enforce and collect the ad valorem property taxes as provided herein for the payment of the obligations hereunder.

It shall be the duty of the Taxing District annually at the time and in the manner provided by law for the levying of the Taxing District's taxes, if such action shall be necessary to effectuate the provisions of this Agreement, to ratify and carry out the provisions hereof with reference to the levy and collection of the ad valorem property taxes herein specified, and to require the officers of the Taxing District to cause the appropriate officials of the county in which the Districts are located, to levy, extend and collect said taxes in the manner provided by law for the purpose of providing funds for the payment of the amounts to be paid hereunder promptly as the same, respectively, become due. Said tax, when collected, shall be applied only to the payment of the amounts to be paid hereunder and to other general obligation indebtedness of the Taxing District, as herein specified.

The Districts recognize that at the time of preparation of this Agreement it was anticipated that changes or modifications to this Agreement might be made necessary as a result

of requirements or regulations of the State Securities Commission or other regulatory authorities. This Agreement may be modified, and shall be deemed to be modified, as necessary to obtain authorization or consent from such Persons for this Agreement to be executed and continue in legal force and effect. This statement of permitted modification and amendment shall be deemed to supersede any contrary provision contained herein or in the Service Plan, if any, but shall not be deemed to limit the rights or powers of the Districts to modify or amend this Agreement as otherwise permitted herein or in the Service Plan.

3.8 Limited Defenses; Specific Performance. It is understood and agreed by the Taxing District that its obligations hereunder are absolute, irrevocable, and unconditional except as specifically stated herein, and so long as any obligation of the Taxing District hereunder remains unfulfilled, the Taxing District agrees that notwithstanding any fact, circumstance, dispute, or any other matter, the Taxing District will not assert any rights of setoff, counterclaim, estoppel, or other defenses to its payment obligations, or take or fail to take any action which would delay a payment to the Operating District or impair the Operating District's ability to receive payments due hereunder. The Taxing District acknowledges that the Operating District may enter into contracts or other obligations in order to enable the Operating District to fulfill its obligations hereunder and in so doing, the Operating District will rely upon performance of the Taxing District of its payment obligations hereunder to produce revenue for the Operating District sufficient to enable the Operating District to pay such obligations. Accordingly, it is acknowledged by the Districts that the purpose of this Section 3.8 is to ensure that the Operating District receives all payments due herein in a timely manner in order to enable the Operating District to provide for the payment of such contracts or other obligations. Notwithstanding that the obligees of such contracts or obligations are not in any manner third party beneficiaries of this Agreement and do not have any rights in or rights to enforce, or consent to amendments of, this Agreement, the Taxing District acknowledges and agrees that unless payments are made to the Operating District during the pendency of any litigation which may arise hereunder in connection with alleged defenses other than those specifically set forth in this Section 3.8, all payments shall be made by the Taxing District for the purpose of enabling the Operating District to make payments on contracts or other obligations until such claims have been adjudicated. Notwithstanding that this Agreement specifically prohibits and limits defenses and claims of the Taxing District, in the event the Taxing District believes they have valid defenses, setoffs, counterclaims, or other claims other than specifically permitted by this Section 3.8, they shall, nevertheless, make all payments to the Operating District as described herein and then may attempt or seek to recover such payments by actions at law or in equity for damages or specific performance, respectively.

In addition, and without limiting the generality of the foregoing, the obligations of the Taxing District to transfer funds to the Operating District for each payment described herein shall survive any Court determination of the invalidity of this Agreement as a result of a failure, or alleged failure, of any of the directors of the Districts to properly disclose, pursuant to Colorado law, any potential conflicts of interest related hereto in any way, provided that such disclosure is made on the record of Districts' meetings as set forth in their official minutes.

3.9 The Taxing District's General Obligation Bonds.

(a) The Taxing District acknowledges that the Service Plan permits the Taxing District to issue Bonds solely for purposes of performing the Service Plan requirements. The Taxing District further acknowledges and agrees that the Service Plan contemplates that any Bonds issued by the Taxing District will be issued solely for purposes of paying Capital Costs to the Operating District in general compliance with the Service Plan. Accordingly, unless the Service Plan is amended as permitted therein not in contravention hereof, the Taxing District agrees to and shall pay all proceeds of its Bonds, except capitalized interest, costs of issuance and reserve funds, to the Operating District immediately upon receipt thereof by the Taxing District or shall provide the Operating District with the right to requisition such funds as may be required pursuant to any indenture or other document entered in connection with the issuance of Bonds, which amounts, when received by the Operating District, shall be allocated to the payment of Capital Costs and/or Service Costs as directed by the Taxing District; provided, however, that the Districts agree that the Operating District shall cause a portion of the proceeds of any Bonds to be paid to the Town of Granby as required by the Service Plan and the Town IGA; and further provided that the Taxing District shall apply certain proceeds of the Series 2006 Bonds to or at the direction of Granby Realty Holdings, LLC and SolVista Corp., in accordance with the Intergovernmental Funding Agreement dated as of _____ __, 2006, between the Taxing District and SolVista Metropolitan District. The Taxing District shall not be entitled to retain for its own use any of such proceeds except capitalized interest, reserve funds, and to reimburse its general funds for the reasonable costs of issuance of such Bonds or other indebtedness until all obligations hereunder have been performed. If the Taxing District has issued Bonds and transferred the proceeds to the Operating District in partial fulfillment of their obligation to pay Capital Costs, the Taxing District's obligation to pay Service Costs and Capital Costs due under this Agreement shall be limited to the net revenue available to the Taxing District after all payments due on an annual basis are made on their bonds so that in no event shall the Taxing District be required to make a payment hereunder in any year which would cause it to be unable to make full and timely payments of principal and interest on such Bonds as the same become due and payable in each such year. The Taxing District shall also receive a credit against future Estimated Capital Costs if the net proceeds transferred to the Operating District exceed the Estimated Capital Costs for the year of issuance.

(b) In connection with the issuance of the Series 2006 Bonds, the Districts have determined that all Facilities Fees shall be paid to the Taxing District for the purpose of depositing with the trustee for the payment of the Series 2006 Bonds or any other Bonds. The Operating District hereby pledges such Facilities Fees, to the extent received by the Operating District, to the Taxing District for the payment of any Bonds. Furthermore, the Taxing District acknowledges that the Operating District may retain all Rebated Sales and Use Taxes, and the Taxing District shall pay to the Operating District any Rebated Sales and Use Taxes inadvertently received by the Taxing District; provided that all such Rebated Sales and Use Taxes shall be taken into account and credited against any Service Costs otherwise payable by the Taxing District in accordance with the provisions hereof.

3.10 Financing of Amenities. Notwithstanding any other provision contained herein, the Taxing District shall not be obligated to fund the acquisition, operation or maintenance of the

Amenities except as may be provided in separate agreement between the Taxing District and the Operating District or pursuant to the imposition of the fee adopted jointly by such Districts on May 26, 2005, as the same may be amended from time to time.

ARTICLE IV

FINANCING OF THE FACILITIES; ANNUAL CONSTRUCTION BUDGET; CONSTRUCTION OF THE FACILITIES

4.1 Preliminary Budget Process. During each year, the Operating District, in consultation with the Taxing District, shall prepare and submit to the Taxing District, upon request, a set of the Preliminary Budget Documents for the forthcoming Budget Year. If requested, the Operating District shall deliver the Preliminary Budget Documents to the Taxing District on or before September 15 of each Planning Year. The Preliminary Budget Documents shall set forth the Estimated Capital Costs for the Budget Year in accordance with generally accepted accounting principles. Those portions of the Facilities that are included in the Preliminary Budget Documents for planned construction shall be determined by the Operating District in consideration of the place and location of development in the Districts and after consultation with the Taxing District. The Estimated Capital Costs for each Budget Element shall include the Operating District's current best estimates of the cost of constructing those Budget Elements contemplated in the proposed budget, including, all costs incurred in the furtherance of the Construction of the Facilities.

4.2 Budget Review and Approval. On or before October 15 of the Planning Year, the Taxing District shall review the Preliminary Budget Documents and either: (a) approve the Preliminary Budget Documents (in which case the Preliminary Budget Documents shall become the Final Budget for the Budget Year), or (b) propose in writing to the Operating District additions to and/or deletions from the Preliminary Budget Documents. Subject to the obligation of the Taxing District to pay Capital Costs or the Estimated Capital Costs to the Operating District, the Taxing District may, as set forth in Section 4.3 below, propose additions to and/or deletions of items from those portions of the Preliminary Budget Documents which directly obligate the Taxing District to appropriate and expend funds during the Budget Year.

4.3 Budget Revision. The Districts shall discuss, and attempt to reach an agreement with respect to the Preliminary Budget Documents. In the event that no agreement can be reached between the Operating District and the Taxing District with regard to any proposed additions and/or deletions to the Preliminary Budget Documents, then the Preliminary Budget Documents with any amendments made by the Operating District shall be the Final Budget, and budgeting, appropriation, and payment of the amounts by the Taxing District required for hereunder shall be determined by reference to this Agreement; and except as set forth below in Sections 4.4 and 4.6, the Taxing District's obligation to deposit funds to the Construction Account shall equal the maximum amount of Capital Costs which could become due hereunder or, if the Taxing District elects to pay the Estimated Capital Costs annually, the minimum payment required for the Budget Year in question, subject to the Maximum Annual Payment.

4.4 Automatic Budget Revision.

a. If the Taxing District (a) fails to approve the Preliminary Budget Documents, or (b) fails to provide written proposals for additions and/or deletions to the Preliminary Budget Documents in a timely fashion, or (c) proposes written proposals for additions and/or deletions to the Preliminary Budget Documents in a timely fashion, but no resolution is adopted by the Board of the Taxing District concerning said proposals in a timely fashion, then the Preliminary Budget Documents for the Estimated Capital Costs shall be the Final Budget only insofar as the amounts budgeted therein for Budget Elements do not exceed the amounts allocated for the Budget Year in the Service Plan, as amended from time to time, or the Maximum Annual Payment. By way of example, should the Facilities be proposed for the Budget Year and no proposal is submitted or resolution of the Board of the Taxing District is approved in a timely fashion, then the Facilities in question shall be deemed approved and budgeted if and to the extent that money adequate to complete said Facilities is or has been allocated on the schedule and as set forth within the Service Plan, as amended, for any and all Facilities for the year in question.

b. Notwithstanding anything set forth above to the contrary in this Article IV, in the event that the Taxing District elects to pay the Estimated Capital Costs on an annual basis, the Taxing District shall only be required to fund the Maximum Annual Payment. If the Taxing District has issued Bonds and transferred the proceeds to the Operating District in partial fulfillment of its obligation to pay Capital Costs, the Taxing District's obligation to pay Service Costs and Capital Costs due under this Agreement shall be limited to the net revenue available to the Taxing District after all payments due on an annual basis are made on its Bonds so that in no event shall the Taxing District be required to make a payment hereunder in any year which would cause them to be unable to make full and timely payments of principal and interest on such Bonds as the same become due and payable in each such year. The Taxing District shall also receive a credit against future Estimated Capital Costs if the net proceeds transferred to the Operating District exceed the Estimated Capital Costs for the year of issuance. ANY DEBT ISSUED BY THE TAXING DISTRICT FOR ANY PURPOSE OTHER THAN IN SATISFACTION OF ITS OBLIGATIONS UNDER THIS AGREEMENT SHALL BE SUBORDINATE TO ITS OBLIGATIONS UNDER THIS AGREEMENT. The Districts expressly acknowledge that the Series 2006 Bonds are being issued in partial satisfaction of the Taxing District's obligations under this Agreement.

c. It is anticipated that the funds for Capital Costs will be provided through the issuance Bonds by the Taxing District in amounts sufficient to enable the Taxing District to pay the Capital Costs or, at the Taxing District's option the Estimated Capital Costs set forth in the Final Budget for each Budget Year, as the same may be adjusted as set forth in Section 3.5 above and Section 4.6 below; provided, however, that the Taxing District shall retain the discretion and authority to provide for and raise said funds in any manner lawfully available to the Taxing District including but not limited to: (i) the issuance of Bonds; (ii) the utilization of the Taxing District's power to raise funds in respect of the property and facilities located within its boundaries, as, for example, through the imposition of fees, charges, and general ad valorem property taxes; and/or (iii) the creation and maintenance of debt reserve and contingency funds. The Taxing District shall not be deemed to have surrendered or delegated any powers with

respect to the determination of the manner in which the financial obligations imposed by this Agreement are to be satisfied and otherwise discharged.

4.5 Appropriation of and Provision for Capital Fund. Following the preparation of Final Budget for the Budget Year pursuant to Sections 4.1 through 4.4 above, and if the Taxing District issues Bonds as contemplated in Sections 3.2.c and 3.9 hereof, the Taxing District shall budget, appropriate and transfer funds to Construction Account for the Budget Year as required under Final Budget and under Sections 3.2.c. and 3.9 to meet the full amount of Final Budget and its Sections 3.2.c and 3.9 obligations during the forthcoming Budget Year.

4.6 Adjustment of Annual Payment. If the Taxing District has selected to make the Annual Payment Option of the Estimated Capital Costs, the Districts may, as set forth in Sections 4.2, 4.3 and 4.4 above, agree to increase or reduce the deposit by the Taxing District into Construction Account. The Taxing District may also elect to increase the Annual Payment Option in any year. To the extent any Annual Payment Option is reduced or increased pursuant to this Agreement, or in the event Bond proceeds have been transferred to the Operating District pursuant to Sections 3.2.c. and 3.9 hereof, the remaining amount of Capital Costs due under this Agreement shall be adjusted proportionate to such reduction or increase in an annual payment. Unless otherwise agreed by the Districts after due authorization, in no event shall any reduction or increase result in a reduction or increase in the obligation on the part of the Taxing District to pay the maximum amount of Capital Costs to the Operating District which could become due hereunder. In no event shall the Taxing District be required to fund an increase in excess of the Maximum Annual Payment.

4.7 Deposit and Funding of Capital Costs. If the Taxing District has elected to pay the Estimated Capital Costs for the Budget Year, upon determination of Final Budget and no later than March 1 of the applicable Budget Year, the Taxing District shall make a deposit into Construction Account to be used exclusively by the Operating District for funding the construction of the Facilities in an amount equal to the Estimated Capital Costs for the said Budget Year, subject to limitations as set forth herein. The Operating District shall account for the funds withdrawn from Construction Account. If, and in the event, cost estimates as budgeted shall not be sufficient to cover Capital Costs incurred for the portions of the Facilities included in Final Budget, and in the event construction contract change orders and similar such causes shall increase the costs incurred for the Facilities Construction, the Operating District shall call for such supplemental deposits to be placed into Construction Account by the Taxing District as may be necessary to cover such increased costs, subject to the limitations of the Maximum Annual Payment. The Taxing District shall make supplemental deposits into Construction Account within thirty (30) days of such a call by the Operating District; provided that in no event shall any such call result in a reduction or increase in the obligation on the part of the Taxing District to pay to the Operating District the maximum amount of Capital Costs which could become due hereunder as defined in Section 2.1 hereof.

Any interest earned on funds in Construction Account shall be first applied toward payment of Construction costs. Any excess of the Estimated Capital Costs deposited by the Taxing District (and earned interest not expended for Construction as provided herein) shall be

returned to the Taxing District within 180 days following final payment of all costs relating to the completion of all of the Facilities set forth in the Service Plan.

4.8 Construction Account Ownership and Fiscal Year Spending. All funds deposited by the Taxing District into Construction Account shall at all times remain the funds of the Taxing District until disbursed from Construction Account but upon deposit shall be deemed to be part of the fiscal year spending of the Taxing District pursuant to Colorado Constitution Article X, Section 20. Funds expended from Construction Account shall not be part of the fiscal year spending of the Operating District, which is acting as owner and manager, and which is receiving no funds from the Taxing District other than to provide Services, Facilities, and programs for the Taxing District.

All funds deposited by the Operating District into Construction Account under this Agreement shall at all times remain the funds of the Operating District until disbursed from Construction Account and shall be deemed to be part of the fiscal year spending of the Operating District pursuant to Article X, Section 20 of the Colorado Constitution, but the Operating District's funds expended from Construction Account shall not be part of the fiscal year spending of the Taxing District, which is receiving no funds from the Operating District.

4.9 Limitation of Authorization. The Districts recognize that certain obligations imposed upon the Districts by this Article IV constitute "debt" (as defined in the Constitution of the State of Colorado). At a duly called and noticed election, the electorate of the Taxing District authorized the incurring of indebtedness by the Taxing District in an amount sufficient to fund the various obligations imposed by this Agreement, and also approved entry into this Agreement by each District. In no event shall any commitment, covenant, promise, or other obligation under this Agreement require the issuance or incurring of indebtedness by the Districts in excess of their respective voted indebtedness authorization.

4.10 Operating District to Construct and Acquire Enhancements. The Operating District will, on behalf of the Taxing District, contract for and supervise the construction and acquisition of the Facilities described in the Service Plan and the applicable Final Budget for each Budget Year in such manner as the Operating District shall reasonably determine to be in the best interests of the Districts. Pursuant to this Agreement, the Operating District shall schedule, phase, and configure the Facilities to accurately and adequately provide for the needs of Districts' residents and property owners as reflected in development plans for the community, as the same may be revised officially from time to time and as development demands require. All construction shall be subject to good faith efforts of the Operating District to obtain all necessary governmental approvals. The Operating District shall exercise its best efforts to comply with Colorado and other applicable rules, laws, regulations and orders in its contractual undertakings concerning construction and acquisition of the Facilities.

4.11 Final Plans and Specifications.

a. Prior to the construction and/or acquisition of any specific portion of the Facilities, the Operating District shall prepare and submit Plans to the Taxing District for specific Facilities. If no objection to the Plans is received within fifteen (15) days from the date of

submittal, the Taxing District shall be deemed to have approved such Plans. If, within fifteen (15) days from the date of submittal of such Plans, the Taxing District provides written notice to the Operating District of objections to such Plans, the Operating District and the Taxing District shall meet to resolve and arrive at any agreement with regard to those objections. Objections to and revision to such Plans, as submitted by the Operating District, may only be made by the Taxing District if the objection alleges one or more of the following violations of standards:

1. Such Plans are not in substantial compliance with generally accepted architectural and/or engineering standards.

2. Such Plans are not in substantial compliance with any approved final plat as approved by entities with legal jurisdiction over such final plats or other regulatory agency having approval authority over a final plat of property within the Taxing District or the Operating District.

3. Such Plans are not in substantial compliance with design standards applicable to the Districts or any other regulatory agency having jurisdiction over the matters concerned in such Plans.

If any agreement is not reached between the Operating District and the Taxing District within fifteen (15) days from the date of notice of objection as provided herein, the matter shall be submitted to an appropriate professional as may be agreed upon by the Districts, who shall, at the expense of the Taxing District, review such Plans for compliance with regard to the standards set forth in subparagraphs 1, 2, and 3 immediately above, and whose decision regarding compliance, or regarding adjustments to accomplish compliance, shall be final. In the event such engineer finds that the objections are invalid then the Operating District may commence Construction. In the event adjustments are needed to overcome valid objections, the Operating District may make such adjustments and thereafter commence Construction. In the event that the Operating District disagrees with the suggested adjustments, then the Operating District may either (a) elect not to build that portion of the Facilities at that time, or (b) the Operating District may prepare alternate Plans and resubmit them to the Taxing District for approval as provided in this Section 4.11, or (c) review such Plans with the engineer to work out alternatives acceptable to the Operating District and the engineer utilizing, sound engineering practice, and then revise such Plans to satisfy all valid objections. In the event that the engineer approves alternatives, the Operating District may make the changes to such Final Plans and proceed to construct the Facilities pursuant to this Agreement.

4.12 Construction Contracts. The Operating District shall cause Construction of the Facilities to be commenced on a timely basis subject to receipt of all necessary governmental approvals and the terms of this Agreement. The Operating District shall make available to the Taxing District copies of any and all construction contracts and related documents concerning the Facilities. The Operating District shall diligently and continuously prosecute to completion the Construction of the Facilities. Approval of any change orders for which funds are or may be made available pursuant hereto shall be in the sole discretion of the Operating District after informational consultation with the Taxing District. The Taxing District shall have the right upon written request to review in advance all proposed change orders that will result in an

increase in the total amount, taken in the aggregate, of the amount budgeted, appropriated and paid by the Taxing District into the Accounts for the Budget Year in question. Nothing in this or any other paragraph, Article or Section of this Agreement shall be construed to mean that any change order, or change orders, shall effect an expansion of any District's total financing obligation under this Agreement except as specifically permitted herein or in the Service Plan. The Taxing District shall not direct any Construction activities.

4.13 Completion of Construction. Prior to the final acceptance of any portion of the Facilities by the Operating District and prior to the issuance of a final certificate of payment under the terms of any construction contract, the Operating District shall take into account opinions expressed by the Taxing District, if any, and shall approve final payment and issue a final certificate of payment if the Operating District believes in good faith and pursuant to generally accepted standards of engineering and construction review, that construction has been accomplished in compliance with the conditions and terms of the construction contract involved.

4.14 Construction Claims. The Operating District agrees that it shall, to the extent it is practical and cost-effective as reasonably determined by the Operating District, assert against any contractor involved in constructing any Facilities which are contemplated by this Agreement any claim that the Operating District may have against the contractor according to the terms of any construction contract and/or construction guarantee and/or warranty.

4.15 Waiver of Requirements. The Districts agree that for so long as the Districts are holding joint Board meetings, the requirements of this Article IV with respect to the submission, review and approval of various documents shall be waived; provided, however that the minutes of the Districts' Board meetings reasonably reflect a cooperative effort of the Districts to prepare and adopt budgets, review and approve construction plans, and conduct other activities required by this Article IV.

ARTICLE V

OWNERSHIP AND OPERATION OF THE FACILITIES PAYMENT FOR SERVICES

5.1 The Facilities. Except as otherwise provided herein, the Operating District shall own all the Facilities and shall be responsible for the operation and maintenance of all the Facilities.

5.2 Sale of the Facilities. Notwithstanding any provision hereof to the contrary, in the event that the Operating District finds it is in the best interests of the Operating District and the Taxing District to sell, transfer, lease, dedicate, or otherwise convey any interest in any Facilities, or a part thereof, to another governmental, quasi-governmental, private, or utility service supplier, the Operating District may do so upon such reasonable terms as are determined by the Operating District consistent with the Service Plan and provided that tax-exempt bonds of the Districts are not negatively affected. Except as otherwise provided in the Service Plan, the Districts agree and acknowledge that the Districts anticipate that all roadway enhancements shall

be dedicated to the Town for perpetual ownership, operations and maintenance, and that the Town shall have the right to impose and collect service charges for services it provides. Nothing contained herein shall constrain the ability of the Operating District to enter into and perform such agreements or enter into and perform singular agreements for coordinated provision of services among various governments.

5.3 Management Services. The Operating District shall perform the following services for the Taxing District:

a. Serve as the "official custodian" and repository for the Taxing District's records, and emergency communication services for the Operating District's Facilities, file space, incidental office supplies and photocopying, meeting facilities and reception services.

b. Coordination of all Board meetings to include:

1. Preparation and distribution of agenda and information packets.

2. Preparation and distribution of meeting minutes.

3. Attendance at Board meetings.

4. Preparation, filing and posting of legal notices required in conjunction with the meeting.

5. Other details incidental to meeting preparation and follow-up.

c. Ongoing maintenance of an accessible, secure, organized and complete filing system for the Taxing District's official records.

d. Monthly preparation of checks and coordination of postings with an accounting firm.

e. Periodic coordination with an accounting firm for financial report preparation and review of financial reports.

f. Insurance administration, including evaluating risks, comparing coverage, processing claims, completing applications, monitoring expiration dates, processing routine written and telephone correspondence, etc. and ensuring all contractors and subcontracts maintain required coverage for the Taxing District's benefit.

g. Election administration, including preparation of election materials, publications, legal notices, pleadings, conducting training sessions for election judges, and generally assisting in conducting the election.

h. Budget preparation, including preparation of proposed budget in coordination with an accounting firm, preparation of required and necessary publications, legal

notices, resolutions, certifications, notifications and correspondence associated with the adoption of the annual budget and certification of the tax levy.

i. Response to inquiries, questions and requests for information from the Taxing District's property owners, residents, and others.

j. Drafting proposals, bidding contract and construction administration, and supervision of contractors.

k. Analysis of financial condition and alternative financial approaches, and coordination of bond issue preparation.

l. Oversight of investment of District funds based on investment policies established by the Board but in any case in accordance with state law.

m. Liaison and coordination with other governments.

n. Coordination of activities and provision of information as requested to an external auditor engaged by the Board.

o. Supervision and assurance of contract compliance of all Taxing District's service contractors, including the establishment and maintenance of preventive maintenance programs.

p. Coordination of legal, accounting, engineering and other professional services to the Taxing District.

q. Performance of other services with respect to the operation and management of the Taxing District as requested by its Board.

In addition to these services, when other services are necessary in the opinion of the Operating District, the Operating District shall recommend the same to the Taxing District, or perform such services and report to the Taxing District the nature of such services, the reason they were required, and the result achieved. The Operating District may, with the approval of the Taxing District, provide professional services and operation and maintenance services to the Taxing District in lieu of retaining consultants or contractors to provide those services.

5.4 Record Keeping and Financial Planning.

a. In connection with the Construction, acquisition, operation, maintenance, and administration of the Facilities, the Operating District shall maintain accounts for the Taxing District in accordance with generally accepted accounting principles, and present regular financial reports, including summaries of receipts and disbursements. These materials shall be available for examination by the Taxing District during regular business hours upon written request. If the Taxing District causes an audit of the books of account and financial reports maintained pursuant to this Section and said audit shall lead to a legal determination of

negligence, fraud, or knowing misconduct in the performance of the duties required of the Operating District by this Agreement, the Operating District shall promptly reimburse the Taxing District for the cost of the audit as well as for any additional sums deemed payable as a result of the audit. Otherwise, the costs of such audit shall be borne by the Taxing District.

b. The Operating District also shall:

1. Assist any auditors hired by the Taxing District in the preparation of its yearly audits as required by the laws of the State of Colorado; and

2. Assist the Taxing District in analyzing its long and short-term capital enhancement needs and assist in the development of long and short-term capital enhancement plans to meet those needs; and

3. Advise and assist the Taxing District by analyzing its long and short-term financial needs and presenting the Taxing District with long and short-term financial proposals to meet those needs; and

4. Keep and maintain accurate files of all contracts concerning the Facilities, and all other records necessary to the orderly administration and operation of the Facilities which are required to be kept by statute or by regulation of the State of Colorado or the United States; and

5. Advise and assist the Taxing District in making applications for and in administering various state and federal grant programs, and operate and maintain the Facilities in accordance with the requirements of such programs and in accordance with all federal, state, and local laws and regulations; and

6. Perform such other services as may from time to time be reasonably necessary to assure that the Taxing District is in compliance with all applicable federal and state statutes and regulations and with county and local laws applicable to the operation of the Facilities; provided, however, that all such expenditures shall be made and reimbursed in accordance with this Agreement.

5.5 The Operating District to Provide Operators. The Operating District shall provide operators, which operators shall perform duties including, but not necessarily limited to the following:

a. Operation and maintenance of the Facilities to be operated and maintained by the Operating District.

b. Cooperation with state, county, and federal authorities in providing such tests, as are necessary to maintain compliance with appropriate governmental standards.

c. Permitting and supervising the connection of lines to private developments.

d. Coordinating construction with various utility companies to ensure minimum interference with the Facilities.

e. Performing normal maintenance and normal repairs necessary to continue the efficient operation of the Facilities.

f. Providing for the services of subcontractors necessary to maintain and continue the efficient operation of the Facilities.

g. Providing for emergency preparedness, consisting of a centralized telephone number maintained to provide adequate response to emergencies, including but not limited to, interruption of service because of line breaks, freeze-ups, or other mechanical problems.

5.6 Major Repairs and Replacements. The Operating District shall maintain and operate the Facilities including the procuring of all inventory, chemicals, parts, tools, equipment, and other supplies necessary to perform the services required under this Article. Major Repairs or Replacement to the Facilities shall be paid by the Taxing District. Such payments shall be made within thirty (30) days from the date on which the Operating District presents an itemized estimate of the cost of the Major Repairs or Replacement. Except for Emergency Repairs, and any Major Repairs or Replacements which are not funded by the Taxing District, all Major Repairs or Replacements must be previously approved by the Taxing District.

5.7 Financial Matters.

a. Payment of Service Costs. Unless the Taxing District pays the maximum amount of Service Costs that could become due hereunder upon execution hereof, the Taxing District shall pay all Service Costs in accordance with this Article V. It is the desire and intent of the Districts that, to the extent possible, the operation, maintenance, and administration costs incurred by the Operating District in the performance of the duties and services required by this Agreement be paid through the operation of this Article by the imposition by the Taxing District of taxes against the taxable property lying within its boundaries, thus and to that extent avoiding the necessity for the Operating District to exercise its power to assess fees, rates, tolls and/or charges for the purpose of paying all or any part of such costs directly on Users. Nevertheless, nothing herein shall be construed as a limitation on the powers granted to the Operating District by Colorado law, and/or as restated in this Agreement, to recoup all or any portion of such operation, maintenance, and administration costs which are not paid through the operation of this Article, and whether or not they exceed the Service Costs, through the use of such alternative measures as the Operating District may be authorized by Colorado law to utilize for that purpose.

b. Preliminary Budget Process. During each year, the Operating District, in consultation with the Taxing District and in the same manner as is provided in Article IV, above, shall prepare and submit to Taxing District a set of Preliminary Budget Documents for the forthcoming Budget Year. The Operating District shall deliver the Preliminary Budget Documents to the Taxing District on or before September 15 of each Planning Year. The

Preliminary Budget Documents shall set forth the Estimated Service Costs for the Budget Year in accordance with generally accepted accounting principles. Estimated Service Costs for each Budget Element shall include the Operating District's current best estimates of the operation, maintenance, and administration costs to be incurred by the Operating District in the performance of the Service required by this Agreement.

c. Budget Review and Approval. On or before October 15 of the Planning Year, the Taxing District shall either: (a) approve the Preliminary Budget Documents (in which case the Preliminary Budget Documents shall become Final Budget for the Budget Year), or (b) propose in writing to the Operating District additions to and/or deletions from the Preliminary Budget Documents. Subject to the obligation to pay the maximum amount of Total Services Costs which could become due hereunder or Estimated Service Costs to the Operating District, as set forth herein, the Taxing District may propose such additions to and/or deletions from those portions of the Preliminary Budget Documents which directly obligate the Taxing District to appropriate and expend funds for services during the Budget Year.

d. Budget Revision. The Districts shall discuss and attempt to reach an agreement with respect to the Preliminary Budget Documents. In the event that no agreement can be reached between the Operating District and the Taxing District with regard to any proposed additions and/or deletions to the Preliminary Budget Documents, then the Preliminary Budget Documents with any amendments agreed to by the Operating District shall be Final Budget, and budgeting, appropriation, and payment of the amounts called for hereunder shall be determined by reference to this Agreement and except as set forth below, the Taxing District's obligation to deposit funds to Service Account shall equal the maximum amount of Service Costs which could become due hereunder, or if elected, Estimated Service Costs required for the Budget Year in question.

e. Automatic Budget Revision.

1. If the Taxing District (a) fails to approve the Preliminary Budget Documents, or (b) fails to provide written proposal for additions and/or deletions to the Preliminary Budget Documents in a timely fashion, or (c) proposes, in writing, for additions and/or deletions to the Preliminary Budget Documents in a timely fashion but no resolution by each Board concerning said proposals is adopted in a timely fashion; then the Preliminary Budget Documents with any amendments agreed to by the Operating District and Estimated Service Costs shall be Final Budget, and Estimated Service Costs for the Budget Year shall be paid in accordance with this Article V.

2. Notwithstanding anything set forth above to the contrary in this Article V, in the event that the Taxing District does not pay the maximum amount of Service Costs which could become due hereunder upon execution hereof, the Taxing District shall only be required to fund the Maximum Annual Payment. Should the maximum amount to be funded under the operation of this subparagraph 2 be less than Estimated Service Costs, then the "carry-forward" concepts of Section 3.5 hereof for Capital Costs shall likewise apply for Estimated Service Costs.

3. It is anticipated that the funds for Service Costs will be provided through the levying of ad valorem property taxes by the Taxing District in amounts sufficient to enable the Taxing District to pay the maximum amount of Service Costs which could become due hereunder or, at the Taxing District's option, Estimated Service Costs for each Budget Year; provided, however that the Taxing District shall retain the discretion and authority to provide for and raise said funds in any manner lawfully available to the Taxing District including, but not limited to: (i) the issuance of Bonds; (ii) the utilization of the Taxing District's power to raise funds in respect of the property and facilities located within its boundaries, as, for example, through the imposition of fees and charges; and/or (iii) the creation and maintenance of operations reserves and contingency funds. The Taxing District shall not be deemed to have surrendered or delegated any powers with respect to the determination of the manner in which the financial obligations imposed by this Agreement are to be satisfied and otherwise discharged. It is specifically contemplated and agreed by the Districts that the Taxing District's obligation to pay Service Costs in the maximum amount set forth in Section 2.1 hereof is a general obligation indebtedness of the Taxing District subject to limitations expressed herein, and that mill levies imposed by the Taxing District for such costs shall be treated and constitute debt service mill levies for all legal and constitutional purposes. Revenues received by the Operating District shall be deemed and constitute revenues for Services provided.

5.8 Appropriation of and Provision for Service Fund. Following the preparation of Final Budget for the Budget Year pursuant to Section 5.7 above, the Taxing District shall budget, appropriate and prepare to transfer funds to Service Account for the Budget Year as required under Section 5.10 and as required under Final Budget to meet the full amount of Final Budget during the forthcoming Budget Year, or such portion thereof as may be funded through the Maximum Annual Payment, as described in Section 5.7.e.2, above, whichever is the lesser amount.

5.9 Adjustment of Annual Payment. If the Taxing District does not pay the maximum amount of Service Costs set forth in Section 2.1 hereof upon execution hereof, it shall be deemed to have made a continuing election to pay Estimated Service Costs on an annual basis until such time as the Taxing District affirmatively elects to pay and actually pays the then remaining balance of the maximum amount of Service Costs set forth in Section 2.1 hereof. The Districts may, as set forth in Section 5.7 above, agree to increase or reduce the deposit by the Taxing District into Service Account on an annual basis for Estimated Service Costs. The Taxing District may also unilaterally decide to increase the payment in any year. Unless otherwise agreed by the Districts after due authorization, in no event shall any reduction or increase result in a reduction or increase in the obligation on the part of the Taxing District to pay the maximum amount of Service Costs defined in Section 2.1 hereof to the Operating District, subject to the limitations of the Maximum Annual Payment.

5.10 Service Accounts.

a. Deposit. In accordance with Article III above, unless otherwise agreed by the Operating District and the Taxing District, the Taxing District will have deposited into Service Account the maximum amount of Service Costs which could become due hereunder or, if not paid, will have deposited, or shall be required to make a deposit for the initial Budget Year

of this Agreement, Estimated Service Costs in the amount of one-hundred thousand dollars ($100,000). Commencing in the Budget Year which immediately follows the initial Budget Year and continuing thereafter, the Taxing District shall deposit Estimated Service Costs for such Budget Year into Service Account in such amounts as the Districts may agree to in the preparation of Final Budget, but unless otherwise agreed, such deposit shall be in an amount not less than Estimated Service Costs in the Final Budget for the Budget Year in question. Said deposit shall be made on or before March 1 of the Budget Year. The Operating District shall have the authority to make withdrawals or payments from Service Account, and the funds deposited in Service Account, together with interest earned thereon, shall be used solely for the purpose of paying Service Costs for the Budget Year.

b. Adjustments for Deficiencies. If it appears to the Operating District that Service Costs for the Budget Year will exceed the amount deposited into Service Account by the Taxing District, the Operating District may, by written notice, call for supplemental deposits to cover such increased costs and the Taxing District shall make such supplemental deposits into Service Account within ten (10) days after receipt of such written notice. If and in the event Service Costs exceed the amount deposited in Service Account or exceed the amount of Estimated Service Costs permitted to be paid under Section 5.7.e.2. hereof, and/or a call for supplemental deposits would result in a deposit by the Taxing District that exceeds permitted payment amounts for the year in question, the Operating District may fund the deficiency through its powers to impose rates, fees, tolls, penalties, and charges under Colorado law directly on all Users with or without the consent of the Taxing District.

c. Accounting. All deposits and/or withdrawals made with respect to Service Account shall be separately accounted for by the Operating District. In all cases, the Operating District shall use its best efforts in the operation, maintenance, and administration of the Facilities to not exceed Estimated Service Costs for Service during the Budget Year.

5.11 Service Account Ownership and Fiscal Year Spending. All funds deposited by the Taxing District into Service Account at all times shall remain the funds of the Taxing District until disbursed from said Account but upon deposit shall be deemed to be part of the fiscal year spending of the Taxing District pursuant to Colorado Constitution Article X, Section 20. Funds expended from Service Account shall not be part of the fiscal year spending of the Operating District, which is acting as owner and manager, and which is receiving no funds from the Taxing District other than to provide services, facilities, and programs for the Taxing District.

All funds deposited by the Operating District into Service Account at all times shall remain the funds of the Operating District until disbursed from said Account and shall be deemed to be part of the fiscal year spending of the Operating District's pursuant to Article X, Section 20 of the Colorado Constitution, but the Operating District's funds expended from Service Account shall not be part of the fiscal year spending of the Taxing District, which is receiving no funds from the Operating District.

5.12 Limitation of Authorization. The Districts recognize that certain obligations imposed upon the Taxing District by this Article constitute "debt" (as defined in the Constitution of the State of Colorado). At duly called and noticed elections, the electorate of the Taxing

District authorized the incurring of indebtedness by the Taxing District in an amount sufficient to fund the various obligations imposed by this Agreement, and also approved entry into this Agreement by the Taxing District. In no event shall any commitment, covenant, promise, or other obligation under this Agreement require the issuance or incurring of indebtedness by the Districts in excess of their respective voted indebtedness authorization.

5.13 Waiver of Requirements. The Districts agree that for so long as the Districts are holding joint Board meetings, the requirements of this Article V with respect to the submission, review and approval of various documents shall be waived; provided, however, that the Minutes of the Districts' Board meetings reasonably reflect a cooperative effort of the Districts to prepare and adopt budgets, review and approve maintenance and other plans, and conduct other activities required by this Article V.

ARTICLE VI

CONTRACT SERVICES; SPECIAL PROVISIONS

6.1 Contract Service Area. For purposes of this Agreement, and to clarify the continuing obligation of the Operating District to provide Service to the Taxing District and its inhabitants, the territory currently within the boundaries of the Taxing District (as the same is enlarged or reduced from time to time) is hereinafter referred to as the "Contract Service Area." No enlargement or reduction of Contract Service Area or any other amendment of this Agreement may be made except by mutual agreement entered into with the same formality as that employed in the execution of this Agreement. Nothing herein shall be construed to provide the Operating District with a veto power over inclusions or exclusions of land approved by the Board of the Taxing District but the Operating District shall hold a veto power over any Taxing District's inclusion from becoming a part of Contract Service Area under this Agreement.

6.2 General Provision Regarding Service; Charges.

a. Contract Service. The Operating District agrees to provide Service contemplated by the Service Plan to the Taxing District provided that the Taxing District observes and performs the covenants and agreements hereof. Service shall be provided pursuant to duly adopted rules and regulations of the Operation District. The Operating District shall be permitted to enter into such agreements with other entities or Persons for the provision of the Facilities. Such arrangements shall be permitted, as deemed appropriate by the Operating District, which are reasonably necessary, consistent with the Service Plan, to secure necessary Service for the Taxing District.

b. Maintenance Services. The Operating District shall maintain all the Facilities in such manner as is necessary in its sole discretion to provide Service to the Taxing District of the quality contemplated in the Service Plan. The Taxing District agrees that the Operating District shall be entitled to provide Service to any Facilities by contract with lawfully authorized service providers.

c. Rights of the Operating District. The Taxing District grants to the Operating District the right to construct, own, use, connect, disconnect, modify, renew, extend, enlarge, replace, convey, abandon or otherwise dispose of any and all of the real property, improvements thereto, the Facilities or appurtenances thereto, and any and all other interests in property, real, personal or otherwise within the Taxing District's control to enable the Operating District to perform its obligations to provide Service to the Taxing District. The Taxing District grants to the Operating District the right to occupy any place, public or private, which the Taxing District might occupy for the purpose of fulfilling the obligations of the Operating District as set forth herein. To implement the purposes of this Agreement, the Taxing District agrees to exercise such authority, to do such acts, and to grant such easements as may reasonably be requested by the Operating District, provided that any legal, engineering, technical or other services required, or costs incurred, for the performance of this obligation shall be performed by a Person or Persons in the employment of or under contract with, and paid by, the Operating District.

d. User Fees and Development Fees. The Operating District may establish, revise, impose and collect (or assign collection of) all fees, rates, tolls and charges permitted by Colorado Law for Services or Facilities provided within the Taxing District by the Operating District either directly or by contract through other entities, including surcharges for Service provided under contracts or other arrangements developed by the Operating District. All such charges shall be referred to as and be User Fees. In addition, the Operating District may at any time impose, set or change the rate of, and/or waive or discontinue, system development charges, tap fees, participation charges, and such other rates, fees, tolls, charges, penalties, or combinations thereof, which are utilized for any purpose, and may waive any such fees or charges for classes of Users. User Fees and Development Fees are separate charges and one does not include the other or any part thereof. Development Fees shall be uniform among members of each class of Users within the contract Service Area as "class" is defined by the Operating District. User Fees and Development Fees shall remain in full force and effect until the Operating District shall deem it necessary to raise or lower either or both of such charges; provided, however, that in no event shall the Operating District be permitted to cause a change in the amount or terms pertaining to Facilities Fees. The Taxing District agrees that it shall not permit any connection to or use of the Facilities by any Person without the Operating District's written consent unless this Agreement has been voluntarily terminated by the Districts in accordance with the provisions hereof.

e. Fee Imposition and Collection; Reserves. User Fees and Development Fees established by the Operating District shall be reasonably related to the overall cost of Service and Facilities for which such rates, fees, tolls, and charges are imposed. Methods of collection and schedules of charges for Service may be applied uniformly among Users similarly situated. Methods of collection and schedules of connection charges for Contract Service Area shall be determined by the Operating District; provided, however, that the Facilities Fees shall be paid as provided in the Facilities Fee Resolution, which may not be amended without the consent of the Taxing District. The Operating District shall have the right to delegate or assign its fee imposition and collection power to a billing or service entity of its choice.

f. Taxing District's Surcharge. The Operating District shall have sole authority to impose all charges for Service; provided, however, that for the purpose only of satisfying its obligations to the Operating District hereunder, or retiring the Taxing District's general obligation or other indebtedness, and the interest thereon outstanding as of the date hereof or as the same may be issued or refunded from time to time, the Taxing District may request that the Operating District impose surcharges on the Operating District's User Fees and Development Fees for the purpose of supplementing other revenues of the Taxing District in the payment by the Taxing District of any such general obligation or other indebtedness. Conditional upon granting its consent to such request, the Operating District hereby agrees to and shall impose and collect such surcharges in the same manner along with its own charges and shall remit the same to the Taxing District as and when collected.

g. Right to Provide Service. The Taxing District agrees that they shall not attempt to provide services or facilities of any kind to its residents and property owners without first offering the Operating District the opportunity to provide such services or facilities, and in no event shall services or facilities be provided by the Taxing District which are intended under the Service Plan to be provided by the Operating District. The Taxing District further agrees that they shall not impose any fee or charge of any kind on any person without consent of the Operating District which may be denied by the Operating District if it believes, in its sole and reasonable discretion, that such fee or charge would materially adversely affect the financial structure of the Operating District or interfere with the Operating District's performance of this Agreement, including payment of its bonds or other obligations. In no event shall the Taxing District be entitled to impose any fee or charge of any kind with respect to any element of any Service or Facility, or the availability thereof, which is the subject of this Agreement.

h. Changes in Fees. It is mutually agreed that the duration of this Agreement is such that the passage of time will require changes in the charges to be made for Service to be rendered hereunder in the Contract Service Area. The Operating District may modify the schedule of charges for Services provided hereunder, from time to time, in its discretion, provided:

1. Such modification will become effective not earlier than thirty (30) days after any changed schedule of charges shall be adopted by the Operating District.

2. The Operating District will take reasonable steps to notify the Taxing District and each customer in Contract Service Area of such change within a reasonable time after such change has been adopted.

3. The Operating District may not modify the Facilities Fees Resolution or otherwise modify any provision relating to the imposition of the Facilities Fees without the consent of the Taxing District.

i. Rules and Regulations. All rules and regulations, and amendments thereto, placed in force by the Operating District from time to time concerning the operation of the Facilities and provision of any Service shall be as fully enforceable in Contract Service Area as inside the Operating District. The Taxing District retains the full right to make and enforce

rules not inconsistent with the Operating District's rules to govern Users in Contract Service Area. The Taxing District agrees to exercise any rule making or police power it may have to assist the Operating District in enforcing the Operating District's rules and regulations.

j. Limitation of Services. The Districts agree that in order to comply with any applicable law, rule, directive or order, and to enable it to provide adequate Service to the Operating District and the Taxing District, as well as other Users of the Operating District in time of shortage or other practical or legal limitations on the ability of the Operating District to provide the Service contemplated hereby, the Operating District may limit the delivery of Service.

k. Suspension of Construction of the New Facilities. In order to reduce the likelihood of the limitation of delivery of Service to Users, the Operating District may suspend the construction of the Facilities in Contract Service Area. The Operating District agrees to give six (6) month's written notice to the Taxing District of such suspension, unless the Operating District reasonably determines that circumstances require a shorter period.

ARTICLE VII

REPRESENTATIONS AND WARRANTIES

7.1 General Representations. In addition to the other representations, warranties and covenants made by the Districts herein, the Districts make the following representations, warranties and covenants to each other, and may be held liable for any loss suffered as a consequence of any misrepresentation or breach under this Article VII:

a. Each District has the full right, power and authority to enter into, perform and observe this Agreement.

b. Neither the execution of this Agreement, the consummation of the transactions contemplated hereunder, nor the fulfillment of or by the compliance with the terms and conditions of this Agreement by each District will conflict with or result in a breach of any terms, conditions, or provisions of, or constitute a default under, or result in the imposition of any prohibited lien, charge, or encumbrance of any nature under any agreement, instrument, indenture, or any judgment order, or decree to which any District is a party of by which any District is bound.

c. This Agreement is the valid, binding and legally enforceable obligation of the Districts and is enforceable in accordance with its terms.

d. The Districts shall keep and perform all of the covenants and agreements contained herein and shall take no action that could have the effect of rendering this Agreement unenforceable in any manner.

ARTICLE VIII

DEFAULT, REMEDIES AND ENFORCEMENT

8.1 Events of Default. The violation of any provision of this Agreement by any District, the occurrence of any one or more of the following events, and/or the existence of any one or more of the following conditions shall constitute an Event of Default under this Agreement:

a. The failure to pay any payment when the same shall become due and payable as provided herein and to cure such failure within three (3) business days of receipt of notice from the Operating District of such failure;

b. The failure to perform or observe any other covenants, agreements, or conditions in this Agreement on the part of any District and to cure such failure within ten (10) days of receipt of notice from the other District of such failure;

c. The filing of a voluntary petition under federal or state bankruptcy or insolvency laws by the Taxing District or the Operating District or the appointment of a receiver for any of the Taxing District's assets which is not remedied or cured within thirty (30) days of such filing or appointment;

d. Assignments by the Taxing District for the benefit of a creditor and a failure to cure such assignments within ten (10) days of receipt of written notice from the Operating District; or

e. The dissolution, insolvency, or liquidation of the Taxing District or the Operating District and a failure to cure such dissolution, insolvency or liquidation within ten (10) days of receipt of written notice.

8.2 Remedies on Occurrence of Events of Default.

a. Statement of Damages. It is agreed that the damage to the Operating District for failure of the Taxing District to perform this Agreement in all its essential parts will be not less than the reproduction cost of the Facilities installed, replaced or used by the Operating District to supply Service to Contract Service Area less the capital costs previously paid by the Taxing District, which damage the Taxing District agrees to pay immediately upon demand by the Operating District.

b. Rights and Remedies. Upon the occurrence of an Event of Default, the Districts hereto shall have the following rights and remedies that may be pursued hereof:

1. In the event of breach of any provision of this Agreement, including but not limited to the failure of the Taxing District to appropriate funds after a Final Budget is determined, and the failure of the Operating District to commence Construction, if not prohibited by law, regulation or other circumstances beyond the Operating District's control, within a reasonable time after the start of each Budget Year for which funds were appropriated

for Construction, in addition to contractual remedies, any District may ask a court of competent jurisdiction to enter a writ of mandamus to compel the Board of the defaulting District to perform its duties under this Agreement, and any District may seek from a court of competent jurisdiction temporary and/or permanent injunctions, or orders of specific performance, to compel the other to perform in accordance with the obligations set forth under this Agreement.

2. The Districts may protect and enforce their rights under this Agreement by such suit, action, or special proceedings as they shall deem appropriate, including without limitation any proceedings for specific performance of any covenant or agreement contained herein, for the enforcement of any other appropriate legal or equitable remedy, or for the recovery of damages caused by breach of this Agreement, including attorney's fees and all other costs and expenses incurred in enforcing this Agreement. If, at any time, there shall cease to be electors in the Operating District, or if no electors of the Operating District are willing to act as directors of the Operating District, the Taxing District may ask a court of competent jurisdiction to designate the proper persons to assume control of the Operating District for purposes of causing the performance of the Operating District's obligations under this Agreement.

3. To foreclose any and all liens in the manner specified by law.

4. To terminate this Agreement as provided herein; and

5. The Operating District shall have the right to accelerate any remaining unpaid amounts up to a maximum of the aggregate of the then-unpaid balance of the maximum amount of Capital Costs which could become due hereunder, as well as the maximum amount of Service Costs which could become due, both through the remainder of the term of this Agreement to make all such amounts immediately due and payable to the Operating District; and

6. To take or cause to be taken such other actions as they reasonably deem necessary.

c. Delay or Omission No Waiver. No delay or omission of any District to exercise any right or power accruing upon any Event of Default shall exhaust or impair any such right or power or shall be construed to be a waiver of any such Event of Default, or acquiescence therein.

d. No Waiver of One Default to Affect Another; All Remedies Cumulative. No waiver of any Event of Default hereunder by any District shall extend to or affect any subsequent or any other then existing Event of Default or shall impair any rights or remedies consequent thereon. All rights and remedies of the Districts provided herein may be exercised with or without notice, shall be cumulative, may be exercised separately, concurrently or repeatedly, and the exercise of any such right or remedy shall not affect or impair the exercise of any other right or remedy.

e. No Affect on Rights. Except as otherwise provided by law, no recovery of any judgment by the Districts shall in any manner or to any extent affect any rights, powers, and

remedies of the Districts hereunder, but such rights, powers, and remedies of the Districts shall continue unimpaired as before.

f. Discontinuance of Proceedings on Default; Position of Parties Restored. In case any District shall have proceeded to enforce any right under this Agreement and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to such District, then and in every such case the Districts shall be restored to their former positions and rights hereunder, and all rights, remedies, and powers of the Districts shall continue as if no such proceedings had been taken.

g. Termination. This Agreement may be terminated by the Districts or a court of competent jurisdiction only upon the provision of one (1) year's written notice and upon the date of such termination, the Districts shall thereafter have no further obligations, duties, or rights hereunder; provided, however, that:

1. As a condition precedent to termination by the Taxing District and in recognition of the integrated nature and need for the continued funding of the Facilities, as well as the possibility that the Operating District may borrow against the anticipated performance by the Taxing District of the payment and financial obligations set forth herein, the Districts agree that prior to the time of termination, all remaining payments and financial obligations set forth in this Agreement shall be paid into the Accounts by the Taxing District; and

2. As a condition precedent to termination by the Operating District and in recognition of the need on the part of the Taxing District for the continued provision of all of the Services contemplated hereby, the Operating District shall either (1) transfer to the Taxing District, free and clear of encumbrances and in its entirety, its interest in the Facilities and in each and every one and all of the water rights, contracts, leases, easements, properties held in fee, and any other personal, real or intangible property then held or owned by the Operating District and necessary for the continued provision of the Services contemplated hereby at the level then provided, or (2) make said transfer to another governmental entity or entities pursuant to such terms and conditions as may be satisfactory to the Board of the Taxing District or, in the event said transfer is to be made pursuant to a plan for dissolution of the Operating District, in accordance with Colorado law, as may be held in accordance with that law by the District Court in and for the county or counties in which the Districts are located or such other ruling body as may at the time have jurisdiction.

ARTICLE IX

INSURANCE AND INDEMNIFICATION

9.1 Indemnification. To the extent permitted by law, the Operating District agrees to hold the Taxing District harmless from the claims of third persons arising out of the Operating District's operation, maintenance, extension and enlargement of the Facilities under color of this Agreement and to defend, at its expense, all actions for damages arising out of such action which

may be brought against the Taxing District by third persons. In the event of an occurrence or loss out of which a claim arises or could arise, the Taxing District agrees to transmit in writing and at once, any notice of information received or learned by the Taxing District concerning such claim. Except at its own cost, the Taxing District agrees not to voluntarily make any payment, assume any obligation or incur any expense in connection with the subject matter of this paragraph. No claim shall lie against the Operating District hereunder unless as a condition precedent thereto, the Taxing District has fully complied with the provisions of this Agreement nor until the amount of the Taxing District's obligation to pay shall have been fully determined.

9.2 Insurance. The Districts shall each maintain the following types of insurance coverage with companies and in amounts acceptable to each District's Board but in no event lower than the governmental immunity limits in effect from year to year notwithstanding the amounts set forth below, the cost of which for the Operating District shall be a component of Service Costs budgeted annually in accordance with Article V, above:

a. General liability coverage in the minimum amount of $150,000 per person/per occurrence and $600,000 total per occurrence, or in an amount reflecting the current level of governmental immunity exceptions provided by statute, whichever is greater, protecting the Districts and their officers, directors, and employees against any loss, liability, or expense whatsoever from personal injury, death, property damage, or otherwise, arising from or in any way connected with management, administration, and operations.

b. Directors and officers liability coverage (errors and omissions) in the minimum amount of $150,000 per person/per occurrence and $600,000 total per occurrence, or in an amount reflecting the current level of governmental immunity provided by statute, whichever is greater, protecting the Districts and their directors and officers against any loss, liability, or expense whatsoever arising from the actions and/or inaction's of the Districts and their directors and officers in the performance of their duties.

c. Operations coverage designed to insure against injury to the property of third parties or the person of those third parties caused by the operations by the parties in the minimum amount of $150,000 per person/per occurrence and $600,000 total per occurrence, or in the amount reflecting the current level of governmental immunity provided by statute, whichever is greater.

9.3 Worker's Compensation. The Operating District shall make provisions for worker's compensation insurance, social security employment insurance and unemployment compensation for its employees performing this Agreement as required by any law of the State of Colorado or the federal government and shall, upon written request, exhibit evidence thereof to the Taxing District.

9.4 Certificates. Within thirty (30) days of a written request, each District shall furnish to the other, certificates or memoranda of insurance showing compliance with the foregoing requirements. Said certificates or memoranda of each District shall state that the policy or policies will not be canceled or altered without at least thirty (30) days prior written notice to each District.

ARTICLE X

MISCELLANEOUS

10.1 Relationship of Parties. This Agreement does not and shall not be construed as creating a joint venture, partnership, or employer-employee relationship between the Districts. The Districts intend that this Agreement be interpreted as creating an independent contractor relationship. Pursuant to that intent, it is agreed that the conduct and control of the work required by this Agreement shall lie solely with the Operating District which shall be free to exercise reasonable discretion in the performance of its duties under this Agreement. No District shall, with respect to any activity, be considered an agent or employee of any other District.

10.2 Liability of the Districts. No provision, covenant or agreement contained in this Agreement, nor any obligations herein imposed upon any District nor the breach thereof, shall constitute or create an indebtedness or other financial obligation of any other District within the meaning of any Colorado constitutional provision or statutory limitation, subject however, to the obligation of the Taxing District to pay bond proceeds to the Operating District pursuant to Section 3.2.c. and Section 3.9 hereof.

10.3 Assignment. Except as set forth herein or as contemplated in the Service Plan, neither this Agreement, nor any of any District's rights, obligations, duties or authority hereunder may be assigned in whole or in part by any District without the prior written consent of each other District which consent shall not be unreasonably withheld. Any such attempt of assignment shall be deemed void and of no force and effect. Consent to one assignment shall not be deemed to be consent to any subsequent assignment, nor the waiver of any right to consent to such subsequent assignment.

10.4 Modification. This Agreement may be modified, amended, changed or terminated, except as otherwise provided herein, in whole or in part, only by an agreement in writing duly authorized and executed by the Districts. No consent of any third party shall be required for the negotiation and execution of any such agreement.

10.5 2003 IGA. The 2003 IGA is hereby terminated as of the date of this Agreement and shall be of no further force or effect.

10.6 Integration. This Agreement contains the entire agreement between the Districts and no statement, promise or inducement made by any District or the agent of any District that is not contained in this Agreement shall be valid or binding.

10.7 Severability. Invalidation of any of the provisions of this Agreement or of any paragraph, sentence, clause, phrase, or word herein, or the application thereof in any given circumstance, shall not affect the validity of any other provision of this Agreement.

10.8 District Dissolution. In the event any District seeks to dissolve pursuant to Section 32-1-701 C.R.S., et seq., as amended, it shall provide written notification of the filing or application for dissolution to the other District concurrently with such filing.

10.9 Survival of Obligations. Unfulfilled obligations of the Districts arising under this Agreement shall be deemed to survive the expiration of this Agreement, the completion of the Facilities that are subject of this Agreement, or termination of this Agreement by court order. Said obligations shall be binding upon and inure to the benefit of the Districts and their respective successors and permitted assigns.

10.10 Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Colorado.

10.11 Headings for Convenience Only. The headings, captions and titles contained herein are intended for convenience and reference only and are not intended to construe the provisions hereof.

10.12 Debt Must Comply with Law. Nothing herein shall be deemed nor construed to authorize or require the Taxing District or the Operating District to issue bonds, notes, or other evidences of indebtedness on terms, in amounts, or for purposes other than as authorized by Colorado law.

10.13 Colorado Constitutional Matters. If any provision hereof is declared void or unenforceable due to a purported violation of Article X, Section 20 of the Colorado Constitution, the District involved in such violation shall perform such tasks as may be necessary to cure such violation, including but not limited to acquiring such voter approvals, either in advance of, or following, an action as may be allowed by law.

10.14 Time Is of the Essence. Time is of the essence hereof; provided, however, that if the last day permitted or the date otherwise determined for the performance of any act required or permitted under this Agreement falls on a Saturday, Sunday or legal holiday, the time for performance shall be extended to the next succeeding business day, unless otherwise expressly stated.

10.15 Persons Interested Herein. Except as expressly provided in Section 1.3 thereof, nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any Person other than the Districts, any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all of the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the Districts shall be for the sole and exclusive benefit of the Districts.

10.16 Notices. Except as otherwise provided herein, all notices or payments required to be given under this Agreement shall be in writing and shall be hand delivered or sent by certified mail, return receipt requested, or air freight, to the following addresses:

Mailing Address for Headwaters Metropolitan District

Headwaters Metropolitan District
c/o Robertson & Marchetti
28 Second Street, Suite 213
Edwards, CO 81632
Attn: Ken Marchetti

cc: District Counsel

Gary R. White, Esq.
White, Bear & Ankele Professional Corporation
1805 Shea Center Drive, Suite 100
Highlands Ranch, CO 80129

Mailing Address for Granby Ranch Metropolitan District

Granby Ranch Metropolitan District
c/o Robertson & Marchetti
28 Second Street, Suite 213
Edwards, CO 81632
Attn: Ken Marchetti

cc: District Counsel

Gary R. White, Esq.
White, Bear & Ankele Professional Corporation
1805 Shea Center Drive, Suite 100
Highlands Ranch, CO 80129

All notices or documents delivered or required to be delivered under the provisions of this Agreement shall be deemed received one (1) day after hand delivery or three (3) days after mailing. Any District by written notice so provided may change the address to which future notices shall be sent.

10.17 District Records. The Districts shall have the right to access and review each other's records and accounts, at reasonable times during District's regular office hours, for purposes of determining compliance by the Districts with the terms of this Agreement. Such access shall be subject to the provisions of the Public Records Act of the State of Colorado contained in Article 72 of Title 24, C.R.S. In the event of disputes or litigation between the Parties hereto, all access and requests for such records shall be made in compliance with the Public Records Act.

10.18 Impairment of Credit. None of the obligations of any District hereunder shall impair the credit of the other Party.

10.19 Recovery of Costs. In the event of any litigation between the Districts hereto concerning the subject matter hereof, the prevailing District in such litigation shall be entitled to receive from the losing District, in addition to the amount of any judgment or other award entered therein, all reasonable costs and expenses incurred by the prevailing District in such litigation, including reasonable attorney fees.

10.20 Compliance with Law. The Districts agree to comply with all federal, state and local laws, rules and regulations which are now, or in the future may become applicable to the Districts, to their business or operations, or to services required to be provided by this Agreement.

10.21 Instruments of Further Assurance. The Districts each covenant that they will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, such acts, instruments, and transfers as may reasonably be required for the performance of their obligations hereunder.

10.22 Taxes. Each District assumes responsibility for itself, and any of its employees, for payment of all federal, state and local taxes or contributions imposed or required under unemployment insurance, worker's compensation, social security and income tax laws.

[Remainder of page intentionally blank]

IN WITNESS WHEREOF, the Districts hereto have executed this Agreement as of the day and year first above written.

HEADWATERS METROPOLITAN DISTRICT

By: _____
President

ATTEST:

_____
Secretary

GRANBY RANCH METROPOLITAN DISTRICT

By: _____
President

ATTEST:

_____
Secretary

EXHIBIT B

2005-005677 06/02/2005 03:51P AGR SARA L ROSENE
1 of 15 R 76.00 D 0.00 GRAND COUNTY CLERK

CAPITAL FACILITIES FEE AGREEMENT

This Agreement is entered into to be effective as of the 1st day of June, 2005, by and between **GRANBY REALTY HOLDINGS LLC**, a Colorado limited liability company (hereinafter referred to as "Developer"), and **HEADWATERS METROPOLITAN DISTRICT,** a quasi-municipal corporation and political subdivision of the State of Colorado (the "District") (District and Developer are collectively referred to as the "Parties").

RECITALS

A. The District has been duly organized and is acting pursuant to the provisions of Article 1, Title 32, C.R.S. to finance, acquire, construct, install, and provide, and/or operate and maintain certain improvements, infrastructure and services in accordance with its Service Plan and Intergovernmental Agreements with the Town of Granby and Granby Ranch Metropolitan District.

B. The Developer is the owner of certain real property as more fully described on Exhibit A attached hereto and incorporated herein by reference (the "Property"). The Property is located within the current and future boundaries of the District or Granby Ranch Metropolitan District (together, the "Districts"). The District is responsible for coordinating, financing, constructing, installing, acquiring, operating and maintaining certain public infrastructure within and without the boundaries of the Districts. The Property is mostly unplatted and undeveloped; however, it is anticipated by the parties hereto that the Property will be subdivided in accordance with applicable law and developed with improvements as permitted by applicable zoning and building ordinances.

C. As a part of the development of the Property, the District will finance, acquire, construct, maintain, provide and administer certain improvements and services benefiting the Property including, without limitation, services, streets and roadways, traffic safety and control, transportation, drainage, water and sanitary sewer transmission improvements and offsite capacity improvements, non-potable water facilities, storm drainage, park and recreation improvements, and right-of-way landscaping (collectively, the "Improvements").

D. In order to complete the financing, acquisition, construction, and installation of the Improvements within the Property, the District will, from time to time, enter into agreements to acquire, construct, install, and complete the Improvements. The Developer is willing to obligate the Property for the payment of Facilities Fees (as defined below) that will provide additional revenue to the District to fund, in part, the costs to complete the Improvements enforceable pursuant to this Agreement and Section 32-1-1001(1)(j)(I), C.R.S.

E. The financing, acquisition, construction, installation and completion of the Improvements will benefit the Property.

F. As part of the financing of the Improvements, the District will impose and collect certain fees as set forth in this Agreement ("Facilities Fees") relative to the Property and the Developer is willing to subject the Property to such fees.

G. The provisions of this Agreement comply with the policies of the District, will serve a public use, and are not intended to limit, restrict or otherwise affect any rates, fees or charges imposed by the Town of Granby in any respect.

IN CONSIDERATION of the above recitals, the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby mutually acknowledged, the Parties hereto agree as follows:

AGREEMENT

1. **Warranties, Agreements and Representations.** The Developer makes the following representations, agreements and warranties to the District:

(a) The Developer is the fee owner of the Property and has good, marketable and indefeasible title thereto, subject to all liens, encumbrances and interests of record.

(b) The Developer has the full right, power and authority to enter into, perform and observe the Agreement.

(c) Neither the execution of the Agreement, the consummation of the transactions contemplated hereunder, nor the fulfillment of or compliance with the terms and conditions of the Agreement will conflict with or result in a breach of any term, condition or provision of, or constitute a default under any agreement, instrument, indenture, judgment, order or decree of any court to which the Developer is a party or by which the Property is bound.

2. **Facilities Fee.** Pursuant to the Joint Resolution of Headwaters Metropolitan District and Granby Ranch Metropolitan District to Establish a Capital Facilities Fee (the "Resolution") and this Agreement, the Facilities Fee is established to be collected by the District in coordination with the Granby Ranch Metropolitan District. The Facilities Fee shall be paid to the District by the owner of each lot or parcel of land within the Property (a "Lot") on or before the date (the "Due Date") of issuance of a building permit by the Town for any buildings on such Lot. The Facilities Fee shall be payable in the amount, initially, of:

(a) Six Thousand Two Hundred Fifty Five Dollars ($6,255.00) for each residential dwelling unit (including, without limitation, condominiums, townhouses, apartments and any other attached dwelling units, and detached single family dwelling units) being constructed on such Lot; and

(b) Six Thousand Two Hundred Fifty Five Dollars ($6,255.00) per single family equivalent as set forth on Exhibit B for property utilized for commercial, office or industrial use being constructed on a Lot;

and shall hereafter be in such amounts as are determined from time to time by the Board of the District to fund the actual costs of the Improvements, not to exceed a cumulative increase of ten percent (10%) per year. The owner or owners of a Lot is/are referred to in this Agreement as the "Responsible Party," and if the Responsible Party consists of more than one party, then the obligation to pay the Facilities Fee shall be the joint and several obligation of all of the parties constituting the Responsible Party. No Lot or Responsible Party shall be exempt from the Facilities Fee.

3. **Limitation of Liability.** All covenants, agreements, representations and warranties of the Developer made herein are made by the Developer as a corporate entity and not by any individual owner of the Developer. The District agrees that no partner of the Developer or individual owner shall have personal liability for any obligation created by this instrument whether expressed or implied. The Developer shall not have any obligation to pay the Facilities Fee for any property that is not owned by the Developer at the time the Facilities Fee with respect thereto is payable. Rather, it is the obligation of the Responsible Party at the time the Facilities Fee is payable with respect thereto to pay such Facilities Fee.

4. **Method of Payment.** The Facilities Fee shall be payable by the Responsible Party in cash or other acceptable funds pursuant to the terms of the Resolution and this Agreement. The District shall collect, or cause the collection of, the Facilities Fee from each Responsible Party on or before the date of issuance of a building permit by the Town for the construction of any buildings on such Lot.

5. **Subdivision.** The District acknowledges that the Developer reserves the right to subdivide the Property, or any part thereof, and to include the Property in one or more subdivision plats and to execute and deliver dedication deeds as to parts of the Property, as may be required in conjunction with the development of the Property and the District hereby consents to such dedications by subdivision plat or by deed and agrees that all parcels of the Property dedicated or conveyed by any such subdivision plat or deed to the Town of Granby, Colorado, or to any quasi-municipal authority, or homeowners/property owners association, or utility providing utility services to the Property, including, without limitation, all streets, roads, greenbelts, parks, open space, rights-of-way and easements, are excepted from the lien created hereby and that such parcels so dedicated or conveyed by any such subdivision plat or deed shall be free and clear of the lien created hereby and shall be released in writing herefrom on request of the Developer, and the District hereby waives its right to approve or join in the execution of any such subdivision plat or deed and to the extent execution thereof by the District is required by applicable law, hereby (to the extent permitted by applicable law) makes, constitutes and appoints the Developer as its special attorney-in-fact, for it and in its name, place and stead, and on its behalf, and for its use and benefit, to execute, acknowledge, deliver, record and file, as applicable, any such subdivision plat or deed, with full power of substitution, and agrees that this special power of attorney shall be deemed coupled with an interest, shall be irrevocable and shall survive the District's dissolution or other termination. The District shall execute in recordable form one or more separate power of attorney documents upon request of Developer.

6. **Nature of Obligation.** The obligations, terms, conditions and provisions set forth in the Agreement shall be enforceable by the District as a statutory perpetual lien against each

Lot within the Property, until the obligation for payment of the Facilities Fee for such Lot has been satisfied in full.

7. **Default.** Until paid, all Facilities Fees shall be subject to accrual of interest at a rate of 12% per annum from the Due Date and may be collected in accordance with the provisions of Section 32-1-1001(1)(j), C.R.S., and the District shall have the following rights and remedies: (i) if the default is a failure to pay, to declare by written notice such defaulted Facilities Fee immediately due and payable in full; (ii) to collect or foreclose its lien against the Lot for which such Facilities Fee is in default; or (iii) to initiate an action at law or in equity for actual (but not punitive or consequential) damages arising from any breach of this Agreement or for specific performance. The prevailing Party shall be entitled to recover its costs and expenses, including reasonable attorneys' fees, in connection with any enforcement action, and such costs and expenses incurred by the District shall be secured by its lien against the Lot to which such costs and expenses are allocable.

8. **Lien.** The Facilities Fee is imposed hereunder and under the Resolution by the District pursuant to Section 32-1-1001(1)(j), C.R.S., for the purpose of financing Improvements serving properties within the Districts and is deemed by the Districts to be necessary in order to fulfill their governmental purposes. As a result, the Facilities Fee, together with any late fees or penalty interest due thereon, constitutes a valid, perpetual lien on and against the Property, such lien securing the payment of such Facilities Fee until paid in full. The District acknowledges and agrees that each Responsible Party shall be obligated to pay only the Facilities Fee payable with respect to the Lot or residential unit owned by such Responsible Party, and the lien referenced herein with respect to such Lot or residential unit secures payment of only such Facilities Fee (together with any late fees or penalty interest due thereon).

9. **Estoppel Certificate.** Upon request by the owner of any Lot, the District shall issue a certificate stating the amount(s) of the Facilities Fee(s) that have been paid with respect to such Lot. Such certificate shall be furnished within 30 days after receipt of such request. All interested parties shall be entitled to rely upon such certificate.

10. **Restricted Use of Fee Revenue.** The imposition of the Facilities Fees by the District is solely for the purpose of financing the acquisition, reimbursement, construction, replacement, maintenance and repair of Improvements, which may include, without limitation: (1) the issuance of bonds or (2) reimbursement of amounts advanced by the Developer or other parties.

11. **Collection Provisions.** All Facilities Fees, late fees and penalty interest shall be paid to the District, in cash or an equivalent form made payable to "Headwaters Metropolitan District." In the event that any such amount is not paid when due, the District shall direct its General Counsel to undertake collection efforts for any and all outstanding amounts, in accordance with the following procedures. The District (or, if so directed, its General Counsel) shall send, by certified mail, a delinquency notice to the Responsible Party for which the District has not received Facilities Fees five days after the due date thereof. In the event that such delinquent Facilities Fees have not been received by the District 35 days after the mailing of such notice, the District (or, if so directed, its General Counsel) shall send to such Responsible Party,

by certified mail, a notice of intent to lien. In the event that the delinquent Facilities Fees have not been paid ten days after the mailing of such notice of intent to lien, the District (or, if so directed, its General Counsel) shall record a lien statement with respect to such unpaid Facilities Fees and shall immediately commence foreclosure proceedings with respect to the subject property. The District shall be entitled to charge reasonable legal fees and costs to the Responsible Party for said collections efforts.

12. **General Provisions.** The parties hereto further agree as follows:

(a) Time is of the essence hereof; provided, however, if the last day permitted or the date otherwise determined for the performance of any act required or permitted under this Agreement falls on a Saturday, Sunday or holiday, the time for performance shall be extended to the next succeeding business day, unless otherwise expressly stated;

(b) This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado;

(c) Severability. Should any provision of this Agreement or the application thereof, to any extent, be held invalid or unenforceable, the remainder of this Agreement and the application thereof other than those provisions as to which it shall have been held invalid or unenforceable, shall not be affected thereby and shall continue in full force and effect and shall be enforceable to the fullest extent permitted by law or in equity;

(d) Entire Agreement. This Agreement embodies the entire agreement between the parties hereto concerning the subject matter hereof and supersedes all prior conversations, proposals, negotiations, understandings and agreements, whether written or oral;

(e) All schedules, exhibits and addenda attached to this Agreement and referred to herein shall for all purposes be deemed to be incorporated in this Agreement by this reference and made a part hereof;

(f) Each of the parties hereto covenants and agrees with the other, upon reasonable request from the other, from time to time, to execute and deliver such additional documents and instruments and to take such other actions as may be reasonably necessary to give effect to the provisions of this Agreement;

(g) This Agreement shall not be amended, altered, changed, modified, supplemented or rescinded in any manner except by a written agreement executed and acknowledged by all of the parties hereto and attached as an addendum;

(h) Each of the parties hereto represents to the other that each such party has full power and authority to execute, deliver and perform this Agreement, that this Agreement constitutes a valid and legally binding obligation of such party enforceable against such party in accordance with its terms that such execution, delivery and performance will not contravene any legal or contractual restriction binding upon such party or any of its assets and that there is no legal action, proceeding or investigation of any kind now pending or to the knowledge of such parties threatened against or affecting such party regarding the execution, delivery or performance of this Agreement;

(i) Any one or more waivers of any covenant or condition by any party hereto shall not be construed as a waiver of a subsequent breach of the same covenant or condition and a consent or approval to or of any act requiring consent or approval shall not be deemed to waive or render unnecessary such consent or approval to or of any subsequent similar act;

(j) This Agreement, and the rights and obligations provided for herein, shall run with the Property and be binding upon and inure to the benefit of the parties hereto and their respective heirs, legatees, devisees, legal representatives, executors, administrators, successors and assigns. Notwithstanding the foregoing, the District acknowledges and agrees that an owner of a portion of the Property shall be obligated to pay only the Facilities Fees payable with respect to such portion of the Property, and the District shall have the right to assert a lien hereunder against such portion of the Property for only the amount of such Facilities Fees.

(k) Any and all notices or demands provided for herein or given or made in connection herewith shall be in writing and shall be deemed given or made either by personally serving the same upon the party to be notified or by mailing the same to the party to be notified, registered or certified mail, return receipt requested, to the address of such party set forth below:

(i) If intended for the Developer:

Gerald E. Engle
PO Box 8988
Edwards, CO 81632

Marise Cipriani, President/CEO
SolVista Corp.
999 Village Road
Post Office Box 1110
Granby, Colorado 80446

With a copy to:

Michael A. Putnam
1750 Pillsbury Center
220 South Sixth Street
Minneapolis, MN 55402

Paul V. Timmins Esq.
Holme Roberts & Owen LLP
1700 Lincoln Street, Suite 4100
Denver, Colorado 80203

(ii) If intended for the District:

Headwaters Metropolitan District
c/o Collins Cockrel & Cole
Attn: James P. Collins, Esq.
390 Union Boulevard, Suite 400
Denver, Colorado 80228

With a copy to:

Robertson & Marchetti, P.C.
District Administrator
Post Office Box 600
Edwards, Colorado 81632

Any such demand or notice given or made by mail shall be deemed effectively given or made five (5) days after the same is deposited in the United States mail, postage prepaid, addressed as set forth above. Either party may designate a different address for the purposes of this provision by notice given in accordance herewith.

(m) Counterparts. The Agreement may be executed in multiple counterparts, each of which shall constitute an original, but all of which shall constitute one and the same document.

EXECUTED as of the date first written above.

GRANBY RANCH HOLDINGS LLC,
a Colorado limited liability company

By: _____
Gerald E. Engle, Manager

STATE OF COLORADO }
} ss.

2005-005677 06/02/2005 03:51P AGR SARA L ROSENE
8 of 15 R 76.00 D 0.00 GRAND COUNTY CLERK

COUNTY OF GRAND }

The foregoing instrument was duly acknowledged before me this 1st day of June, 2005, by Gerald E. Engle, Manager of **GRANBY RANCH HOLDINGS LLC,** a Colorado limited liability company, on behalf of said company.

Witness my hand and official seal.

My commission expires:

NOTARY PUBLIC KAJSA M. WIBERG STATE OF COLORADO
My Commission Expires JUNE 30, 2007

Notary Public
PO Box 415 Winter Park CO 80482
Address

HEADWATERS METROPOLITAN DISTRICT

By: Julie Krueger
Chairman

STATE OF COLORADO }
} ss.
COUNTY OF GRAND }

The foregoing instrument was duly acknowledged before me this 1st day of June, 2005, by Julie Krueger, Chairman for **HEADWATERS METROPOLITAN DISTRICT,** a quasi-municipal corporation and political subdivision of the State of Colorado on behalf of said corporation.

Witness my hand and official seal.

My commission expires:

NOTARY PUBLIC KAJSA M. WIBERG STATE OF COLORADO
My Commission Expires JUNE 30, 2007

Notary Public
PO Box 415 Winter Park CO 80482
Address

EXHIBIT B

2005-005677 06/02/2005 03:51P AGR SARA L ROSENE
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EXHIBIT A

Description of the Property

The following property located in Township 1 North, Range 76 West of the 6th P.M., County of Grand, State of Colorado:

Section 3:
The SW1/4SW1/4, EXCEPT that portion lying within the Denver and Rio Grande Western Railroad right-of-way;
N1/2SW1/4;
SW1/4NW1/4.

Section 4:
The S1/2, EXCEPT that portion located within the Denver and Rio Grande Western Railroad right-of-way;
S1/2NW1/4, EXCEPT that portion located within the Denver and Rio Grande Western Railroad right-of-way;
SE1/4NE1/4.

Section 5:
The SW1/4, EXCEPT SILVERSAGE SUBDIVISION;
W1/2SE1/4;
Lot 5;
Lot 6;
S1/2N1/2, EXCEPT that portion located within the Denver and Rio Grande Western Railroad right-of-way.

Section 6:
That portion of the S1/2NE1/4 located east of Highway 40;
That portion of the N1/2SE1/4 located east of Highway 40 and north of (1) the SILVERSAGE SUBDIVISION, and (2) the tract of land conveyed by SilverCreek Development Company to Teddy Gene Kellner by the Warranty Deed recorded in the real property records of Grand County, Colorado on January 6, 1987, in Book 410 at Page 642.

Section 7 (Entrance Parcel):
That portion of the NE1/4SE1/4 lying Easterly of Highway 40, EXCEPT (1) THE INN AT SILVERCREEK SUBDIVISION, and (2) that portion lying north of the property described in the deed to Val Moritz Village, Inc. recorded in the real property records of Grand County, Colorado on July 14, 1971, in Book 178 at Page 709.

Section 8:
NW1/4NW1/4NW1/4;
E1/2NW1/4NW1/4;
E1/2NW1/4, EXCEPT (1) THE SILVERSAGE SUBDIVISION, (2) THE INNSBRUCK-VAL MORITZ SUBDIVISION, and (3) THE INN AT SILVERCREEK SUBDIVISION;
NE1/4SW1/4, EXCEPT (1) that portion located within THE INNSBRUCK-VAL MORITZ SUBDIVISION, and (2) that portion located within THE LAKEVIEW SUBDIVISION;
Lots 1 and 2;
E1/2E1/2;
NW1/4SE1/4.

Section 9:
Lots 1, 2, 3, 7, 8 and 9;
NE1/4SW1/4;
E1/2NW1/4;
N1/2NE1/4, EXCEPT that portion located within the Denver and Rio Grande Western Railroad right-of-way.

Section 10:
NW1/4NW1/4, EXCEPT that portion located within the Denver and Rio Grande Western Railroad right-of-way.

Section 15:
W1/2W1/2;

E1/2NW1/4, EXCEPT (1) the 23.99 acre open space parcel shown on the Final Plat of EAGLECREST SUBDIVISION, and (2) that portion located within the Denver and Rio Grande Western Railroad right-of-way.

Section 16:
ALL, EXCEPT (1) the 11.91 acre open space parcel shown on the Final Plat of SKI HAVEN ESTATES - PHASE I SUBDIVISION, (2) that portion of Phase I of THE SUMMIT AT SILVERCREEK platted as THE SUMMIT AT SILVERCREEK CONDOMINIUMS by the As Built Plat recorded in the real property records of Grand County, Colorado on February 22, 1985 at Reception No. 226723, (3) THE MOUNTAINSIDE AT SILVERCREEK PHASE I SUBDIVISION (including the 2.4 acre open space parcel shown on the final plat of such subdivision), (4) THE MOUNTAINSIDE AT SILVERCREEK PHASE II SUBDIVISION (including the 0.22 acre open space parcel shown on the final plat of such subdivision), (5) THE KICKING HORSE LODGES SUBDIVISION, (6) Lots 1 and 2, Block 4, SILVERGATE SUBDIVISION, (7) the two open space parcels shown on the final plat of SILVERGATE SUBDIVISION, and (8) the property described in the Quit Claim Deed from SilverCreek Development Company to The Summit at SilverCreek Homeowner's Association, recorded in the real property records of Grand County, Colorado on April 23, 1990 in Book 462 at Page 890. .

Section 17:
E1/2SW1/4;
SE1/4;
E1/2NE1/4.

Section 20:
NE1/4NW1/4;
NE1/4, EXCEPT (1) VAL MORITZ VILLAGE (SECOND FILING), and (2) the 7.8 acre open space parcel shown on the final plat of WESTRIDGE SUBDIVISION;
N1/2SE1/4, EXCEPT (1) VAL MORITZ VILLAGE (FIRST FILING), and (2) VAL MORITZ (SECOND FILING);
SE1/4SE1/4, EXCEPT VAL MORITZ VILLAGE (FIRST FILING).

Section 21:
ALL, EXCEPT (1) VAL MORITZ VILLAGE (FIRST FILING), and (2) VAL MORITZ VILLAGE (SECOND FILING).

Section 22:
W1/2NW1/4.

Section 28:
ALL, EXCEPT (1) VAL MORITZ VILLAGE (FIRST FILING), and (2) that portion conveyed by Val Moritz Group, Ltd., d/b/a SilverCreek Development Company, a Colorado limited partnership to Highlands Property Owners Group, Inc., a Colorado non-profit corporation by instrument recorded August 1, 1990, in Book 467 at Page 130.

Section 29:
NE1/4NE1/4;
S1/2 NE1/4;
SE1/4;
EXCEPT FROM SAID SECTION 29 (1) VAL MORITZ VILLAGE (FIRST FILING), and
(2) the tract of land conveyed by Plaza Resources Company to Grand Investments, LLC by Special Warranty Deed recorded October 13, 1995 at Reception No. 95008910.

Section 32:
NE1/4, EXCEPT that portion lying within the Highway 40 right-of-way.

Section 33:
NW1/4;
NW1/4NE1/4;
S1/2NE1/4, EXCEPT (1) that portion conveyed by Val Moritz Investment Group, et al. to Grand County by instruments recorded May 18, 1983, in Book 328 at Page 625 and 628, June 8, 1983, in Book 329 at Page 809, May 22, 1984, in Book 350 at Pages 946 and 947, July 18, 1984, in Book 354 at Page 124, June 17, 1985, in Book 375 at Pages 46 and 48, August 23, 1985, in Book 379 at Page 963 and September 25, 1985, in Book 381 at Page 755, and (2) that portion conveyed by Val Moritz Investment Group, Ltd., d/b/a SilverCreek Development Company, a Colorado limited partnership to Highlands Property Owners Group, Inc., a Colorado non-profit corporation by instrument recorded August 1, 1990, in Book 467 at Page 130.

Commercial West Parcel:

That portion of Section 6 and Section 7, Township 1 North, Range 76 West of the Sixth P.M., Grand County, Colorado, more particularly described as follows:

All information contained herein is based upon the location of the existing B.L.M. brass cap monuments as established by the Bureau of Land Management dependent resurvey of a portion of Township 1 North, Range 76 West of the Sixth P.M., accepted October 10, 1979 and filed in the Colorado State Office November 1, 1979.

Considering the North line of the Northwest one-quarter (NW1/4) of the Northeast one-quarter (NE1/4) of said Section 7 as evidenced by an existing B.L.M. brass cap monument at the Northwest corner of the Northwest one-quarter (NW1/4) of the Northeast one-quarter (NE1/4) of said Section 7 and an existing B.L.M. brass cap monument at the Northeast corner of the Northwest one-quarter (NW1/4) of the Northeast one-quarter (NE1/4) of said Section 7 as bearing South 89° 11' 02" East and with all bearings contained herein relative hereto.

Beginning at the Northwest corner of the Northwest one-quarter (NW1/4) of the Northeast one-quarter (NE1/4) of said Section 7, thence along the North line of the Northwest one-quarter (NW1/4) of the Northeast one-quarter (NE1/4) of said Section 7 South 89° 11' 02" East, 980.44 feet to the True Point of Beginning,
thence continuing along the North line of the Northwest one-quarter (NW1/4) of the Northeast one-quarter (NE1/4) of said Section 7 South 89° 11' 02" East, 334.12 feet to the Northeast corner of the Northwest one-quarter (NW1/4) of the Northeast one-quarter (NE1/4) of said Section 7,
thence along the East line of the Northwest one-quarter (NW1/4) of the Northeast one-quarter (NE1/4) of said Section 7 South 07° 12' 35" West, 1,277.49 feet to the Southeast corner of the Northwest one-quarter (NW1/4) of the Northeast one-quarter (NE1/4) of said Section 7 as evidenced by an existing B.L.M. brass cap monument, said point also being the Southwest corner of the Northeast one-quarter (NE1/4) of the Northeast one-quarter (NE1/4) of said Section 7,
thence along the South line of the Northeast one-quarter (NE1/4) of the Northeast one-quarter (NE1/4) of said Section 7 South 87° 57' 16" East, 912.53 feet,
thence North 02° 02' 44" East, 75.00 feet,
thence South 87° 57' 16" East, 114.54 feet to a point on the West right-of-way line of Highway 40, said point being on a curve concave to the Southwest, having a partial central angle of 01° 51' 52" and a radius of 1,282.50 feet, a radial line through said point bears North 82° 24' 55" East,
thence Northwesterly along the arc of said curve and said West right-of-way line 41.73 feet to the end of said curve, a radial line through said end of curve bears North 80° 33' 03" East,
thence along the West right-of-way line of said Highway 40, North 00° 58' 57" West, 243.40 feet to an existing highway right-of-way marker set in concrete,
thence along the West right-of-way line of said Highway 40, North 14° 24' 04" West, 19.16 feet to the Southeast corner of that certain parcel of land described in Deed recorded in Book 151, Page 17, records of said County,
thence along the South and West and North lines of said described parcel the following courses and distances,
North 78° 54' 04" West, 232.66 feet,
thence North 14° 24' 04" West, 572.10 feet,
thence North 75° 35' 56" East, 210.00 feet to the Northeast corner of said described parcel, said point being on the West right-of-way line of said Highway 40,
thence along said West right-of-way line North 14° 24' 04" West, 781.76 feet to the Southeast corner of that certain parcel of land described in Deed recorded in Book 194, Page 624, records of said County,
thence along the South and West and North lines of said described parcel the following courses and distances , South 75° 35' 56" West, 300.00 feet,
thence North 14° 24' 04" West, 382.76 feet,
thence South 89° 54' 04" East, 330.53 feet to the Northeast corner of said described parcel, said point being on the West right-of-way line of said Highway 40,
thence along said West right-of-way line North 14° 24' 04" West, 61.97 feet,
thence North 89° 54' 04" West, 695.50 feet,
thence South 04° 06' 34" West, 836.61 feet, more or less to the True Point of Beginning.

EXCEPT: Any portion of subject property lying within the property described in Book 154 at Page 119.

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Val Moritz Village Lots:

Lots 1 through 21, 23, and 25 through 32, Block 1,
Lots 1 through 11, and 13 through 17, Block 2,
VAL MORITZ VILLAGE (FIRST FILING),
County of Grand,
State of Colorado.

EXHIBIT B

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EXHIBIT B

HEADWATERS METROPOLITAN DISTRICT

SINGLE-FAMILY EQUIVALENT (SFE) SCHEDULE FOR COMMERCIAL USES

1. Residential Dwelling Unit (including, without limitation, condominiums, townhouses, apartments and any other attached dwelling units, and detached single family dwelling units) - 1.0 SFE

2. Hotels and Motels (per double person room, but not including restaurant, bar, swimming pool areas, etc. – at their respective fees:

   (a) without kitchens - .5 SFE
   (b) with kitchens - 1.0 SFE

3. Mobile Home - 1.0 SFE

4. Cafes, Restaurants, Bars, Private Clubs - 4.0 SFE

5. Drive-in Restaurants, per car space - .25 SFE

6. Filling Stations and Garages

   (a) without washing racks - 2.0 SFE
   (b) Additional – each washing rack - 1.0 SFE

7. Laundry (self-service; per washer) - .25 SFE

8. Schools – per student or faculty member (w/o pool)

   (a) without cafeteria - .02 SFE
   (b) with cafeteria - .04 SFE

9. Hospitals – per bed - 1.0 SFE

10. Auto Dealers (per 1,000 sq. ft. of building; minimum one times single family rate) - .3 SFE

11. Barber Shops (per chair, minimum = one times single family rate) - .25 SFE

12. Beauty Shops (per chair, minimum = one times single family rate) - .4 SFE

13. Boarding House (per bed) - .25 SFE

14. Boarding School (per bed) - .25 SFE

15. Bowling Alleys (per lane, excluding bars, restaurants, etc.) - .15 SFE

16. Car Wash, Do-It-Yourself (per stall, coin operated, at 10 gallons or less per car) - 1.0 SFE

17. Car Wash, Mechanical (per stall w/o conveyor, over 10 gallons per car) - 1.5 SFE

18. Car Wash, Conventional - 10.0 SFE

19. Churches (per 1,000 sq. ft.; not including kitchens and dining rooms) - .4 SFE

20. Cleaners

    (a) per 1,000 sq. ft. plus (b) – 1.0 SFE
    (b) per press – 1.5 SFE

21. Convalescent Homes (per bed) - .25 SFE

22. Convents (per bed) - .25 SFE

23. Country Clubs (per 1,000 sq. ft. of general building area plus restaurant, bars, pools, etc., at their respective rates) – 1.5 SFE

24. Drug Stores, w/o fountain service (per 1,000 sq. ft.) – 1.0 SFE

25. Drug Stores, with fountain service (Add (a) and (b))

    (a) per 1,000 sq. ft. - .8 SFE
    (b) per chair - .1 SFE

26. Factories (per 1,000 sq. ft.; not including industrial wastes which shall be assigned a rate appropriate to each case) - .75 SFE

27. Fraternal Organizations (per 1,000 sq. ft. of general building; plus extras) - .5 SFE

28. Grocery Stores and Super Markets (per 1,000 sq. ft.) - .8 SFE

29. Office Buildings and Clinics (per 1,000 sq. ft.) - .75 SFE

30. Public Institutions – Other than Hospitals (per 1,000 sq. ft.) - .75 SFE

31. Auxiliary Dining Room – open not more than 20 hours per week (per 1,000 sq. ft.) – 2.0 SFE

32. Stores (other than specifically listed and without restrooms or water – per 1,000 sq. ft.) - .5 SFE

33. Stores (other than specifically listed, with restrooms – per 1,000 sq. ft., minimum – one times single family rate) - .5 SFE

34. Drive-thru Drive-ins (per drive-thru lane) – 2.0 SFE

35. Public Swimming Pool (when connected to the system – 1.0 SFE per 1,000 sq. ft. of net area of pool; see Country Club for building unit)

36. Theater (includes snack bar; per seat) - .02 SFE

37. Theater/Drive-in (per car space; includes snack bar) - .04 SFE

38. Warehouse (per 1,000 sq. ft.) - .15 SFE

39. Private Swimming Pools (home pools, per 1,000 sq. ft. net area) – 1.0 SFE

40. Public Restrooms (per restroom) – 1.0 SFE
    ***Note: The minimum Fee for all users is one times the single family rate

41. Hot Tubs or Spas – No Fee assessment will be made for Hot Tubs installed on Single Family Lots. Hot Tubs in Multi-Family and Commercial properties shall be assessed a Fee at the rate of .2 SFE per 300 gallons

42. Saunas (per 500 sq. ft.) – 1.0 SFE

43. Health Clubs (per shower stall) - .30 SFE
***Note: The minimum Fee for all users is one times the single family rate

44. Other Uses: as determined by the Board of Directors

EXHIBIT C

EXCLUSION AGREEMENT

This **EXCLUSION AGREEMENT** (this "Exclusion Agreement") is entered into as of the 21st day of April, 2010 by and among **GRANBY REALTY HOLDINGS LLC**, a Colorado limited liability corporation ("GRH"), **HEADWATERS METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado ("HWMD"), and **GRANBY RANCH METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado ("GRMD"). HWMD and GRMD may be referred to individually as a "District" and collectively as the "Districts." GRH, HWMD, and GRMD may be referred to individually as a "Party" and collectively as the "Parties."

RECITALS

This Exclusion Agreement is made with respect to the following facts, all of which the Parties acknowledge are an integral part of this Exclusion Agreement.

A. The Granby Ranch development ("Granby Ranch") is an approximately 5,000 acre planned, multi-use development which provides recreational, residential, lodging, dining, commercial and other experiences and opportunities to the general public and owners of property within Granby Ranch.

B. GRH is the master developer of Granby Ranch.

C. HWMD was organized pursuant to the laws of the State of Colorado to coordinate the acquisition, financing, and construction of public improvements, including streets and roadways, safety protection systems, water improvements, sanitary sewer and storm drainage, and park and recreation facilities, benefitting Granby Ranch, (collectively, the "Facilities") and for the management, operation and maintenance of improvements not conveyed to the Town of Granby.

D. GRMD was organized pursuant to the laws of the State of Colorado, contemporaneously with HWMD, in order to provide the funding for the Facilities and ongoing operations of the Districts.

E. The Service Plans for HWMD and GRMD (collectively, the "Service Plan") set forth the relationship between HWMD and GRMD and provide that HWMD is to construct, manage, own, operate and maintain the Facilities and provide services to Granby Ranch, and GRMD is to produce tax and other revenue sufficient to pay all costs related to the construction, financing, acquisition, operation, and maintenance of the Facilities.

F. In order to assure the orderly provision of the Facilities and essential services to Granby Ranch, and to assure the economic administration of the Districts' fiscal affairs, the Service Plan disclosed and established the necessity for a master intergovernmental agreement to fully implement the provisions of the Service Plan.

G. On June 1, 2006, the Districts entered into an intergovernmental agreement titled "District Facilities Construction and Service Agreement" (the "2006 Master IGA") setting forth the dual responsibilities and nature of the functions and services to be provided by each District.

H. Pursuant to the 2006 Master IGA, the Districts agreed that HWMD would own, operate, construct, and maintain the Facilities benefiting the Districts and that GRMD would pay all costs related to the construction, financing, acquisition, operation and maintenance of the Facilities.

I. The financial obligations of GRMD under the 2006 Master IGA are contractual general obligation debt of GRMD, and GRMD is obligated to, inter alia, impose an ad valorem property tax levy for the payment of its obligations thereunder.

J. In order to comply with its obligations under the 2006 Master IGA and to pay certain costs of designing, acquiring, constructing, completing, installing, relocating, and providing public improvements benefiting Granby Ranch, GRMD has previously issued its Limited Tax General Obligation Bonds, Series 2006 in the total principal amount of $14,725,000 (the "2006 Bonds"), and is obligated, inter alia, to impose an ad valorem property tax levy for the payment of its obligations thereunder at a "gallagherized" cap of 50 mills without reduction for obligations associated with the 2006 Master IGA.

K. In order to properly allocate revenue from GRMD's debt levy in accordance with the terms of the indenture for the 2006 Bonds, GRMD and HWMD desire to amend their respective budgets.

L. The outstanding obligations of GRMD under the 2006 Master IGA as of March 31, 2010 include $913,964 in Service Costs and $11,753,178 in Capital Costs, as those terms are defined in the 2006 Master IGA.

M. As partial consideration for this Agreement, the Parties agree to an allocation of Capital Costs set forth immediately above to properties other than those in GRMD. This allocation will reduce the Capital Costs due and owing under the 2006 Maser IGA to $10,205,653.

N. In order to refund GRMD's existing debt obligations under the 2006 Master IGA, GRMD will issue its Taxable Subordinate Limited Tax General Obligation Bonds, Series 2010, in the original aggregate principal amount of $11,119,000, and will be obligated, inter alia, to impose an ad valorem property tax levy for the payment of its obligations thereunder at a "hard" cap of 50 mills.

O. Three initiated measures (the "Ballot Initiatives") have been placed on the November 2010 statewide general election ballot, and the Ballot Initiatives, if passed, may unduly restrict the ability of GRMD to refund its debt at a later date, including the present obligations of the 2006 Master IGA.

P. Granby Ranch Metropolitan District Nos. 2-8 ("GRMD Nos. 2-8") were organized in order to more fully accommodate phasing of the Granby Ranch project and to provide greater flexibility for the potential uses of property within the development.

Q. Subsequent to the organization of GRMD Nos. 2-8, the 2006 Master IGA was amended and restated by a First Amended and Restated District Facilities Construction and Services Agreement (the "2008 Master IGA") to amend and restate certain provisions of the 2006 Master IGA and add GRMD Nos. 2-8 as parties to the agreement.

R. As partial consideration for the exclusions contemplated herein and this Agreement, and in order to clarify the obligations of the parties with respect to future contractual obligation indebtedness of GRMD, HWMD and GRMD agree that GRMD will repudiate the 2008 Master IGA and thereafter be governed by the provisions of the 2006 Master IGA.

S. In addition, GRMD and HWMD agree to amend the 2006 Master IGA to make the obligations of the Districts thereunder subject to annual appropriation and to revise the termination provision to be more consistent with annually appropriated obligations.

T. At the time of the organization of GRMD Nos. 2-8, it was anticipated that future boundary adjustments would occur with respect to the boundaries of the districts serving Granby Ranch.

U. The Parties acknowledge that the best interests of the entire Granby Ranch community are served by the continued, orderly development of Granby Ranch to create a tax-base sufficient to provide cost-effective facilities and services to the community, and in order to lessen the burden on existing property owners within Granby Ranch

V. In order to take advantage of the organization of GRMD Nos. 2-8, to properly phase development within Granby Ranch, and to not unduly burden GRMD with debt for future facilities, GRH has filed a petition for exclusion of certain of its property (the "GRH Property") from the boundaries of GRMD with the GRMD Board.

W. In order to assure that the roadways serving Granby Ranch remain open and available for the intended uses, including access to properties within GRMD, and the application of uniform rules applied throughout the Granby Ranch community, HWMD has filed a petition for exclusion of its roadways (the "HWMD Property") from the boundaries of GRMD with the GRMD Board.

X. In order to assure the greatest likelihood of continued development within Granby Ranch, GRMD recognizes the necessity of excluding the GRH Property and the HWMD Property (collectively, the "Property") from GRMD.

Y. As partial consideration for the exclusion, GRH agrees to exclusion of the GRH Property after the issuance of the 2010 Bonds. The GRH Property will therefore remain liable for its proportionate share of the principal and interest on the 2006 Bonds as well as the 2010 Bonds.

Z. As provided in the Service Plan, upon due organization of GRMD and HWMD the Districts executed an intergovernmental agreement with the Town of Granby (the "Town"), dated December 9, 2003 (as amended, the "Town IGA"), which Town IGA imposes, inter alia, certain obligations on the Districts with respect to the maintenance of streets, and contemplates that in order to provide for the payment of such obligations (as more particularly defined therein, the "Cure Amount"), the Districts would, if necessary, impose an operations fee.

AA. In order to provide for the ongoing operations and maintenances of the Facilities, GRMD and HWMD adopted a Joint Resolution of the Boards of Directors of Headwaters Metropolitan District and Granby Ranch Metropolitan District Concerning the Imposition of District Fees (as may be amended from time to time, the "Operations Fee Resolution"), pursuant to which the Districts authorized the imposition of a monthly "Operations Fee" to be imposed as set forth in the Operations Fee Resolution.

BB. The Parties desire to set forth their understanding with regards to the implementation of the Operations Fee Resolution.

CC. GRH and HWMD have entered into a 2006 Funding and Reimbursement Agreement ("2006 Funding Agreement") whereby GRH agreed to advance funds to HWMD for operations and maintenance costs until certain thresholds were met ("Funding Threshold").

DD. As the "Funding Threshold" has been met, the Parties desire to set forth their understanding regarding the funding of general administrative costs (e.g. insurance, legal fees, accountants' fees, auditing costs, etc.) and operation and maintenance costs associated with owning and maintaining the Facilities (collectively, the "O&M Costs").

EE. As questions have arisen concerning the proper method of implementing the "Gallagherization" concept set forth in the Service Plan and respective bond documents, the parties desire to set forth the Gallagherization methodology to be used with respect to both the 2006 Bonds and the 2010 Bonds.

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants and promises set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

ARTICLE I
PURPOSE

1.1 Purpose. The purpose of this Agreement is to document the terms and conditions under which GRMD will exclude the Property from the boundaries of District; together with the maintenance, operations, and future obligations of each of the Parties.

1.2 Effective Date. The Effective Date for purposes of this Agreement shall be April 21, 2010.

ARTICLE II
EXCLUSIONOF THE PROPERTY/ DEBT OBLIGATIONS

2.1 Property to be Excluded. GRMD agrees, pursuant to the terms and conditions herein, and upon making the determinations required by Section 32-1-501 *et seq.,* C.R.S, to adopt an Order and Resolution excluding the Property from the boundaries of GRMD, pursuant to Section 32-1-501, *et seq.,* C.R.S, and to process the exclusion with the District Court in and for Grand County, Colorado.

2.2. Continued Obligation for Outstanding Debt. The Property, once excluded, shall remain liable for its proportionate share of the principal and interest on any outstanding bonded indebtedness of the District existing immediately prior to the effective date of the exclusion order. The indebtedness for which the Property shall remain proportionately liable is set forth as follows:

a. Granby Ranch Metropolitan District, Limited Tax General Obligation Bonds, Series 2006, in the principal amount of $14,725,000, dated June, 1, 2006, with a final maturity date of December 1, 2036.

b. Granby Ranch Metropolitan District, Limited Tax General Obligation Subordinate Bonds, Series 2010, in the principal amount of $11,119,000, dated April 21, 2010, with a final maturity date of December 15, 2049.

2.3 Contractual Obligation Indebtedness. The contractual obligation indebtedness for which the Property shall remain liable is $0.00.

2.4 Future Debt. The Property shall not be liable for any indebtedness issued after the effective date of the Court's order for exclusion.

2.5 Future Inclusions. Within six (6) months of the Effective Date, GRH shall file a petition for inclusion with one of the GRMD Nos. 2-8 or GRMD requesting the GRH Property be included within the boundaries of such district.

ARTICLE III
FEES, RATES, TOLLS, AND CHARGES

3.1 Capital Facilities Fees. The Property shall remain liable for payment of the District's Capital Facilities Fee imposed pursuant to the Amended and Restated Joint Resolution of the Board of Directors of Headwaters Metropolitan District and Granby Ranch Metropolitan District to Establish a Capital Facilities Fee, adopted on June 7, 2006, ("Capital Facility Fee Resolution").

3.2 Amenity Fees. Unless otherwise agreed by HWMD, the Parties agree that the "Amenity Fee" established pursuant to the Joint Resolution of the Boards of Directors of Headwaters Metropolitan District and Granby Ranch Metropolitan District to Establish an Amenity Fee, duly adopted May 26, 2005 (as amended, the "Amenity Fee Resolution") shall

remain in full force in effect, that the Property shall remain liable for payment of Amenities Fees, and HWMD shall continue to impose and collect the Amenity Fee pursuant to the terms of the Amenity Fee Resolution.

3.2.1 Assignment and Receipt. GRMD acknowledges and agrees that the Amenity Fees are payable to HWMD and GRMD has no right, title or interest thereto. Accordingly, any Amenity Fees received by GRMD shall be paid over to HWMD by GRMD as soon as practical, and GRMD agrees to execute any necessary documents to assign all right, title, and interest in any Amenity Fee to HWMD.

3.3 Operations Fee. GRMD shall, subject to the consent of HWMD, impose the Operations Fee in an amount sufficient to fund the deficiency in the Improvement Operating Budgets and Cure Amounts, in accordance with the Operations Fee Resolution. GRMD and HWMD agree that the adopted 2010 budget for HWMD constituted and incorporated the Improvement Operating Budgets as part thereof and shall constitute the Improvement Operating Budgets to be used for determination of the Monthly Rate to be imposed and collected during the 2010 fiscal year, if any. As at the time of the adoption of the HWMD and GRMD 2010 budgets it was not anticipated that an Operations Fee would be imposed, the December 20 deadline for providing written notice of the imposition of the fee to all homeowners is hereby extended to June 1, 2010, applicable to the 2010 fiscal year only.

3.3.1 The Property shall not be liable for the Operations Fee and the Districts shall record an amendment to the Memorandum of Resolution Concerning the Imposition of District Fees, recorded in the real property records of Grand, County, Colorado at reception #2007002391 (the "Fee Memorandum") stating that the Fees, as that term is defined in the Fee Memorandum, no longer constitute a valid, perpetual lien against the Property.

3.4 Operations and Maintenance Levy. The Property shall not be liable for any property tax levied by GRMD for operating costs of GRMD after the effective date of the Court's order for exclusion and, in addition, shall not be liable or have any obligations for operations of GRMD of any kind.

3.5 Imposition of other Fees, Rates, Tolls or Charges. Other than the Capital Facility Fee and the Amenity Fee, GRMD acknowledges and agrees that it has no right or authority to impose, and shall not otherwise attempt to impose, establish, or assess, any new or additional fee, rate, toll, or charge, against any portion of the Property, and that the Capital Facility Fee and Amenity Fee shall be limited to increases in accordance with the terms of the respective implementing resolution (collectively, the "Implementing Resolutions"). Neither GRMD nor HWMD shall repeal, modify, or amend the Implementing Resolutions without the written consent of the other party. In accordance herewith, the Property shall not be liable for any service charge, tap fees, or other rates, fees, tolls or charges imposed pursuant to Section 32-1-503, C.R.S., to supplement the proceeds of tax levies for any indebtedness of GRMD and the interest thereon.

ARTICLE IV
MASTER INTERGOVERNMENTAL AGREEMENT

4.1 Repudiation of 2008 Master IGA. GRMD hereby confirms its repudiation of the 2008 Master IGA, acknowledges and agrees that the 2006 Master IGA is of full force and effect, and covenants to comply with its commitments and obligations thereunder.

4.1.1 Consent to Repudiation. HWMD hereby consents to GRMD's repudiation of the 2008 Master IGA and affirms that the 2006 Master IGA is of full force and effect.

4.2 Contractual Obligations. The Parties agree that as of March 31, 2010, the obligations owing from GRMD to HWMD under the 2006 Master IGA include $913,964 in Service Costs and $11,753,178 in Capital Costs. As partial consideration for this Agreement, the Parties agree to an allocation of Capital Costs to properties other than those in GRMD. This allocation reduces the Capital Costs due and owing under the 2006 Maser IGA to $10,205,653. The Parties agree that upon issuance of the 2010 Bonds in the aggregate principal amount of $11,119,000, all debt obligations of GRMD to HWMD under the 2006 Master IGA are hereby deemed paid in full.

4.3 Amendment to 2006 Master IGA. HWMD and GRMD agree to amend the 2006 Master IGA as follows:

4.3.1 Liability of the Districts. Notwithstanding any provision in the 2006 Master IGA to the contrary, no provision, covenant, or agreement contained in the 2006 Master IGA, nor any obligation imposed upon HWMD or GRMD thereunder, shall constitute or create indebtedness of either District within the meaning of any Colorado constitutional provision or statutory limitation. No provision of the 2006 Master IGA shall be construed or interpreted as a delegation of governmental powers, or as creating a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever, or statutory debt limitation, including, without limitation, Article X, Section 20 or Article XI, Section 6 of the Constitution of the State of Colorado. Each District's obligations under the 2006 Master IGA shall exist subject to annual budgeting and appropriations. All payment obligations of either District are expressly dependent and conditioned upon the continuing availability of funds beyond the term of the District's current fiscal period. Financial obligations of a District payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available in accordance with the applicable rules, regulations, and resolutions of the District and any other applicable law.

4.3.2 Termination. The termination provision contained in Section 8.2 (g) of the 2006 Master IGA is hereby amended to provide that failure of a District to budget and appropriate funds for the succeeding year shall terminate the 2006 Master IGA in its entirety as of December 31 of the current year. In order to allow the Districts adequate time to prepare budgets for the ensuing fiscal year, if either District anticipates terminating the 2006 Master IGA, the terminating District shall, on or before August 1, notify the other District, in writing, of its intent to terminate the 2006 Master IGA. On or before September 1, the terminating District

shall send written confirmation of its intent to terminate to the non-terminating District, and said confirmation shall constitute adequate notice of termination.

4.4 Conveyance of Improvements. GRMD shall convey and dedicate any public improvements for which it has ownership to HWMD for ownership, operations, and maintenance. GRMD shall execute such necessary conveyance documents to transfer and public improvements and related appurtenances to HWMD, including as necessary and appropriate, special warranty deeds, bills of sale, assignment agreements, or other conveyance documents, conveying title to the public facilities, infrastructure, any property and any appurtenances thereto owned by GRMD to HWMD.

ARTICLE V
O&M ADVANCES / BUDGET AMENDMENT/GALLAGHRIZATION

5.1 GRH Advances. The Parties acknowledge and agree that pursuant to the 2006 Funding and Reimbursement Agreement, dated April 11, 2006, the obligations of GRH to advance funds to HWMD for the purpose of funding operations and maintenance expenses of the Districts and any Cure Amounts, have been fulfilled, and therefore the obligation of GRH to make advances under said agreement is terminated and is no longer of any force or effect.

5.2 Contractual Obligation - Mill Levy Revenues. HWMD and GRMD agree that notwithstanding the fact that the Board of Directors of GRMD certified a contractual obligation levy of 9.044 mills ($162,096.97) to the Board of County Commissioners of Grand County, Colorado, to fund its contractual obligation to HWMD, the revenue from 3.414 mills of the amount so certified shall remain in the GRMD Debt Service Fund to be used towards debt service on the 2006 Bonds. GRMD shall transfer the remaining 5.630 mills ($100,915) to HWMD upon receipt from Grand County.

5.3 Budget Amendment. GRMD and HWMD shall each use good faith efforts to adopt amended budgets that recognize the provisions of this Article V.

5.4 Gallagherization. The Parties agree that with regard to the 2006 Bonds and the 2010 Bonds, the proper method of Gallagherization is that methodology demonstrated in **Exhibit A**, attached hereto and incorporated herein by this reference, which operates so that District revenues as a whole neither increase nor decrease as a result in the change of the percentage valuation of residential property.

ARTICLE VI
OPERATIONS

6.1 O&M Services. HWMD and GRMD agree that consistent with the Service Plan, the Town IGA, and the 2006 Master IGA, HWMD shall provide all general administrative services, operation and maintenance services, and Facilities for GRMD, and GRMD shall impose property taxes, fees, rates, tolls or charges and take other actions in cooperation with HWMD that may be necessary to fund the O&M Costs and allow HWMD to provide, operate and maintain the Facilities. GRMD agrees that it shall not attempt to provide, independent of HWMD, any operation and maintenance services for the Facilities.

6.2 Access to Improvements. GRMD shall not interfere with the operations and maintenance responsibilities of HWMD and shall not impair HWMD's access to any Facilities through the adoption of any rules, regulations, policies, procedures or other action reasonably interpreted by HWMD to impair HWMD's access, or access granted by HWMD to others, to any Facilities.

6.3 Future Development. Neither GRMD nor HWMD shall interfere with or restrict future construction or development with the Granby Ranch development.

ARTICLE VII
GENERAL REPRESENTATIONS AND WARRANTIES

7.1 General Representations and Warranties. To induce the Parties to enter into this Exclusion Agreement and to consummate the exclusion, each Party hereby represents and warrants to the other Parties, the following, with the understanding and intention that the other Parties are relying upon the accuracy of such representations and warranties, which representations and warranties will be deemed to be made by such Party to the other Parties as of the date of this Agreement and as of the Effective Date:

7.1.1 That it has all requisite power and authority to enter into and perform its obligations under this Agreement.

7.1.2 It has the full right, power and authority to execute and deliver, and to perform its obligations under, this Agreement without the consent, approval or license of any third party, and that this Agreement, when executed, shall constitute the valid, legal and binding obligation of the Party, enforceable in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the rights of creditors generally.

7.1.3 Neither the execution, delivery of performance of this Agreement by the Party will violate any law, rule, regulation, order or the like applicable to the Party, or conflict with, or result in, a breach or default, or require the consent under, the organizational documents or any agreement, order, or instrument to which it is a Party or by which it is bound.

7.1.4 To each of the Party's actual knowledge, there is no suit, governmental investigation or other proceeding or any pending or threatened suit or proceeding that would have an adverse affect on this Agreement or any of the acts or agreements contemplated hereunder.

7.15 Neither the execution of this Agreement, the consummation of the transactions contemplated hereunder, nor the fulfillment of or by the compliance with the terms and conditions of this Agreement by any of the Parties will conflict with or result in a breach of any terms, conditions, or provisions of, or constitute a default under, or result in the imposition of any prohibited lien, charge, or encumbrance of any nature under any agreement, instrument,

indenture, or any judgment order, or decree to which any Party is a party of or by which any Party is bound.

ARTICLE VIII
EVENTS OF DEFAULT, REMEDIES, AND CONFLICT RESOLUTION

8.1 Event of Default. It shall be an "Event of Default" hereunder if any Party fails to timely perform any of its obligations herein, including, but not limited to:

8.1.1 The violation of or failure to perform any material provision of this Agreement by any Party or the failure of any representation or warranty of any Party to be true;

8.1.2 The failure to pay any payment when the same shall become due and payable as provided herein and to cure such failure in accordance with Section 8.3.

8.1.3 The failure to perform or observe any other covenants, agreements, or conditions in this Agreement on the part of any Party and to cure such failure in accordance with Section 8.3.

8.1.4 Any effort by any Party, or the failure of any Party to resist the efforts of any person, that might reasonably be believed to result in the avoidance by court order or otherwise of any Party's obligations under this Agreement;

8.1.5 Any act or omission by any Party, or the failure of any Party to resist the acts or omissions of any person, that might reasonably be believed to result in the interference in the exercise of any Party's rights hereunder; and/or

8.1.6 The failure of any Party to take such action as is required by law to enable each Party to perform its obligations hereunder, including but not limited to the failure of GRMD to appropriate revenues in any year sufficient to perform its obligations hereunder.

8.2 Delay/Waiver of Event of Default. No delay or omission of any Party to exercise any right or power accruing upon any Event of Default shall exhaust or impair any such right or power or shall be construed to be a waiver of any such Event of Default, or acquiescence therein.

8.2.1 No waiver of any Event of Default hereunder by any Party shall extend to or affect any subsequent or any other then existing Event of Default or shall impair any rights or remedies consequent thereon. All rights and remedies of the Parties provided herein may be exercised with or without notice, shall be cumulative, may be exercised separately, concurrently or repeatedly, and the exercise of any such right or remedy shall not affect or impair the exercise of any other right or remedy.

8.3 Remedies. Upon an Event of Default, the non-defaulting Party shall provide written notice to the defaulting Party, which notice shall explicitly state the Event of Default. The defaulting Party shall have fifteen (15) days to cure such Event of Default, or, to commence to cure such Event of Default if the default is of a nature that a cure cannot be cured within

fifteen (15) days. If the defaulting Party fails timely to cure such Event of Default, the Parties shall initiate the Dispute Resolution provisions of Section 8.4.

8.4 Dispute Resolution. If a Party claims that an Event of Default has occurred and is continuing and the defaulting Party has failed to cure as required in 8.3:

8.4.1 The non-defaulting Party shall provide a written "Notice of Continuing Event of Default" to the other Party explaining the dispute and at least one alternative for a solution;

8.4.2 a Resolution Committee shall be convened no later than ten (10) working days after receipt of the Notice of Continuing Event of Default;

8.4.3 Each party to the dispute shall appoint two (2) board members/representatives to the Resolution Committee and each party may utilize such staff support as that entity deems appropriate;

8.4.4 forthwith, the Resolution Committee shall meet to review such information as may be presented to the Resolution Committee, make such independent investigations, and decide the dispute by concurrence of the Resolution Committee at a meeting following reasonable notice at which all are present;

8.4.5 in its review of the dispute, the Resolution Committee shall review the facts, the technical objections, and any other materials presented to the Resolution Committee, and shall make a determination that shall resolve all of the issues concerning the dispute. The standards that the Resolution Committee shall use in the determination of any dispute shall include (i) the impact of any technical, operational or maintenance issues, (ii) the financial impact of any proposed resolution, (iii) the feasibility of any proposed resolution, and (iv) the language and intent of this Agreement and any related agreements impacting the Event of Default, and (v) whether the determination substantially hinders a party from the benefit of this Agreement, the Property or the Facilities described herein and in which it has an interest;

8.4.6 the Resolution Committee shall provide its written decision to the Parties within thirty (30) days of the convening of the Resolution Committee.

8.5 Legal Proceedings. The decision of the Resolution Committee may be appealed to the District Court in and for Grand County, Colorado and shall not be deemed a final decision by arbitration. If the Resolution Committee fails to render a decision within thirty (30) days of being convened, then the non-defaulting party may seek such other remedies as may be allowed by law. As a condition precedent to the exercise of any legal or equitable remedy by any Party for an alleged Event of Default, each Party agrees to comply with the provisions of Section 8.4.

8.5.1 In addition to remedies generally available at law or in equity, any Party may ask a court of competent jurisdiction to enter a writ of mandamus to compel any other Party to perform its duties under this Agreement, and any District may seek from a court of competent

jurisdiction temporary and/or permanent injunctions, or orders of specific performance, to compel the other to perform in accordance with the obligations set forth under this Agreement.

8.5.2 The Parties may protect and enforce their rights under this Agreement by such suit, action, or special proceedings as they shall deem appropriate, including without limitation any proceedings for specific performance of any covenant or agreement contained herein, for the enforcement of any other appropriate legal or equitable remedy, or for the recovery of damages caused by breach of this Agreement, including attorney's fees and all other costs and expenses incurred in enforcing this Agreement.

8.5.3 Except as otherwise provided by law, no recovery of any judgment by the Parties shall in any manner or to any extent affect any rights, powers, and remedies of the Parties hereunder, but such rights, powers, and remedies of the Parties shall continue unimpaired as before.

8.5.4 In case any Party shall have proceeded to enforce any right under this Agreement and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to such Party, then and in every such case the Parties shall be restored to their former positions and rights hereunder, and all rights, remedies, and powers of the Parties shall continue as if no such proceedings had been taken.

ARTICLE IX
GENERAL PROVISIONS

9.1 Negotiated Provisions. This Agreement shall not be construed more strictly against one Party than against another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being acknowledged that each Party has contributed substantially and materially to the preparation of this Agreement.

9.2 Termination Upon Mutual Agreement. This Agreement may be terminated at any time by written agreement signed by all of the parties to this Agreement.

9.3 Relationship of Parties. Nothing contained in this Agreement shall be construed as making the Parties partners, agents or joint venturers of the other. It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the Parties and nothing contained in this Agreement shall give or allow any such claim or right of action by any other third party on such Agreement. It is the express intention of the Parties that any person other than Parties receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only. Nothing contained in this Agreement is intended to or shall create a contractual relationship with, cause of action in favor of, or claim for relief for, any third party, including any agent, consultant or contractor of the Parties. Absolutely no third party beneficiaries are intended by this Agreement. Any third party receiving a benefit from this Agreement is an incidental and unintended beneficiary only.

9.4 Amendment. No amendment or modification of this Agreement will be valid or binding unless reduced to writing and executed by the Parties hereto.

9.5 Further Assurances. Each Party hereto will from time to time execute and deliver such further reasonably acceptable instruments as the other Party or its counsel may reasonably request to effectuate the intent of this Agreement.

9.6 Cooperation/Good Faith. Each party shall fully cooperate to give effect to the intent and purposes of this Agreement. In the performance of this Agreement, or in considering any requested approval, acceptance, or extension of time, the Parties agree that each will act in good faith and will not act unreasonably, arbitrarily, capriciously, or unreasonably withhold, condition, or delay any approval, acceptance, or extension of time required or requested pursuant to this Agreement.

9.7 Controlling Law. The parties hereto expressly agree that the terms and conditions hereof, and subsequent performance hereunder, will be construed and controlled by the laws of the State of Colorado.

9.8 Interpretation. Captions and headings used in this Agreement are for convenience of reference only and will not affect the construction of any provision of this Agreement. As used herein, the singular will include the plural, and vice versa; any gender will be deemed to include the masculine, feminine and neuter gender; and the terms "including," "include" or derivatives thereof, unless otherwise specified, shall be interpreted in as broad a sense as possible to mean "including, but not limited to," or "including, by way of example and not limitation."

9.9 Severability. If any portion of this Agreement is declared by any court of competent jurisdiction to be void or unenforceable, such decision shall not affect the validity of any remaining portion of this Agreement, which shall remain in full force and effect. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Agreement a provision similar in terms to such illegal, invalid or unenforceable provision so that the resulting reformed provision is legal, valid and enforceable.

9.10 Binding Effect. The provisions hereof will be binding upon and inure to the benefit of the heirs, successors, personal representatives and assigns of the Parties.

9.11 Waiver. No exercise or waiver, in whole or in part, of any provision of this Agreement will operate as a waiver of any right or remedy, or constitute a waiver of any other provision of this Agreement, nor shall such waiver constitute a continuing waiver, unless otherwise expressly provided herein. The waiver of any default hereunder shall not be deemed a waiver of any subsequent default hereunder.

9.12 Article X, Section 20/TABOR. The Parties understand and acknowledge that each Party is subject to Article X, § 20 of the Colorado Constitution ("TABOR"). The Parties represent that they have or will have budgeted and appropriated sufficient funding to meet their respective obligations set forth in this Agreement. Therefore, the Parties acknowledge that the provisions of Article X, Section 20 of the Colorado Constitution are met. For any amounts not fully appropriated, the Parties do not intend to violate the terms and requirements of TABOR by the execution of this Agreement. It is understood and agreed that this Agreement does not create a multi-fiscal year direct or indirect debt or obligation within the meaning of TABOR and, therefore, all payment obligations of a Party are expressly dependent and conditioned upon the

continuing availability of funds beyond the term of the Party's current fiscal period. Financial obligations of a Party payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available in accordance with the applicable rules, regulations, and resolutions of the Party and any other applicable law.

9.13 Entire Agreement. This Agreement and the Exhibits attached hereto embody the entire agreement between the parties hereto with respect to the subject matter hereof and supersede any and all prior agreements and understandings, written or oral, formal or informal with respect thereto.

9.14 Assignment. No Party shall assign this Agreement or any interest hereunder in whole or in part, without the prior written consent of each of the other Parties, which consent shall not be unreasonably withheld. Any assignment attempted with the prior written consent of all Parties hereto shall be deemed void and of no force or effect. Consent to one assignment shall not be deemed to be consent to any subsequent assignment nor the waiver of any right to consent to such subsequent assignment.

9.15 Notices. All notices, demands and communications (collectively, "Notices") under this Agreement shall be delivered or sent by: (a) first class, registered or certified mail, postage prepaid, return receipt requested, (b) nationally recognized overnight carrier, addressed to the address of the intended recipient set forth below or such other address as either party may designate by notice pursuant to this Section, or (c) sent by confirmed facsimile transmission, PDF or email. Notices shall be deemed given either one business day after delivery to the overnight carrier, three days after being mailed as provided in clause (a) above, or upon confirmed delivery as provided in clause (c) above.

To HWMD:

Headwaters Metropolitan District
c/o Robertson & Marchetti, P.C.
28 Second Street, Suite 213
Edwards, CO 81632
Attn: Melissa McClendon
(P) 970-926-6060
(F) 970- 926-6040
Email: melissa@rmpccpa.com

With a copy to:

WHITE, BEAR & ANKELE
Professional Corporation
Attention: Gary R. White, Esq.
1805 Shea Center Drive, Suite 100
Highlands Ranch, Colorado 80129
(P) 303-858-1800
(F) 303-858-1801
Email: gwhite@wbapc.com

To GRMD:

Granby Ranch Metropolitan District
c/o Robertson & Marchetti, P.C.
28 Second Street, Suite 213
Edwards, CO 81632
Attn: Eric Weaver
(P) 970-926-6060
(F) 970- 926-6040
Email: eric@rmpccpa.com

With a copy to:

WHITE, BEAR & ANKELE
Professional Corporation
Attention: Gary R. White, Esq.
1805 Shea Center Drive, Suite 100
Highlands Ranch, Colorado 80129
(P) 303-858-1800
(F) 303-858-1801
Email: gwhite@wbapc.com

To GRH:

Granby Realty Holdings, LLC
PO Box 1110
Granby, Colorado 80446

With a copy to:

Holme Roberts & Owen LLP
1700 Lincoln St., Suite 4100
Denver, Colorado 80203-4541
Attn: Paul V. Timmins, Esq.
(P) 303-866-7000
(F) 303-866-0200
Email: paul.timmins@hro.com

Any Party may change its address for the purpose of this Section 9.15 by giving written notice of such change to the other Party in the manner provided in this Section.

9.16 Governmental Immunity. Nothing in this Agreement shall be construed to waive, limit, or otherwise modify, in whole or in part, any governmental immunity that may be available by law to a Party, its respective officials, employees, contractors, or agents, or any other person acting on behalf of a Party and, in particular, governmental immunity afforded or available to the GRMD and HWMD pursuant to the Colorado Governmental Immunity Act, Title 24, Article 10, Part 1 of the Colorado Revised Statutes.

9.17 Governing Law/Venue. This Agreement and all claims or controversies arising out of or relating to this Agreement shall be governed by, and enforced in accordance with, the laws of the State of Colorado. Any suit or proceeding arising from or relating in any way to the subject matter of this Agreement shall be brought only in the District Court for and in Grand County, Colorado. Each Party hereby consents to the exclusive personal jurisdiction and venue of the Grand County District Court.

9.18 Counterparts. This Agreement 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 Parties.

[Signature page follows]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the date first written above. This Agreement shall be deemed effective as of the Effective Date upon delivery of a fully executed copy hereof to the Parties.

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

Kyle Harris, President

ATTEST:

Secretary

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

Kyle Harris, President

ATTEST:

Secretary

GRANBY REALTY HOLDINGS LLC, a Colorado limited liability company

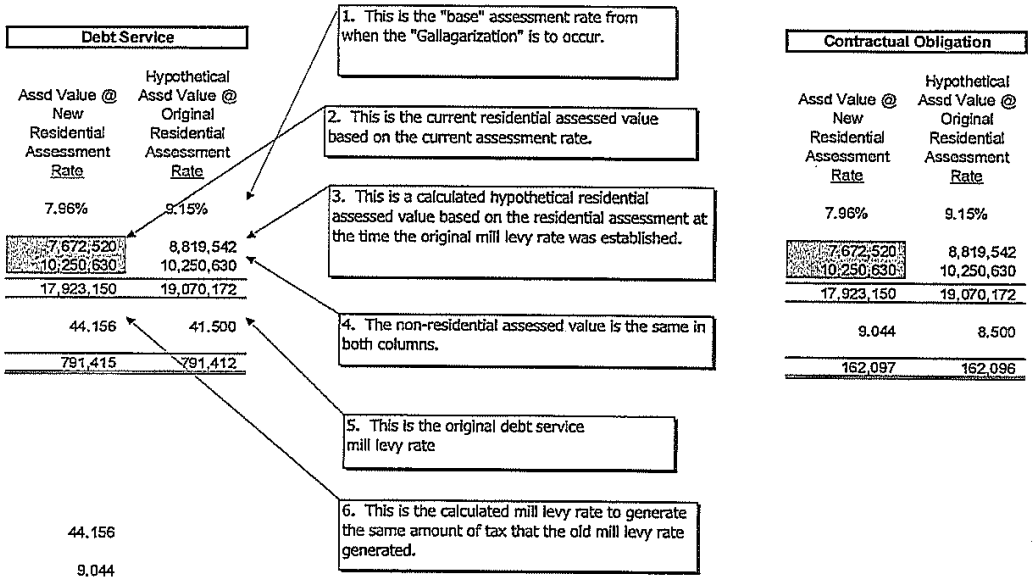
Marise Cipriani, Manager

[Signature page to Exclusion Agreement]

EXHIBIT A
TO EXCLUSION AGREEMENT

[See attached]

Granby Ranch Metro District
Calculation of "Gallagherized" Mill Levy Rate
For 2010 Budget Year - Final



Debt Service Mill Levy Rate Above	44.156
Contractual Obligations Mill Levy Rate	9.044
Total Mill Levy Rate	53.200

EXHIBIT C

EXHIBIT D

FIRST AMENDMENT
TO
DISTRICT FACILITIES CONSTRUCTION AND SERVICE AGREEMENT

THIS FIRST AMENDMENT TO DISTRICT FACILITIES CONSTRUCTION AND SERVICE AGREEMENT ("First Amendment") is made and entered into as of this 21st day of April, 2010 by and between HEADWATERS METROPOLITAN DISTRICT ("HWMD") and GRANBY RANCH METROPOLITAN DISTRICT ("GRMD"), both quasi-municipal corporations and political subdivisions of the State of Colorado (collectively the "Districts"). All capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Master IGA.

RECITALS

WHEREAS, the Districts entered into that certain District Facilities Construction and Service Agreement ("Master IGA") dated June 1, 2006; and

WHEREAS, the Districts desire to adopt certain amendments to the Master IGA to reflect current facts and circumstances relating to the development of Granby Ranch.

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

COVENANTS AND AGREEMENTS

1. Liability of the Districts. Notwithstanding any provision in the Master IGA to the contrary, no provision, covenant, or agreement contained in the Master IGA, nor any obligation imposed upon HWMD or GRMD thereunder, shall constitute or create indebtedness of either District within the meaning of any Colorado constitutional provision or statutory limitation. No provision of the Master IGA shall be construed or interpreted as a delegation of governmental powers, or as creating a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever, or statutory debt limitation, including, without limitation, Article X, Section 20 or Article XI, Section 6 of the Constitution of the State of Colorado. Each District's obligations under the Master IGA shall exist subject to annual budgeting and appropriations. All payment obligations of either District are expressly dependent and conditioned upon the continuing availability of funds beyond the term of the District's current fiscal period. Financial obligations of a District payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available in accordance with the applicable rules, regulations, and resolutions of the District and any other applicable law.

2. Termination. The termination provision contained in Section 8.2 (g) of the Master IGA is hereby amended to provide that failure of a District to budget and appropriate funds for the succeeding year shall terminate the Master IGA in its entirety as

of December 31 of the current year. In order to allow the Districts adequate time to prepare budgets for the ensuing fiscal year, if either District anticipates terminating the Master IGA, the terminating District shall, on or before August 1, notify the other District, in writing, of its intent to terminate the Master IGA. On or before September 1, the terminating District shall send written confirmation of its intent to terminate to the non-terminating District, and said confirmation shall constitute adequate notice of termination.

3. Prior Provisions Effective. Except as specifically modified herein, the terms and conditions of the Master IGA shall remain in full force and effect.

4. Counterparts. This First 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 Districts.

[Signature page follows]

IN WITNESS WHEREOF, the Parties have caused this First Amendment to be executed as of the date first written above.

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

Kyle Harris, President

ATTEST:

Secretary

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

Kyle Harris, President

ATTEST:

Secretary

[Signature page to First Amendment to District Facilities Construction and Service Agreement]

EXHIBIT E

RECEPTION#: 2013006993, 08/14/2013 at 04:03:54 PM, 1 OF 44, R $226.00, Additional Names Fee: , , Doc Code:AGR, Sara L. Rosene, Grand County Clerk and Recorder, Colorado

After Recordation Please Return To:
Robertson & Marchetti, P.C.
28 Second Street, Suite 213
Post Office Box 600
Edwards Colorado 81632

AMENDED AND RESTATED AMENITY FEE AGREEMENT

This Amended and Restated Amenity Fee Agreement is entered as of July 17, 2013, by and among GRANBY REALTY HOLDINGS LLC, a Colorado limited liability company (hereinafter referred to as "Developer"), and HEADWATERS METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado ("Headwaters") (Headwaters and Developer are collectively referred to as the "Parties").

RECITALS

A. Headwaters and Granby Ranch Metropolitan District ("Granby Ranch") (Headwaters together with any of Granby Ranch and Granby Ranch Metropolitan District Nos. 2-8 comprise the "Districts") were organized to provide services, programs and facilities, including the acquisition, construction, and installation of public infrastructure, within and without the boundaries of the Districts, in accordance with the "Service Plans" of the Districts.

B. Developer is the owner of certain real property (the "Property") described on Schedule 1 attached hereto and incorporated herein by this reference. The Property is located within the current and future boundaries of the Districts. Headwaters is responsible for coordinating, financing, constructing, installing, acquiring, operating and maintaining certain public infrastructure within and without the boundaries of the Districts.

C. Headwaters previously determined it to be in the best interest of the Districts, and the property owners, taxpayers and residents of the Districts, to acquire, construct, and install certain recreational amenities benefiting the Property, which amenities include a golf course, ski area, and related improvements, trails, and other recreation improvements, facilities, appurtenances, rights-of-way and other amenities as shall from time to time be acquired, constructed and installed under the terms and provisions of the Service Plans (collectively, the "Amenities"). Nothing contained herein obligates the Developer to convey, lease, or otherwise contract for any specific Amenities.

D. On May 26, 2005, the Boards of Directors of Headwaters and Granby Ranch adopted a "Joint Resolution of Headwaters Metropolitan District and Granby Ranch Metropolitan District to establish an Amenity Fee" (as amended, the "Original

EXHIBIT E

Amenity Fee Resolution") establishing an amenity fee (the "Amenity Fee") to provide a source of funding to pay for costs incurred by such districts for the acquisition, construction, and installation of the Amenities.

E. On June 1, 2005, the Parties entered into an Amenity Fee Agreement (the "Original Agreement") to implement the collection of the Amenity Fee with respect to the Property and to facilitate the provision of the Amenities.

F. The establishment and continuation of a fair and equitable Amenity Fee will provide a source of funding to pay for costs incurred by the Districts for the acquisition, construction, and installation of the Amenities, which costs are generally attributable to the persons subject to such charges, and such fees and charges are necessary to provide for the common good and for the prosperity and general welfare of the Districts and their inhabitants and for the orderly and uniform administration of the Districts' affairs with regards to the Amenities, which also inures to the benefit of the Developer.

G. After reviewing, evaluating, and discussing current economic conditions and payment deadlines associated with the Amenity Fee, and the operating history, capacity, and other facts and circumstances associated with the use of the Amenities, the Boards of Directors of Headwaters, Granby Ranch and Granby Ranch Metropolitan District No. 2 and Granby Ranch Metropolitan District No. 8 (the "Boards") have determined it to be in the best interests of the Districts, and the property owners, taxpayers, and residents of the Districts, to amend and restate the Original Amenity Fee Resolution and to adopt an "Amended and Restated Joint Resolution of the Boards of Directors of Headwaters Metropolitan District and Granby Ranch Metropolitan District and Joint Resolution of the Boards of Directors of Granby Ranch Metropolitan District No. 2 and Granby Ranch Metropolitan District No. 8 to Establish an Amenity Fee" attached hereto as Schedule 2 (as supplemented or amended from time to time, the "Resolution"), and the Parties desire to amend and restate the Original Agreement accordingly.

H. Pursuant to the Original Amenity Fee Resolution and the Original Agreement, each "Eligible Property" was provided with certain "Priority Access" to the Amenities (as such terms are defined herein).

I. The Boards have determined, and the Developer agrees, that each property constituting an Eligible Property prior to the adoption of the Resolution, any property that has been Transferred to a Qualified Builder prior to the adoption of the Resolution, and certain property owned and platted by the Developer prior to adoption of the Resolution (all as defined below) as such properties are shown and described in Exhibit A to the Resolution (collectively, the "Exempt Parcels") shall be entitled to the Priority Access as set forth in the Original Amenity Fee Resolution.

AGREEMENT

IN CONSIDERATION of the above recitals, the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby mutually acknowledged, the Parties hereto agree as follows:

1. Definitions. Except as otherwise expressly provided or where the context indicates otherwise, the following capitalized terms shall have the respective meanings set forth below:

(a) "Affordable Housing Unit" means a Residential Unit to which a deed restriction has been affixed, providing that the housing can only be owned and occupied in perpetuity by persons residing full-time within Grand County, or as otherwise defined by the Board of Trustees of the Town of Granby.

(b) "Apartment Unit" means a unit within an apartment building which unit is held for lease or rent for residential occupancy.

(c) "Eligible Property" means each Apartment Unit, Residential Unit and Lot for which the Amenity Fee has been paid.

(d) "End User" means any third-party homeowner or tenant of any homeowner occupying or intending to occupy a Residential Unit, or a person or entity purchasing a Lot for the purpose of constructing a Residential Unit for private use and not-for-resale. A Qualified Builder shall not be considered an End User.

(e) "Lot" means each parcel of land within the Property established by a recorded final subdivision plat.

(f) "Qualified Builder" means any entity approved by Headwaters, in its sole and absolute discretion, whose principal business, or the principal business of its parent or its subsidiaries, consists of constructing Apartment Units or Residential Units. By way of example, an entity purchasing Lots for resale to other entities or individuals shall not be considered to be a Qualified Builder under this definition. Notwithstanding the foregoing, Granby Realty Holdings, LLC, ("GRH") the master-developer of the Granby Ranch project, its affiliates and assigns, and any successor or other master-developer designated by GRH, in its sole and absolute discretion, shall be deemed Qualified Builders for purposes of this definition.

(g) "Residential Unit" means each residential dwelling unit (including, without limitation, condominiums, townhomes, and any other attached dwelling unit, and detached single family dwelling units) located within the Property, but specifically excluding an Apartment Unit.

(h) "Transfer" or "Transferred" shall include a sale, conveyance, or transfer by deed, instrument, writing, lease, or any other documents or otherwise by which real property is sold, granted, let, assigned, transferred, exchanged or otherwise vested in a tenant, tenants, purchaser or purchasers. Notwithstanding the foregoing, the following shall not be considered a "Transfer" or "Transferred" for purposes of this definition: (i) a conveyance to secure a debt or obligation (or a release, reconveyance, or foreclosure of any such security); (ii) any conveyance that Headwaters, in its sole and absolute discretion, determines should not trigger the payment of the Amenity Fee.

2. Amenity Fee. A one-time Amenity Fee, initially imposed at the rate of $10,000, has been established by Headwaters, Granby Ranch, Granby Ranch Metropolitan District No. 2 and Granby Ranch Metropolitan District No. 8 to be collected pursuant to the Resolution, for each Apartment Unit, Residential Unit, and Lot, located within the boundaries of such districts, for which an Amenity Fee has not already been paid. Portions of the Property not currently within the Districts may subsequently be included into Granby Ranch or any of Granby Ranch Metropolitan District Nos. 2-8. The Developer agrees that each Lot, Residential Unit and Apartment Unit located within the Property shall be subject to the Amenity Fee on the same terms as conditions as set forth in the Resolution, as if such Lot, Residential Unit, or Apartment Unit were within the current boundaries of Headwaters or Granby Ranch, it being the intent of the Parties that each Lot, Residential Unit and Apartment Unit within the Property be subject to and pay an Amenity Fee upon the occurrence of the conditions set forth in the Resolution and Section 4 of this Agreement.

3. Priority Access. Each Eligible Property shall be entitled to priority access to certain of the Amenities as determined by the Board of Directors of Headwaters from time to time, in its sole and absolute discretion, and shall be set forth in a "Priority Access Schedule," which shall constitute the priority access in effect until such schedule is amended or repealed by such board. The initial Priority Access Schedule is set forth in Exhibit B attached to the Resolution. The owner(s) of each Eligible Property shall designate a person (an "Eligible Purchaser") who shall be eligible to receive the priority access to the Amenities, as set forth in the Priority Access Schedule. In order to be an Eligible Purchaser, such individual must either (i) own a fee simple interest (including by joint tenancy or by tenancy by the entirety, but excluding tenancy in common) in an Eligible Property, or (ii) own a leasehold interest in an Eligible Property for a term of at least six months.

4. Payment of Amenity Fee. The Amenity Fee shall become due and owing to Headwaters not later than the date of: (i) the issuance of a certificate of occupancy for an Apartment Unit, (ii) the Transfer of a Residential Unit to an End User, (iii) the Transfer of a Lot to an End User; (iv) the Transfer of a Lot to any person or entity other than a Qualified Builder, or (v) to the extent a certificate of occupancy has been issued for a Residential Unit and said Residential Unit has not otherwise been Transferred to an End

User, immediately upon the presentation of a lease to and application for membership benefits from "The Club at Granby Ranch," for which payment of the Amenity Fee is a prerequisite. The Amenity Fee is not established for, and shall not be collected from, any property within the Property that is to be developed for non-residential purposes, such as the streets and roadways, golf course, clubhouse, and similar non-residential property.

5. Responsible Party. If payment of the Amenity Fee is pursuant to subsection 4(ii), (iii) or (iv) above, the Amenity Fee is payable by the transferor of such Lot or Residential Unit. If payment of the Amenity Fee is pursuant to subsection 4(i) or (v) above, the Amenity Fee is payable by the owner of the Apartment Unit, Lot or Residential Unit at the time the Amenity Fee becomes due and payable.

6. Out-of-District Users. Headwaters may determine from time to time, in its sole and absolute discretion, to allow those who reside outside of the Districts' boundaries to receive priority access to the amenities. In order to receive priority access, such individuals must pay (i) a fee, which Headwaters may establish by resolution, but which shall not be less than the Amenity Fee, and, (ii) an annual amount, which Headwaters may establish by resolution, payable on January 1 of each year. The Developer acknowledges that the Resolution does not cap the fee or annual amount that Headwaters may impose on individuals who reside outside of the Districts' boundaries to receive priority access.

7. Fee Increases. The Parties agree that the Amenity Fee may be increased as adjusted on an annual basis by the change in the Denver/Boulder/Greeley Cost of Living Index, as produced by the U.S. Department of Labor Statistics, and may otherwise be increased in such amounts as are determined from time to time by Headwaters in its sole and absolute discretion.

8. Use of Amenity Fee. The revenues generated by the Amenity Fee shall be used solely for the purpose of financing the acquisition, construction, and installation of Amenities, which may include, without limitation: (1) the issuance of bonds or (2) reimbursement of amounts advanced by the Developer or other parties. This restriction on the use of Amenity Fee revenues shall be absolute and without qualification.

9. Late Fees and Penalty Interest. Any Amenity Fee not paid in full within fifteen (15) days after the scheduled due date shall be assessed a late fee of the greater of Fifteen Dollars ($15.00) or up to five percent per month, or fraction thereof, not to exceed a total of twenty-five percent of the amount due, pursuant to § 29-1-1102(3), C.R.S. Interest will also accrue on any outstanding Amenity Fee, exclusive of assessed late fees and interest, at the rate of 12% per annum, pursuant to § 29-1-1102(7), C.R.S. Headwaters shall be entitled to institute such remedies and collection proceedings as may be authorized under Colorado law including but not limited to foreclosure of the perpetual lien. The defaulting property owner shall pay all costs and expenses, including attorneys' fees, incurred by Headwaters in connection with the foregoing and such costs

and expenses incurred by Headwaters shall be secured by their lien against the property to which such costs and expenses are allocable.

10. Payment. Payment for all fees, interest and delinquent charges shall be by wire or equivalent form acceptable to Headwaters, and sent on or before the due date to an account designated by Headwaters. Without amendment of this Agreement, Headwaters may change the payment instructions from time to time by notice which may be recorded against the Property.

11. Amenity Fee Constitutes Lien. The Amenity Fee imposed hereunder and under the Resolution is imposed by the Districts pursuant to Section 32-1-1001(1)(j), C.R.S., for the purpose of furnishing public facilities serving properties within the Districts or expected to be included within the Districts and is deemed by the Districts to be necessary in order to fulfill their governmental purposes. As a result, the Developer acknowledges and agrees that (i) the Amenity Fee, together with any late fees or penalty interest due thereon, constitutes a valid, perpetual lien on and against the Property, such lien securing the payment of such Amenity Fee until paid in full, (ii) all such liens shall be in a senior position as against all other liens, whether or not of record, affecting the Property, (iii) such lien may be foreclosed in the manner as provided by the laws of the State of Colorado for the foreclosure of mechanic's liens, pursuant to § 32-1-1001(1)(j), C.R.S., such lien being a charge imposed for the provision of services and facilities to the Property and (iv) said lien may be foreclosed at such times as Headwaters in its sole and absolute discretion may determine.

12. Collection Procedures. Headwaters shall process all delinquent accounts in accordance with any applicable collections resolution or other rules and regulations of Headwaters, as may be adopted and amended from time to time by the Board of Directors of Headwaters, it being acknowledged that Headwaters, as the administrative agent for the Districts, and as set forth in the Resolution and by this Agreement, is charged with the implementation, collection and enforcement of the Amenity Fee.

13. Equitable Remedies. In the event of a breach or threatened breach of this Agreement by either Party, the remedy at law in favor of the other Party will be inadequate and such other Party or Parties, in addition to any and all other rights which may be available, shall accordingly have the right of specific performance in the event of any breach, or injunction in the event of any threatened breach of this Agreement by either Party.

14. Severability. If any portion of this Agreement is declared by any court of competent jurisdiction to be void or unenforceable, such decision shall not affect the validity of any remaining portion of this Agreement, which shall remain in full force and effect. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Agreement a provision similar in terms to such

illegal, invalid or unenforceable provision so that the resulting reformed provision is legal, valid and enforceable.

15. Covenants Run With the Land. The covenants, obligations, terms, conditions and provisions set forth in this Agreement shall be construed as and, during the term of this Agreement, remain covenants running with and burdening the Property.

16. Affordable Housing Units. Notwithstanding any provision in this Agreement to the contrary, the Districts shall not impose the Amenity Fee upon any Affordable Housing Unit, and owners and residents of an Affordable Housing Unit shall not be entitled to priority access. Notwithstanding the foregoing, an individual living in an Affordable Housing Unit shall be eligible to purchase priority access on the same terms as set forth in Section 6 hereof for individuals residing outside of the Districts, as determined by Headwaters from time to time, so long as such individual owns a fee simple interest (including by joint tenancy or by tenancy by the entirety, but excluding tenancy in common) in said Affordable Housing Unit.

17. Limitation of Liability. All covenants and agreements of the Developer made herein are made by the Developer as an entity and not by any principal, owner, manager, operator, employee, director, partner, shareholder or member of the Developer and no such person shall have personal liability for any obligation created by this agreement, whether expressed or implied.

18. Subdivision. Headwaters acknowledges that the Developer reserves the right to subdivide the Property, or any part thereof, and to include the Property in one or more subdivision plats and to execute and deliver dedication deeds as to parts of the Property, as may be required in conjunction with development of the Property and, for purposes of this Agreement and the imposition of the Amenity fee, Headwaters hereby consents to such dedications by subdivision plat or by deed and agrees that all parcels of the Property dedicated or conveyed by any such subdivision plat or deed to Grand County, Colorado, or to any quasi-municipal authority, or homeowners/property owners association, or utility providing utility services to the Property, including, without limitation, all streets, roads, greenbelts, parks, open space, rights-of-way and easements, are excepted from the obligation to pay Amenity Fees created hereby and that such parcels so dedicated or conveyed by any such subdivision plat or deed shall be free and clear of the lien created hereby and shall be released in writing herefrom on request of the Developer.

19. Estoppel Certificates. Upon request by the owner of any Lot, Headwaters shall issue a certificate stating the amount(s) of the Amenity Fee(s) that have been paid with respect to such Lot. Such certificate shall be furnished within 30 days after receipt of such request. All interested parties shall be entitled to rely upon such certificate.

20. Resolution Controls. In the event of any conflict between the provisions of this Agreement and the provisions of the Resolution, the provisions of the Resolution shall be controlling. The Developer acknowledges and agrees that (a) the Resolution may be amended and supplemented from time to time (i) by Headwaters in its sole and absolute discretion as expressly set forth herein and (ii) by Headwaters, Granby Ranch, Granby Ranch Metropolitan District No. 2 and Granby Ranch Metropolitan District No. 8 by mutual consent of their Boards and (b) resolutions in substantially the same form may be adopted by the Boards of Directors of Headwaters and one or more of Granby Ranch Metropolitan District Nos. 2-8 (the "Future Resolutions"). The Developer shall allow such amendments to the Resolution and shall allow such Future Resolutions to be recorded against the Property as supplemental or replacements to Schedule 2 of this Agreement. The Developer shall execute such amendments and supplements to this Agreement as Headwaters may reasonably require in order to implement the purposes of the Resolution, the Future Resolutions and this Agreement.

21. General Provisions. The Parties hereto further agree as follows:

(a) Time is of the essence hereof; provided, however, if the last day permitted or the date otherwise determined for the performance of any act required or permitted under this Agreement falls on a Saturday, Sunday or holiday, the time for performance shall be extended to the next succeeding business day, unless otherwise expressly stated;

(b) This Agreement shall be governed by and construed in accordance with the internal laws of the State of Colorado, and Venue for all actions arising from this Agreement shall be in the District Court in and for the county in which the District is located. The Parties expressly and irrevocably waive any objections or rights which may affect venue of any such action, including, but not limited to, *forum non-conveniens* or otherwise;

(c) This Agreement embodies the entire agreement between the Parties hereto concerning the subject matter hereof and supersedes all prior conversations, proposals, negotiations, understandings and agreements, whether written or oral;

(d) This Agreement creates no third-party beneficiary rights in favor of any person not a Party to this Agreement unless the Parties mutually agree otherwise in writing, except that any of Granby Ranch Metropolitan District Nos. 3-7 shall be a third party beneficiary if any of the Property is included within its respective boundaries;

(e) The Recitals and all schedules, exhibits and addenda attached to this Agreement and referred to herein shall for all purposes be deemed to be incorporated in this Agreement by this reference and made a part hereof;

(f) Each of the Parties hereto covenants and agrees with the other, upon reasonable request from the other, from time to time, to execute and deliver such additional documents and instruments and to take such other actions as may be reasonably necessary to give effect to the provisions of this Agreement;

(g) Except as otherwise provided herein, this Agreement shall not be amended, altered, changed, modified, supplemented or rescinded in any manner except by a written agreement executed and acknowledged by all of the Parties hereto and attached as an addendum;

(h) Each of the Parties hereto represents and warrants to the other that each such Party has full power and authority to execute, deliver and perform this Agreement, that this Agreement constitutes a valid and legally binding obligation of such Party enforceable against such Party in accordance with its terms that such execution, delivery and performance will not contravene any legal or contractual restriction binding upon such Party or any of its assets and that there is no legal action, proceeding or investigation of any kind now pending or to the knowledge of such Parties threatened against or affecting such Party or the execution, deliver or performance of this Agreement;

(i) The Developer warrants and represents to Headwaters that the Developer is the fee owner of the Property and has good, marketable and indefeasible title thereto, subject to all liens, encumbrances and interests of record.

(j) Any one or more waivers of any covenant or condition by either Party hereto shall not be construed as a waiver of a subsequent breach of the same covenant or condition and a consent or approval to or of any act requiring consent or approval shall not be deemed to waive or render unnecessary such consent or approval to or of any subsequent similar act;

(k) This Agreement, and the rights and obligations provided for herein, shall run with the Property and be binding upon and inure to the benefit of the Parties hereto and their respective lessees, transferees, heirs, legatees, devisees, legal representatives, executors, administrators, successors and assigns. Notwithstanding the foregoing, Headwaters acknowledges and agrees that owner(s) of a portion of the Property shall be jointly and severally obligated to pay only the Amenity Fees payable with respect to such portion of the Property, and Headwaters shall have the right to assert a lien hereunder against such portion of the Property for only the amount of such Amenity Fees, interest and penalties thereon;

(l) Any and all notices or demands provided for herein or given or made in connection herewith shall be in writing and shall be deemed given or made either by personally serving the same upon the Party to be notified or by mailing the same to the

Party to be notified, registered or certified mail, return receipt requested, to the address of such Party set forth below:

If addressed to Developer:

Marise Cipriani
Granby Realty Holdings LLC
999 Village Road
Post Office Box 1110
Granby, Colorado 80446

with a copy to:

Paul Timmins, Esq.
Robinson Waters & O'Dorisio, P.C.
1099 18th Street, Suite 2600
Denver, CO 80202

and if to Headwaters:

Headwaters Metropolitan District
Robertson & Marchetti, P.C.
Post Office Box 600
Edwards, Colorado, 81632
Attention: Eric Weaver

with a copy to:

White, Bear & Ankele Professional Corporation
2154 East Commons Avenue, Suite 2000
Centennial, Colorado 80122
Attention: Gary R. White

All notices or documents delivered or required to be delivered under the provisions of this Lease shall be deemed received one day after hand delivery or three days after mailing. Either Party by written notice so provided may change the address to which future notices shall be sent.

22. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Executed copies of this Agreement 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.

23. Effective Date. This Amended and Restated Amenity Fee Agreement is effective as of the date set forth above.

Signature page follows.

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

By: _____
President

Attest:

_____
Secretary

GRANBY REALTY HOLDINGS

By: _____
Manager

Signature page to Amended and Restated Amenity Fee Agreement

SCHEDULE 1
GRANBY REALTY HOLDINGS LLC
LEGAL DESCRIPTION OF LAND CURRENTLY OWNED

All of the following described lands are within Township 1 North, Range 76 West of the Sixth Principle Meridian, Grand County, Colorado.

Section 3:

W1/2 of the SW1/4;
NE1/4 of the SW1/4;
SW1/4 of the NW1/4;

EXCEPT the Union Pacific (Denver & Rio Grande Western) Railroad right-of-way.

Section 4:

S1/2;
S1/2 of the NW1/4;
SE1/4 of the NE1/4;

EXCEPT the Union Pacific (Denver & Rio Grande Western) Railroad right-of-way.

Section 5:

SW1/4 of the SE1/4;
SW1/4;
S1/2 of the N1/2;
NW1/4 of the SE1/4;
lot 5 and lot 6 as shown on the Dependent Resurvey and Survey of Township 1 North, Range 76 West of the 6th P.M. accepted by the Bureau of Land Management on October 10, 1979 and filed in the Colorado State office on November 1, 1979;

EXCEPT (1) the Union Pacific (Denver & Rio Grande Western) Railroad right-of-way, and (2) the Silversage Subdivision.

Section 6:

SE1/4;
S1/2 of the NE1/4 lying Easterly of U.S. Highway 40;

EXCEPT (1) any portion lying within U.S. Highway 40, and (2) that tract of land as conveyed in instrument recorded July 18, 1962, in book 140, at Page 303, and (3) that tract of land as conveyed by Morris Herefords to Gerald L. Rust and Betty Rust by instrument recorded March 12, 1963, in Book 142 at Page 510, and (4) that tract of land as conveyed by Morris Herefords to W.H. Sheppard and Susan A. Sheppard by instrument recorded August 9, 1966, in Book 154 at Page 119, and (5) The Highlands Subdivision, and (6) the Silversage Subdivision, and (7) that tract of land as conveyed by Silver Creek Development Company to Teddy Gene Kellner by instrument recorded January 6, 1987, in Book 410 at Page 642, and (8) Lot 5A of the 2nd Amendment to Granby Ranch Filing 14 as shown on the plat recorded on December 16, 2011 at Reception No. 2011009215 (withdrawn by document recorded on July 3, 2012 at Reception No.2012004831).

Section 7:

NE1/4 of the SE1/4 lying Easterly of U.S. Highway 40;

EXCEPT (1) any portion lying within U.S. Highway 40, and (2) that tract of land as conveyed by Leah R. Morris and Harry Morris by instrument recorded September 15, 1952, in Book 103 at Page 174, and (3) that tract of land as conveyed by Morris Herefords to William L. Walden and Winifred Mae Walden by instrument recorded August 25, 1965, in Book 151 at Page 17, and (4) that tract of land as conveyed by Morris Herefords to C & H Distributing Company by instrument recorded October 30, 1969, in Book 167 at Page 725, and (5) that tract of land as conveyed by Markus Marte and Antonia Marte to Joseph J. Marte by instrument recorded May 1, 1970, in Book 170 at Page 397, and (6) the Highlands Subdivision, and (7) the Silversage Subdivision, and (8) The Inn at Silver Creek - Phase II, and (9) the portion of the First Administrative Plat Amendment to Aspen Meadows Condominiums Granby Ranch Filing No. 4 located in Section 7.

Section 6/7:

A 35.0 acre parcel of land West of U.S. Highway 40 as described in Book 352, Page 660, Grand County records.

Section 8:

NE1/4 of the SW1/4;
E1/2 of the NE1/4;
N1/2 of the SE1/4;
SE1/4 of the SE1/4;
E1/2 of the NW1/4;
Lots 2, 3, 4 and 5 Lakeview Subdivision;
lot 1 and lot 2 as shown on the Dependent Resurvey and Survey of Township 1 North, Range 76 West of the 6th P.M. accepted by the Bureau of Land Management on October 10, 1979 and filed in the Colorado State office on November 1, 1979;

All of Blocks 1, 2, 3 and 4, and lots 1, 2, 3, 4 and 5, Block 5, Brook Drive, Nymph Drive, Crystal Drive and Crystal Court, Innsbruck-Val Moritz, Grand County, Colorado, as recorded at Reception Number 127907, Grand County records, in Section 8, Township 1 North, Range 76 West of the Sixth Principle Meridian, being more particularly described as follows:

Beginning at the Southwest corner of Section 8; thence along the West line of Section 8 N07°02'09"E, 1304.65 feet to the Northwest corner of the SW1/4 of the SW1/4 of Section 8; thence departing said West line N23°36'45"E, 285.82 feet to a point on the Southerly line of Village Road; thence along the Southerly line of Village Road the following three courses and curve;

1) N72°00'00"E, 207.66 feet;
2) 168.94 feet along the arc of a curve to the left having a radius of 440.00 feet, a central angle of 22°00'00" and a long chord which bears N61°00'00"E, 167.91 feet;
3) N50°00'00"E, 175.15 feet;

thence S39°59'59"E, 30.00 feet to a point on the Easterly line of Nymph Drive; thence along the Easterly line of Nymph Drive the following course and curve;

1) S39°59'59"E, 8.20 feet;

2) 130.66 feet along the arc of a curve to the right having a radius of 280.00 feet, a central angle of 26°44'14" and a long chord which bears S26°37'54"E, 129.48 feet to the Northwest corner of Lot 5, Block 5;
thence along the Northerly line of Lot 5 N76°44'14"E, 135.12 feet; thence along the Easterly line of lots 5, 4, 3 and 2, Block 5, S04°15'15"E, 435.00 feet to the Northeast corner of Lot 1, Block 5;
thence along the Easterly and Southerly lines of Lot 1 the following two courses:
1) S15°16'16"W, 127.52 feet;
2) N63°19'18"W, 140.00 feet to a point on the Easterly line of Nymph Drive; thence along the Easterly line 41.93 feet along the arc of a non-tangent curve to the right having a radius of 230.00 feet and a central angle of 10°26'47" to the North corner of Lot 12, Block 4;
thence along the Northerly, Easterly and Southerly lines of Block 4 the following nine courses:
1) S52°52'31"E, 140.00 feet;
2) S54°46'02"W, 314.39 feet;
3) S29°27'00"W, 115.57 feet;
4) S06°34'33"E, 135.29 feet;
5) S05°20'29"W, 144.50 feet;
6) S27°08'50"W, 141.09 feet;
7) S48°37'10"W, 199.82 feet;
8) S18°50'13"W, 171.02 feet;
9) N54°26'51"W, 130.00 feet to a point on the Easterly line of Crystal Drive; thence along the Easterly line 15.00 feet along the arc of a non-tangent curve to the right having a radius of 50.00 feet and a central angle of 17°11'20" to the Northeast corner of Lot 12, Block 3; thence along the Easterly and Southerly lines of Lots 12 and 11, Block 3, the following two courses:
1) S37°15'32"E, 183.87 feet;
2) S85°44'44"W, 345.00 feet to the Point of Beginning;

EXCEPT (1) the Silversage Subdivision, and (2) the Inn at Silver Creek Phase 1, and (3) the Innsbruck-Val Moritz Subdivision, and (4) the Lakeview Subdivision, Phase 1 other than Lots 2, 3, 4 and 5, and (5) the portion of the First Administrative Plat Amendment to Aspen Meadows Condominiums Granby Ranch Filing No. 4 located in Section 8.

Section 9:

E1/2 of the NW1/4;
NE1/4 of the SW1/4;
N1/2 of the NE1/4;
lots 1, 2, 3, 7, 8 and 9 as shown on the Dependent Resurvey and Survey of Township 1 North, Range 76 West of the 6th P.M. accepted by the Bureau of Land Management on October 10, 1979 and filed in the Colorado State office on November 1, 1979;

EXCEPT the Union Pacific (Denver & Rio Grande Western) Railroad right-of-way.

Section 10:

NW1/4 of the NW1/4;

EXCEPT the Union Pacific (Denver & Rio Grande Western) Railroad right-of-way.

Section 15:

W1/2 of the SW1/4;
NW1/4;

EXCEPT (1) the 23.99 acre Open Space Parcel in the Eagle Crest Subdivision, and (2) the Union Pacific (Denver & Rio Grande Western) Railroad right-of-way, and (3) the portion of Tract M of Granby Ranch Filing No. 3 located in Section 15, and (4) Lots 41, 42, 43 and 52 and the portions of lots 36, 37, 44, 45 and 46 and the portion of Tract L of Granby Ranch Filing No. 6 that are located in Section 15, and (5) Tracts H and J and lots 27 through 37 and lots 65, 66 and 67 and the portion of Tract G and the portions of lots 1 through 6 and the portion of lot 26 of Granby Ranch Filing No. 8 located in Section 15, and (6) the portions of lots 32 and 33 and the portions of Tracts I and K of Granby Ranch Filing No. 10 that are located in Section 15, and (7) Roadway Tract E and the portion of Roadway Tract D of Granby Ranch Filing No. 11 recorded at Reception No. 2007005113 located in Section 15.

Section 16:

All of Section 16;

EXCEPT (1) that portion of Phase 1 of The Summit at Silver Creek platted as The Summit at Silver Creek Condominiums by the As Built Plat filed for record in the office of the Clerk and Recorder of Grand County, Colorado on February 22, 1985 at Reception No. 226723, and (2) The Mountainside at Silver Creek Phase I and II, and (3) Lots 1 and 2, Block 4 of the Silvergate Subdivision, and (4) the 11.91 acre Open Space Parcel in the Ski Haven Estates Phase 1, and (5) the 2.40 acre Open Space Parcel in The Mountainside at Silver Creek Phase I, and (6) the 8.63 acre Open Space Parcel in the Silvergate Subdivision, and (7) the property described in the Quit Claim Deed from SilverCreek Development Company to The Summit at SilverCreek Homeowner's Association, recorded in the real property records of Grand County, Colorado on April 23, 1990 in Book 462 at page 890, and (8) Granby Ranch Filing No. 1, and (9) Granby Ranch Filing No. 1B, and (10) the portion of Granby Ranch Filing No. 2 in Section 16, and (11) Lots 36 through 65 and Tracts J, N and F and the portions of Tracts A and D of Granby Ranch Filing No. 2B located in Section 16, and (12) all lots and Tracts K and L and the portion of Tract M of Granby Ranch Filing No. 3 located in Section 16, and (13) Granby Ranch Filing No. 5, and (14) Lots 1 through 34 and the portions of lots 36, 37, 44, 45 and 46 and the portion of Tract L of Granby Ranch Filing No. 6 located in Section 16, and (15) Lots 7 through 25 and the portions of Tract G and the portions of lots 1 through 6 and the portion of lot 26 of Granby Ranch Filing No. 8 located in Section 16, and (16) Granby Ranch Filing No. 9, and (17) Lots 3, 4, 7, 9, 11, 12, 13, 15, 17, 18, 19, 25 through 31, 34 through 38, 40, 43, 45, 46, 48, 49, 51, 54 and 55 and the portions of lots 32 and 33 and the portions of Tracts I and K of Granby Ranch Filing No. 10 located in Section 16, and (18) Lots 1, 4, 19 and 20 and lots 6 through 10 and Roadway Tract C and the portion of Roadway Tract D of Granby Ranch Filing No. 11 recorded at Reception No. 2007005113 located in Section 16, and (19) Kicking Horse Lodges and Kicking Horse Lodges Phase 2.

Section 17:

E1/2 of the E1/2;
W1/2 of the SE1/4;
E1/2 of the SW1/4;

EXCEPT (1) the portion of Granby Ranch Filing No. 2 in Section 17, and (2) the portions of Tracts A and D of Granby Ranch Filing 2B in Section 17.

Section 20:

NE1/4;
NW1/4 of the SE1/4;
NE1/4 of the NW1/4;
E1/2 of the SE1/4;

EXCEPT (1) Val Moritz Village Second Filing, and (2) the 7.8 acre open space parcel shown on the final plat of the Westridge Subdivision.

Section 21:

All of Section 21;

EXCEPT Val Moritz Village Second Filing.

Section 22:

W1/2 of the NW1/4.

Section 28:

All of Section 28;

EXCEPT that parcel of land as described in Book 467, Page 130, Grand County Records.

Section 29:

NE1/4 of the NE1/4;
S1/2 of the NE1/4;
SE1/4;

EXCEPT a parcel of land as described in Reception No. 95008910.

Section 32:

NE1/4;

EXCEPT the U.S. Highway 40 right-of-way.

Section 33:

NW1/4;
W1/2 of the NE1/4;
SE1/4 of the NE1/4;

EXCEPT the parcels of land as described in the following:

Book 467,	Page 130
Book 381,	Page 755
Book 375,	Page 47
Book 379,	Page 963
Book 350,	Page 947
Book 350,	Page 946
Book 375,	Page 48
Book 354,	Page 124
Book 328,	Page 625
Book 328,	Page 628
Book 328,	Page 630
Book 329,	Page 810, Grand County Records.

PORTIONS OF THE ABOVE DESCRIBED PROPERTIES HAVE BEEN SUBDIVIDED AND INCLUDE ALL OR PORTIONS OF:

Granby Ranch Filing Nos. 2B, 3, 5B, 6, 8, 10, 11, 12, 13 and 14, as such plats may have been amended.

SCHEDULE 2

THE RESOLUTION

RECEPTION#: 2013006993, 08/14/2013 at 04:03:54 PM, 20 OF 44 Doc Code:AGR,
Sara L. Rosene, Grand County Clerk and Recorder, Colorado

RECEPTION#: 2013006964, 08/14/2013 at 09:48:58 AM, 1 OF 25, R $131.00,
Additional Names Fee: , , Doc Code:RESOLUTION, Sara L. Rosene, Grand
County Clerk and Recorder, Colorado

After Recordation Please Return To:
Robertson & Marchetti, P.C.
28 Second Street, Suite 213
Post Office Box 600
Edwards Colorado 81632

AMENDED AND RESTATED JOINT RESOLUTION OF THE BOARDS OF DIRECTORS OF HEADWATERS METROPOLITAN DISTRICT AND GRANBY RANCH METROPOLITAN DISTRICT

AND JOINT RESOLUTION OF THE BOARDS OF DIRECTORS OF GRANBY RANCH METROPOLITAN DISTRICT NO. 2 AND GRANBY RANCH METROPOLITAN DISTRICT NO. 8

TO ESTABLISH AN AMENITY FEE

WHEREAS, the Headwaters Metropolitan District ("Headwaters"), Granby Ranch Metropolitan District ("Granby Ranch"), Granby Ranch Metropolitan District No. 2 ("Granby Ranch No. 2"), and Granby Ranch Metropolitan District No. 8 ("Granby Ranch No. 8") (collectively, the "Districts") were organized to provide services, programs and facilities, including the acquisition, construction, and installation of public infrastructure, within and without the boundaries of the Districts, in accordance with the "Service Plans" of the Districts; and

WHEREAS, consistent with the purpose of the Districts' organizations and the Service Plans, the Boards of Directors of the Districts (the "Boards") determine it to be in the best interests of the Districts, and the property owners, taxpayers, and residents of the Districts, to acquire, construct, and install certain recreational amenities benefiting the property within the Districts, which amenities include a golf course, ski area, and related improvements, trails, and other recreational improvements, facilities, appurtenances, rights-of-way and other amenities as shall from time to time be acquired, constructed and installed by Headwaters (collectively, the "Amenities"); and

WHEREAS, on May 26, 2005, the Boards of Directors of Headwaters and Granby Ranch adopted a "Joint Resolution of Headwaters Metropolitan District and Granby Ranch Metropolitan District to Establish an Amenity Fee" (as amended September 6, 2006, the "Original Amenity Fee Resolution") establishing a fair and equitable amenity fee (the "Amenity Fee") to provide a source of funding to pay for costs incurred by Headwaters for the acquisition, construction, and installation of the Amenities; and

WHEREAS, after reviewing, evaluating, and discussing current economic conditions and payment deadlines associated with the Amenity Fee, and the operating history, capacity, and other facts and circumstances associated with the use of the Amenities, the Boards have determined it to be in the best interests of the Districts, and the property owners, taxpayers, and residents of the Districts, to amend and restate the Original Amenity Fee Resolution, and adopt this "Resolution;" and

WHEREAS, the Districts have and will continue to incur significant expenses for the financing, acquisition, construction, and installation of the Amenities; and

WHEREAS, pursuant to Section 32-1-1001(1)(j)(I), C.R.S., the Districts are authorized to fix and impose fees, rates, tolls, charges and penalties for services or facilities provided by the Districts which, until such fees, rates, tolls, charges and penalties are paid, shall constitute a perpetual lien on and against the property served; and

WHEREAS, the establishment and continuation of a fair and equitable Amenity Fee will provide a source of funding to pay for costs incurred by the Districts for the acquisition, construction, and installation of the Amenities, which costs are generally attributable to the persons subject to such charges, and such fees and charges are necessary to provide for the common good and for the prosperity and general welfare of the Districts and their inhabitants and for the orderly and uniform administration of the Districts' affairs with regards to the Amenities; and

WHEREAS, Headwaters will be charged with collecting the Amenity Fee on behalf of the Districts; and

WHEREAS, the Boards find that the Amenity Fee is reasonably related to the services and facilities to be provided and that imposition thereof is necessary and appropriate; and

WHEREAS, Headwaters entered into an "Amenity Fee Agreement" with Granby Realty Holdings LLC on June 1, 2005, and Headwaters subsequently entered into an "Amenity Fee Agreement" with Aspen Meadows Condominiums, LLC on July 5, 2005 (collectively, and as may be amended from time to time, the "Amenity Fee Agreements"); and

WHEREAS, pursuant to the Original Amenity Fee Resolution and the Amenity Fee Agreements, each "Eligible Property" was provided with certain "Priority Access" to the Amenities; and

WHEREAS, the Boards have determined that each property constituting an Eligible Property prior to the adoption of this Resolution, any property that has been Transferred to a Qualified Builder prior to the adoption of this Resolution, and certain property owned and platted by GRH prior to the adoption of this Resolution (all as defined below) as such properties are shown and described in Exhibit A, attached hereto and incorporated herein by this reference ("collectively, the "Exempt Parcels") shall be entitled to the Priority Access as set forth in the Original Amenity Fee Resolution.

NOW, THEREFORE, BE IT RESOLVED that the Boards of Directors of the Headwaters Metropolitan District, Granby Ranch Metropolitan District, Granby Ranch Metropolitan District No. 2 and Granby Ranch Metropolitan District No. 8 hereby adopt and establish an Amenity Fee as follows:

1. Definitions. Except as otherwise expressly provided or where the context indicates otherwise, the following capitalized terms shall have the respective meanings set forth below:

(a) "*Affordable Housing Unit*" means a Residential Unit to which a deed restriction has been affixed, providing that the housing can only be owned and occupied in perpetuity by persons residing full-time within Grand County, or as otherwise defined by the Board of Trustees of the Town of Granby.

(b) "*Apartment Unit*" means a unit within an apartment building which unit is held for lease or rent for residential occupancy.

(c) "*Eligible Property*" means each Apartment Unit, Residential Unit and Lot for which the Amenity Fee has been paid.

(d) "*End User*" means any third-party homeowner or tenant of any homeowner occupying or intending to occupy a Residential Unit, or a person or entity purchasing a Lot for the purpose of constructing a Residential Unit for private use and not-for-resale. A Qualified Builder shall not be considered an End User.

(e) "*Lot*" means each parcel of land within the Districts established by a recorded final subdivision plat.

(f) "*Qualified Builder*" means any entity approved by Headwaters, in its sole and absolute discretion, whose principal business, or the principal business of its parent or its subsidiaries, consists of constructing Apartment Units or Residential Units. By way of example, an entity purchasing Lots for resale to other entities or individuals shall not be considered to be a Qualified Builder under this definition. Notwithstanding the foregoing, Granby Realty Holdings, LLC, ("GRH") the master-developer of the Granby Ranch project, its affiliates and assigns, and any successor or other master-developer designated by GRH, in its sole and absolute discretion, shall be deemed Qualified Builders for purposes of this definition.

(g) "*Residential Unit*" means each residential dwelling unit (including, without limitation, condominiums, townhomes, and any other attached dwelling unit, and detached single family dwelling units) located within the boundaries of the Districts, but specifically excluding an Apartment Unit.

(h) "*Transfer*" or "*Transferred*" shall include a sale, conveyance, or transfer by deed, instrument, writing, lease, or any other documents or otherwise by which real property is sold, granted, let, assigned, transferred, exchanged or otherwise vested in a tenant, tenants, purchaser or purchasers. Notwithstanding the foregoing, the following shall not be considered a "Transfer" or "Transferred" for purposes of this definition: (i) a conveyance to secure a debt or obligation (or a release, reconveyance, or foreclosure of any such security); or (ii) any conveyance that Headwaters, in its sole and absolute discretion, determines should not trigger the payment of the Amenity Fee.

2. Amenity Fee. A one-time Amenity Fee, initially imposed at the rate of $10,000, is hereby established to be collected as provided in this Resolution, for each Apartment Unit, Residential Unit, and Lot, located within the boundaries of the Districts, for which an Amenity Fee

has not already been paid. The Boards find that the Amenity Fee as set forth in this Resolution is fair and equitable, and approximates a pro rata calculation of not more than the cost of the acquisition, construction and installation of the Amenities.

3. Priority Access. Each Eligible Property shall be entitled to priority access to certain of the Amenities as determined by the Board of Directors of Headwaters from time to time, in its sole and absolute discretion, and shall be set forth in a "Priority Access Schedule," which shall constitute the priority access in effect until such schedule is amended or repealed by Headwaters. The initial Priority Access Schedule is set forth in Exhibit B, attached hereto and incorporated herein by this reference. The owner(s) of each Eligible Property shall, no more frequently than once per year, designate a person (an "Eligible Purchaser") who shall be eligible to receive the priority access to the Amenities, as set forth in the Priority Access Schedule. In order to be an Eligible Purchaser, such individual must either (i) own a fee simple interest (including by joint tenancy or by tenancy by the entirety, but excluding tenancy in common) in an Eligible Property, or (ii) own a leasehold interest in an Eligible Property for a term of at least six months.

4. Payment of Amenity Fee. The Amenity Fee shall become due and owing to Headwaters not later than the date of: (i) the issuance of a certificate of occupancy for an Apartment Unit, (ii) the Transfer of a Residential Unit to an End User, (iii) the Transfer of a Lot to an End User, (iv) the Transfer of a Lot to any person or entity other than a Qualified Builder, or (v) to the extent a certificate of occupancy has been issued for a Residential Unit and said Residential Unit has not otherwise been Transferred to an End User, immediately upon the presentation of a lease to and application for membership benefits from "The Club at Granby Ranch," for which payment of the Amenity Fee is a prerequisite. The Amenity Fee is not established for, and shall not be collected from, any property within the Districts that is to be developed for non-residential purposes, such as the streets and roadways, golf course, clubhouse, and similar non-residential property.

5. Responsible Party. If payment of the Amenity Fee is pursuant to subsection 4(ii), (iii) or (iv) above, the Amenity Fee is payable by the transferor of such Lot or Residential Unit. If payment of the Amenity Fee is pursuant to subsection 4(i) or (v) above, the Amenity Fee is payable by the owner of the Apartment Unit, Lot or Residential Unit at the time the Amenity Fee becomes due and payable.

6. Out-of-District Users. Headwaters may determine from time to time, in its sole and absolute discretion, to allow those who reside outside of the Districts' boundaries to receive priority access to the amenities. In order to receive priority access, such individuals must pay (i) a fee, which Headwaters may establish by resolution, but which shall not be less than the Amenity Fee, and, (ii) an annual amount, which Headwaters may establish by resolution, payable on January 1 of each year. This Resolution does not cap the fee or annual amount that Headwaters may impose on individuals who reside outside of the Districts' boundaries to receive priority access.

7. Fee Increases. The Amenity Fee may be increased as adjusted on an annual basis by the change in the Denver/Boulder/Greeley Cost of Living Index, as produced by the U.S. Department of Labor Statistics, and may otherwise be increased in such amounts as are determined from time to time by Headwaters in its sole and absolute discretion.

8. Use of Amenity Fee. The revenues generated by the Amenity Fee shall be used solely for the purpose of financing the acquisition, construction, and installation of Amenities, which may include, without limitation: (1) the issuance of bonds or (2) reimbursement of amounts advanced by GRH or other parties. This restriction on the use of Amenity Fee revenues shall be absolute and without qualification.

9. Late Fees and Penalty Interest. Any Amenity Fee not paid in full within fifteen (15) days after the scheduled due date shall be assessed a late fee of the greater of Fifteen Dollars ($15.00) or up to five percent per month, or fraction thereof, not to exceed a total of twenty-five percent of the amount due, pursuant to § 29-1-1102(3), C.R.S. Interest will also accrue on any outstanding Amenity Fee, exclusive of assessed late fees and interest, at the rate of 12% per annum, pursuant to § 29-1-1102(7), C.R.S. Headwaters shall be entitled to institute such remedies and collection proceedings as may be authorized under Colorado law including but not limited to foreclosure of its perpetual lien. The defaulting property owner shall pay all costs and expenses, including attorneys' fees, incurred by Headwaters in connection with the foregoing and such costs and expenses incurred by Headwaters shall be secured by its lien against the property to which such costs and expenses are allocable.

10. Payment. Payment for all fees, interest and delinquent charges shall be by wire or equivalent form acceptable to Headwaters, and sent on or before the due date to an account designated by Headwaters. Headwaters may change the payment instructions and account information from time to time and such change shall not require an amendment to this Resolution.

11. Amenity Fee Constitutes Lien. The Amenity Fee imposed hereunder is imposed by the Districts pursuant to Section 32-1-1001(1)(j), C.R.S., for the purpose of furnishing public facilities serving properties within the Districts and is deemed by the Districts to be necessary in order to fulfill its governmental purposes. As a result, the Amenity Fee, together with any late fees or penalty interest due thereon, constitutes a valid, perpetual lien on and against the property, such lien securing the payment of such Amenity Fee until paid in full. All such liens shall be in a senior position as against all other liens, whether or not of record, affecting the property. Such lien may be foreclosed in the manner as provided by the laws of the State of Colorado for the foreclosure of mechanic's liens, pursuant to § 32-1-1001(1)(j), C.R.S., such lien being a charge imposed for the provision of services and facilities to the property. Said lien may be foreclosed at such times as Headwaters in its sole and absolute discretion may determine.

12. Collection Procedures. Headwaters shall process all delinquent accounts in accordance with any applicable collections resolution or other rules and regulations of Headwaters, as may be adopted and amended from time to time by the Board of Directors of Headwaters, it being acknowledged that Headwaters, as the administrative agent for the Districts, and as set forth in this Resolution, is charged with the implementation, collection and enforcement of the Amenity Fee.

13. Severability. If any portion of this Resolution is declared by any court of competent jurisdiction to be void or unenforceable, such decision shall not affect the validity of any remaining

portion of this Resolution, which shall remain in full force and effect. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Resolution a provision similar in terms to such illegal, invalid or unenforceable provision so that the resulting reformed provision is legal, valid and enforceable.

14. The Property. This Resolution shall apply to all property within the Districts' boundaries, including but not limited to the property set forth in Exhibit C, attached hereto and incorporated herein by this reference, and any additional property included into the Districts after the date of this Resolution.

15. Affordable Housing Units. Notwithstanding any provision in the Amenity Fee Agreements or this Resolution to the contrary, the Districts shall not impose the Amenity Fee upon any Affordable Housing Unit, and owners and residents of an Affordable Housing Unit shall not be entitled to priority access. Notwithstanding the foregoing, an individual living in an Affordable Housing Unit shall be eligible to purchase priority access on the same terms as set forth in Section 6 hereof for individuals residing outside of the Districts, as determined by Headwaters from time to time, so long as such individual owns a fee simple interest (including by joint tenancy or by tenancy by the entirety, but excluding tenancy in common) in said Affordable Housing Unit.

16. Prepayment of Fees. Headwaters may enter into agreements for the prepayment of Amenity Fees in order to permit property owners to avoid future increases in the Amenity Fee rate. The rate for such prepaid fees shall be the rate of the then-current Amenity Fee at the time of prepayment rather than the rate in effect at the time the Amenity Fee would otherwise be due and owing.

17. Effective Date. This Resolution was duly adopted by the Boards of Directors of the Headwaters Metropolitan District, Granby Ranch Metropolitan District, Granby Ranch Metropolitan District No. 2 and Granby Ranch Metropolitan District No. 8 at meetings held on July 17, 2013, and shall become effective immediately upon execution by both Boards, and shall supersede the Original Amenity Fee Resolution in its entirety

APPROVED and ADOPTED this 17th day of July, 2013

Signature pages follow.

RECEPTION#: 2013006993, 08/14/2013 at 04:03:54 PM, 26 OF 44 Doc Code:AGR,
Sara L. Rosene, Grand County Clerk and Recorder, Colorado

RECEPTION#: 2013006964, 08/14/2013 at 09:48:58 AM, 7 OF 25 Doc Code:RESOLUTION,
Sara L. Rosene, Grand County Clerk and Recorder, Colorado

GRANBY RANCH METROPOLITAN DISTRICT NO. 2, a quasi-municipal corporation and political subdivision of the State of Colorado

By_____
President

ATTEST:

By_____
Secretary

GRANBY RANCH METROPOLITAN DISTRICT NO. 8, a quasi-municipal corporation and political subdivision of the State of Colorado

By_____
President

ATTEST:

By_____
Secretary

Signature page 2 of 2 to Joint Resolution to Establish an Amenity Fee

RECEPTION#: 2013006993, 08/14/2013 at 04:03:54 PM, 27 OF 44 Doc Code:AGR,
Sara L. Rosene, Grand County Clerk and Recorder, Colorado

RECEPTION#: 2013006964, 08/14/2013 at 09:48:58 AM, 8 OF 25 Doc Code:RESOLUTION,
Sara L. Rosene, Grand County Clerk and Recorder, Colorado

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

By_____
President

ATTEST:

By_____
Secretary

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

By_____
President

ATTEST:

By_____
Secretary

RECEPTION#: 2013006993, 08/14/2013 at 04:03:54 PM, 28 OF 44 Doc Code:AGR,
Sara L. Rosene, Grand County Clerk and Recorder, Colorado

RECEPTION#: 2013006964, 08/14/2013 at 09:48:58 AM, 9 OF 25 Doc Code:RESOLUTION,
Sara L. Rosene, Grand County Clerk and Recorder, Colorado

EXHIBIT A
EXEMPT PARCELS

All of the following described lands are within Township 1 North, Range 76 West of the Sixth Principle Meridian, Grand County, Colorado.

Granby Ranch Filing No. 1:

All lots included in Granby Ranch Filing No. 1 First Administrative Plat Amendment recorded September 1, 2005 at reception #2005009514.

Granby Ranch Filing No. 1B:

All lots included in Granby Ranch Filing No. 1B recorded June 15, 2006 at reception #2006005921.

Granby Ranch Filing No. 2:

All lots included in Granby Ranch Filing No. 2 recorded May 27, 2005 at reception #2005005488.

Granby Ranch Filing No. 2B:

Lots 36 through 65 included in Granby Ranch Filing No. 2B recorded June 15, 2006 at reception #2006005927.

Granby Ranch Filing No. 3:

All lots included in Granby Ranch Filing No. 3 recorded March 15, 2005 at reception #2005002634.

Granby Ranch Filing No. 4:

All condominium units included in Aspen Meadows – As Built Condominium Map recorded July 11, 2007 at reception #2007007445;
All condominium units included in Aspen Meadows – As Built Condominium Map First Supplement recorded July 19, 2007 at reception #2007007718;
All condominium units included in Aspen Meadows – As Built Condominium Map Second Supplement recorded July 19, 2007 at reception #2007007719;
All condominium units included in Aspen Meadows – As Built Condominium Map Third Supplement recorded July 25, 2008 at reception #2008007262;
Building Lots G and H included in First Administrative Plat Amendment to Aspen Meadows Condominiums Granby Ranch Filing No. 4. recorded June 30, 2006 at reception #2006006561.

RECEPTION#: 2013006993, 08/14/2013 at 04:03:54 PM, 29 OF 44 Doc Code:AGR,
Sara L. Rosene, Grand County Clerk and Recorder, Colorado

RECEPTION#: 2013006964, 08/14/2013 at 09:48:58 AM, 10 OF 25 Doc
Code:RESOLUTION, Sara L. Rosene, Grand County Clerk and Recorder,
Colorado

Granby Ranch Filing No. 5:

All lots included in First Administrative Plat Amendment Granby Ranch Filing No. 5 recorded December 9, 2005 at reception #2005013944.

Granby Ranch Filing No. 6:

All lots included in Granby Ranch Filing No. 6 recorded July 8, 2005 at reception #2005007220.

Granby Ranch Filing No. 8:

Lots 1 through 37, lot 65, lot 66 and lot 67 included in Granby Ranch Filing No. 8 recorded May 3, 2006 at reception #2006004206.

Granby Ranch Filing No. 9:

All condominium units included in As Built Condominium Map of Base Camp One Condominiums recorded March 27, 2009 at reception #2009002677;

Development Unit A and Development Unit B of the Final Plat of Base Camp One Condominiums recorded March 27, 2009 at reception #2009002672;

Lot 2, Granby Ranch Filing No. 9 recorded July 10, 2007 at reception #2007007428.

Granby Ranch Filing No. 10:

All lots included in Granby Ranch Filing No. 10 recorded May 10, 2007 at reception #2007005105.

Granby Ranch Filing No. 11:

Lots 1 through 17 and lot 21, lot 22 and lot 23 included in Granby Ranch Filing No. 11 recorded May 10, 2007 at reception #2007005113;

Lots 18, lot 19 and lot 20 included in Administrative Plat Amendment First Amendment Granby Ranch Filing No. 11 recorded October 22, 2008 at reception #2008010123.

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Kicking Horse Lodges:

Units 1-101, 1-102, 1-103, 1-104, 1-201, 1-204, 1-301, 1-302, 1-303, 1-305, 2-104, 2-201, 2-203, 2-204, 2-301, 2-302, 2-304, 2-305, 3-101, 3-102, 3-103, 3-104, 3-203, 3-205, 3-302, 3-304, 4-102, 4-202, 4-205, 4-302, 4-304 and 4-305 included in the As Built Plat and Condominium map for Kicking Horse Lodges recorded May 15, 2001 reception #2001004370;

Units 5-102, 5-103, 5-104, 5-202, 5-204, 5-205, 5-301, 5-302, 5-303, 5-304, 5-305, 6-102, 6-201, 6-203, 6-205, 6-303, 6-305, 7-101, 7-103, 7-104, 7-105, 7-201, 7-202, 7-203, 7-204, 7-205, 7-302, 7-303, 7-304, 8-101, 8-102, 8-103, 8-104, 8-105, 8-202, 8-203, 8-205, 8-301, 8-302, 8-303, 8-304 and 8-305 included in the Administrative Plat Amendment to the Amended As Built Plat and Condominium Map for Kicking Horse Lodges Phase 2 recorded November 14, 2005 at reception #2005012874.

Silverstar Townhomes:

South Pt Lot 1, Silverstar Townhomes Subdivision recorded July 8, 2005 at reception #2005007214.

RECEPTION#: 2013006993, 08/14/2013 at 04:03:54 PM, 31 OF 44 Doc Code:AGR,
Sara L. Rosene, Grand County Clerk and Recorder, Colorado

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EXHIBIT B

2013 PRIORITY ACCESS SCHEDULE

Effective July 17, 2013

Each Eligible Purchaser shall be entitled to the following priority access until this schedule is amended or repealed by the Board of Directors of Headwaters Metropolitan District.

Please note that unless otherwise specified, priority access is only available to the Eligible Purchaser, the Eligible Purchaser's spouse, and the Eligible Purchaser's immediate family members under the age of 24.

Golf

- 20% discount on daily greens fees (excluding cart fees or caddie fees) off the rate charged from time to time by Headwaters (or its administrative agent or any manager retained by Headwaters, as applicable) for members of the general public residing outside of the Town of Granby (applies only to daily greens fees and not to season passes or any products)
- Tee time reservations in advance of the general public

Ski

- 20% discount on individual, single-day lift tickets, off the rate charged from time to time by Headwaters (or its administrative agent or any manager retained by Headwaters, as applicable) for members of the general public residing outside of the Town of Granby. The 20% discount is not available for season passes.

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EXHIBIT C

THE PROPERTY

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Sara L. Rosene, Grand County Clerk and Recorder, Colorado

RECEPTION#: 2013006964, 08/14/2013 at 09:48:58 AM, 14 OF 25 Doc Code:RESOLUTION, Sara L. Rosene, Grand County Clerk and Recorder, Colorado

LEGAL DESCRIPTION

PARTS OF SECTIONS 4, 5, 7, 8, 9, 15, 16, 17, 20, 21, AND 22, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE FIRST ADMINISTRATIVE PLAT AMENDMENT TO GRANBY RANCH FILING NO. 1 AS RECORDED AT RECEPTION NO. 2005-009514 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 8.397 ACRES, MORE OR LESS;

TOGETHER WITH GRANBY RANCH FILING NO. 1B AS RECORDED AT RECEPTION NO. 2006-005921 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 23.790 ACRES, MORE OR LESS;

TOGETHER WITH GRANBY RANCH FILING NO. 2 AS RECORDED AT RECEPTION NO. 2005-005488 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 53.643 ACRES, MORE OR LESS;

TOGETHER WITH GRANBY RANCH FILING NO. 2B AS RECORDED AT RECEPTION NO. 2006-005927 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 44.386 ACRES, MORE OR LESS;

TOGETHER WITH GRANBY RANCH FILING NO. 3 AS RECORDED AT RECEPTION NO. 2005-002634 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 237.39 ACRES, MORE OR LESS;

TOGETHER WITH THE FIRST ADMINISTRATIVE PLAT AMENDMENT TO ASPEN MEADOWS CONDOMINIUMS GRANBY RANCH FILING NO. 4 AS RECORDED AT RECEPTION NO. 2006-006561 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 22.930 ACRES, MORE OR LESS;

TOGETHER WITH THE FIRST ADMINISTRATIVE PLAT AMENDMENT TO GRANBY RANCH FILING NO. 5 AS RECORDED AT RECEPTION NO. 2005-013944 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 26.278 ACRES, MORE OR LESS;

TOGETHER WITH LOTS 1 - 56, INCLUSIVE, AND TRACTS A - E, INCLUSIVE, OF GRANBY RANCH FILING NO. 5B AS RECORDED AT RECEPTION NO. 2006-012421 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 20.044 ACRES, MORE OR LESS;

TOGETHER WITH GRANBY RANCH FILING NO. 6 AS RECORDED AT RECEPTION NO. 2005-007220 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 34.066 ACRES, MORE OR LESS;

TOGETHER WITH THE FIRST ADMINISTRATIVE PLAT AMENDMENT TO GRANBY RANCH FILING NO. 7 AS RECORDED AT RECEPTION NO. 2006-006560 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 8.380 ACRES, MORE OR LESS;

TOGETHER WITH GRANBY RANCH FILING NO. 8 AS RECORDED AT RECEPTION NO. 2006-004206 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 47.638 ACRES, MORE OR LESS;

TOGETHER WITH THE FIRST ADMINISTRATIVE PLAT AMENDMENT TO GRANBY RANCH FILING NO. 9 AS RECORDED AT RECEPTION NO. 2006-013472 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 5.980 ACRES, MORE OR LESS;

TOGETHER WITH GRANBY RANCH FILING NO. 10 AS RECORDED AT RECEPTION NO. 2007-005105 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 76.035 ACRES, MORE OR LESS;

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LEGAL DESCRIPTION

TOGETHER WITH GRANBY RANCH FILING NO. 11 AS RECORDED AT RECEPTION NO. 2007-005113 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 104.729 ACRES, MORE OR LESS;

TOGETHER WITH LOTS 1 AND 2 OF GRANBY RANCH FILING NO. 12 AS RECORDED AT RECEPTION NO. 2008-008905 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 4.987 ACRES, MORE OR LESS;

TOGETHER WITH LOTS 2 AND 5, TRACTS B, C AND D, AND OPEN SPACE PARCEL 2, WRANGLERS CROSSING AS RECORDED AT RECEPTION NO. 2003-007994 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 29.676 ACRES, MORE OR LESS;

TOGETHER WITH LOTS 2, 3, 4 AND 5 OF LAKEVIEW SUBDIVISION AS RECORDED AT RECEPTION NO. 203722 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;

TOGETHER WITH THE SOUTHERLY PORTION OF LOT 1, SILVERSTAR TOWNHOMES SUBDIVISION AS RECORDED AT RECEPTION NO. 2005-006360 AND 2005-007214 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 2.566 ACRES, MORE OR LESS;

TOGETHER WITH THAT PART OF THE EIGHTY (80) FOOT WIDE ROAD RIGHT-OF-WAY DESCRIBED AT REC. NO. 2003-007989 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER LOCATED IN SAID SECTION 16;
SAID PARCEL CONTAINS AN AREA OF 6.857 ACRES, MORE OR LESS;

TOGETHER WITH PARCEL 1:
A PARCEL OF LAND LOCATED IN THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER AND NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE 6TH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
COMMENCING AT THE SOUTHWEST CORNER OF THE SOUTHWEST QUARTER OF SECTION 5 AND CONSIDERING THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SOUTHWEST QUARTER OF SECTION 5 TO BEAR NORTH 10'34'46" EAST, WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;
THENCE NORTH 10'34'46 EAST, ALONG SAID WEST LINE, A DISTANCE OF 2002.01 FEET;
THENCE NORTH 90'00'00" EAST, A DISTANCE OF 1148.73 FEET TO THE POINT OF BEGINNING:
THENCE NORTH 45'51'27" EAST, A DISTANCE OF 323.05 FEET;
THENCE SOUTH 13'05'00" EAST, A DISTANCE OF 573.76 FEET;
THENCE NORTH 47'17'28" WEST, A DISTANCE OF 492.25 FEET TO THE POINT OF BEGINNING;
SAID PARCEL 1 CONTAINS AN AREA OF 1.82 ACRES, MORE OR LESS.

TOGETHER WITH PARCEL 2:
THAT PART OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER AND THAT PART OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF GRAND, STATE OF COLORADO, LYING NORTHERLY OF THE UNION PACIFIC RAILROAD RIGHT-OF-WAY;
SAID PARCEL 2 CONTAINS A CALCULATED AREA OF 31.00 ACRES, MORE OR LESS.

TOGETHER WITH PARCEL 3:
A PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 4 AND THE NORTH HALF OF SECTION 9, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, AND CONSIDERING THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88'38'53" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;
THENCE NORTH 24'07'19" EAST, A DISTANCE OF 5292.12 FEET TO THE POINT OF BEGINNING;
THENCE SOUTH 78'47'25" WEST, A DISTANCE OF 163.25 FEET;
THENCE SOUTH 35'19'21" WEST, A DISTANCE OF 132.49 FEET;
THENCE SOUTH 51'31'58" WEST, A DISTANCE OF 66.16 FEET;
THENCE SOUTH 83'14'12" WEST, A DISTANCE OF 60.79 FEET;

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Colorado

LEGAL DESCRIPTION

PARCEL 3 CONTINUED:
THENCE NORTH 68'06'15" WEST, A DISTANCE OF 21.21 FEET;
THENCE SOUTH 60'38'26" WEST, A DISTANCE OF 368.49 FEET;
THENCE SOUTH 68'38'33" WEST, A DISTANCE OF 53.15 FEET;
THENCE SOUTH 80'51'55" WEST, A DISTANCE OF 47.32 FEET;
THENCE NORTH 72'12'48" WEST, A DISTANCE OF 94.40 FEET;
THENCE NORTH 61'57'12" WEST, A DISTANCE OF 93.32 FEET;
THENCE NORTH 82'07'24" WEST, A DISTANCE OF 87.35 FEET;
THENCE NORTH 46'25'18" WEST, A DISTANCE OF 154.87 FEET;
THENCE NORTH 51'57'32" WEST, A DISTANCE OF 185.44 FEET;
THENCE NORTH 48'24'52" WEST, A DISTANCE OF 328.84 FEET;
THENCE NORTH 31'30'02" WEST, A DISTANCE OF 75.47 FEET;
THENCE NORTH 15'27'13" WEST, A DISTANCE OF 160.03 FEET;
THENCE NORTH 07'52'52" WEST, A DISTANCE OF 166.48 FEET;
THENCE NORTH 21'22'23" WEST, A DISTANCE OF 150.38 FEET;
THENCE NORTH 03'34'44" EAST, A DISTANCE OF 97.67 FEET;
THENCE NORTH 06'59'38" WEST, A DISTANCE OF 171.36 FEET;
THENCE NORTH 23'20'48" EAST, A DISTANCE OF 91.96 FEET;
THENCE NORTH 11'13'40" WEST, A DISTANCE OF 68.56 FEET;
THENCE NORTH 87'51'51" WEST, A DISTANCE OF 94.29 FEET;
THENCE NORTH 53'30'47" WEST, A DISTANCE OF 48.62 FEET;
THENCE NORTH 68'08'50" WEST, A DISTANCE OF 110.80 FEET;
THENCE NORTH 56'44'29" WEST, A DISTANCE OF 120.36 FEET;
THENCE NORTH 80'58'26" WEST, A DISTANCE OF 111.84 FEET;
THENCE NORTH 64'44'06" WEST, A DISTANCE OF 155.45 FEET;
THENCE NORTH 22'53'02" WEST, A DISTANCE OF 127.41 FEET;
THENCE NORTH 77'51'20" WEST, A DISTANCE OF 94.54 FEET;
THENCE NORTH 45'39'52" WEST, A DISTANCE OF 111.50 FEET;
THENCE NORTH 24'18'34" WEST, A DISTANCE OF 142.31 FEET;
THENCE SOUTH 72'51'35" WEST, A DISTANCE OF 47.42 FEET;
THENCE NORTH 42'05'34" WEST, A DISTANCE OF 95.69 FEET;
THENCE NORTH 34'41'33" WEST, A DISTANCE OF 133.02 FEET;
THENCE NORTH 29'21'22" WEST, A DISTANCE OF 99.21 FEET;
THENCE NORTH 73'48'33" EAST, A DISTANCE OF 65.16 FEET;
THENCE SOUTH 79'13'24" EAST, A DISTANCE OF 71.29 FEET;
THENCE SOUTH 39'13'10" EAST, A DISTANCE OF 274.27 FEET;
THENCE SOUTH 46'58'23" WEST, A DISTANCE OF 57.64 FEET;
THENCE SOUTH 14'19'09" EAST, A DISTANCE OF 80.36 FEET;
THENCE NORTH 70'21'39" EAST, A DISTANCE OF 51.23 FEET;
THENCE SOUTH 51'56'34" EAST, A DISTANCE OF 30.29 FEET;
THENCE SOUTH 08'37'05" WEST, A DISTANCE OF 39.78 FEET;
THENCE SOUTH 28'14'50" EAST, A DISTANCE OF 67.19 FEET;
THENCE SOUTH 83'51'03" EAST, A DISTANCE OF 59.79 FEET;
THENCE NORTH 25'27'50" EAST, A DISTANCE OF 62.15 FEET;
THENCE NORTH 65'27'49" EAST, A DISTANCE OF 157.00 FEET;
THENCE SOUTH 64'12'58" EAST A DISTANCE OF 52.97 FEET;
THENCE SOUTH 84'40'45" EAST, A DISTANCE OF 106.79 FEET;
THENCE NORTH 13'32'50" EAST, A DISTANCE OF 68.01 FEET;
THENCE NORTH 38'43'32" EAST, A DISTANCE OF 71.32 FEET;
THENCE NORTH 87'55'13" EAST, A DISTANCE OF 230.16 FEET;
THENCE NORTH 53'24'51" EAST, A DISTANCE OF 87.28 FEET;
THENCE NORTH 89'21'10" EAST, A DISTANCE OF 174.38 FEET;
THENCE NORTH 56'08'18" EAST. A DISTANCE OF 96.7.3 FEET;
THENCE SOUTH 68'32'34" EAST, A DISTANCE OF 112.66 FEET;
THENCE SOUTH 84'45'59" EAST, A DISTANCE OF 127.39 FEET;
THENCE SOUTH 41'13'30" EAST, A DISTANCE OF 92.74 FEET;
THENCE NORTH 22'52'01" EAST, A DISTANCE OF 42.81 FEET;
THENCE NORTH 46'13'17" EAST, A DISTANCE OF 109.61 FEET;
THENCE NORTH 82'04'23" EAST, A DISTANCE OF 57.35 FEET;
THENCE SOUTH 41'46'28" EAST, A DISTANCE OF 98.06 FEET;
THENCE NORTH 40'23'14" EAST, A DISTANCE OF 55.60 FEET;
THENCE SOUTH 73'39'23" EAST, A DISTANCE OF 125.66 FEET;

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LEGAL DESCRIPTION

PARCEL 3 CONTINUED:
THENCE SOUTH 66'06'13" EAST, A DISTANCE OF 1.31.12 FEET;
THENCE SOUTH 82'07'57" EAST, A DISTANCE OF 477.61 FEET;
THENCE NORTH 88'01'42" EAST, A DISTANCE OF 204.65 FEET;
THENCE SOUTH 81'22'37" EAST, A DISTANCE OF 79.32 FEET;
THENCE SOUTH 16'33'23" EAST, A DISTANCE OF 67.68 FEET;
THENCE SOUTH 84'20'44" EAST, A DISTANCE OF 140.37 FEET;
THENCE SOUTH 67'12'01" EAST, A DISTANCE OF 240.45 FEET;
THENCE SOUTH 79'00'59" EAST, A DISTANCE OF 85.94 FEET;
THENCE SOUTH 77'54'11" EAST, A DISTANCE OF 166.58 FEET;
THENCE SOUTH 56'31'21" EAST, A DISTANCE OF 246.30 FEET;
THENCE SOUTH 24'28'40" EAST, A DISTANCE OF 71.45 FEET;
THENCE SOUTH 26'24'33" WEST, A DISTANCE OF 104.32 FEET;
THENCE SOUTH 09'53'10" WEST, A DISTANCE OF 86.84 FEET;
THENCE SOUTH 02'17'26" EAST, A DISTANCE OF 77.68 FEET;
THENCE SOUTH 30'50'13" EAST, A DISTANCE OF 79.32 FEET;
THENCE SOUTH 04'21'28" EAST, A DISTANCE OF 51.55 FEET;
THENCE SOUTH 21'40'55" EAST, A DISTANCE OF 87.25 FEET;
THENCE SOUTH 47'33'38" EAST, A DISTANCE OF 75.80 FEET;
THENCE SOUTH 43'58'16" EAST, A DISTANCE OF 81.48 FEET;
THENCE SOUTH 08'55'30" EAST, A DISTANCE OF 89.85 FEET;
THENCE SOUTH 00'52'53" WEST, A DISTANCE OF 69.81 FEET;
THENCE SOUTH 07'26'20" EAST, A DISTANCE OF 96.04 FEET;
THENCE SOUTH 39'04'15" EAST, A DISTANCE OF 105.67 FEET;
THENCE SOUTH 06'37'32" WEST, A DISTANCE OF 55.88 FEET;
THENCE SOUTH 77'12'11" WEST, A DISTANCE OF 218.29 FEET;
THENCE SOUTH 79'15'40" WEST, A DISTANCE OF 252.78 FEET;
THENCE NORTH 83'52'38" WEST, A DISTANCE OF 70.32 FEET;
THENCE SOUTH 75'32'07" WEST, A DISTANCE OF 61.38 FEET;
THENCE SOUTH 82'10'21" WEST, A DISTANCE OF 67.60 FEET;
THENCE SOUTH 69'19'31" WEST, A DISTANCE OF 104.46 FEET;
THENCE SOUTH 84'49'41" WEST, A DISTANCE OF 151.45 FEET;
THENCE NORTH 65'49'42" WEST, A DISTANCE OF 83.24 FEET;
THENCE SOUTH 48'21'20" WEST, A DISTANCE OF 62.07 FEET;
THENCE SOUTH 86'56'46" WEST, A DISTANCE OF 71.17 FEET;
THENCE SOUTH 63'33'48" WEST, A DISTANCE OF 112.87 FEET TO THE POINT OF BEGINNING,
SAID PARCEL 3 CONTAINS A GROSS AREA OF 111.31 ACRES, MORE OR LESS;

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCEL:
A PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 4 AND THE NORTH HALF OF SECTION 9, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, AND CONSIDERING THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88'38'53" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;
THENCE NORTH 20'01'49" EAST, A DISTANCE OF 5108.17 FEET TO THE POINT OF BEGINNING;
THENCE NORTH 86'38'35" WEST, A DISTANCE OF 58.98 FEET;
THENCE SOUTH 72'46'32" WEST, A DISTANCE OF 43.49 FEET;
THENCE SOUTH 46'10'36" WEST, A DISTANCE OF 37.60 FEET;
THENCE SOUTH 67'08'56" WEST. A DISTANCE OF 42.49 FEET;
THENCE SOUTH 75'05'11" WEST, A DISTANCE OF 21.02 FEET;
THENCE SOUTH 57'54'37" WEST, A DISTANCE OF 26.49 FEET;
THENCE SOUTH 33'40'26" WEST, A DISTANCE OF 33.91 FEET;
THENCE SOUTH 22'12'44" WEST, A DISTANCE OF 43.97 FEET;
THENCE SOUTH 33'49'06" WEST, A DISTANCE OF 100.58 FEET;
THENCE SOUTH 71'03'11" WEST, A DISTANCE OF 141.99 FEET;
THENCE NORTH 67'22'21" WEST, A DISTANCE OF 29.91 FEET;
THENCE NORTH 76'23'53" WEST, A DISTANCE OF 65.61 FEET;
THENCE NORTH 64'07'32" WEST, A DISTANCE OF 47.27 FEET;
THENCE NORTH 40'20'20" WEST, A DISTANCE OF 25.42 FEET;
THENCE NORTH 18'23'18" WEST, A DISTANCE OF 45.29 FEET;

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LEGAL DESCRIPTION

PARCEL 3 EXCEPTION CONTINUED:
THENCE NORTH 38'58'59" WEST, A DISTANCE OF 29.01 FEET;
THENCE NORTH 64'53'42" WEST, A DISTANCE OF 102.28 FEET;
THENCE NORTH 28'36'31" WEST, A DISTANCE OF 31.73 FEET;
THENCE NORTH 06'02'51" WEST, A DISTANCE OF 43.13 FEET;
THENCE NORTH 14'34'12" WEST, A DISTANCE OF 28.26 FEET;
THENCE NORTH 28'32'18" WEST, A DISTANCE OF 23.62 FEET;
THENCE NORTH 64'58'42" WEST, A DISTANCE OF 25.39 FEET;
THENCE SOUTH 70'41'17" WEST, A DISTANCE OF 31.29 FEET;
THENCE NORTH 72'46'04" WEST, A DISTANCE OF 26.87 FEET;
THENCE NORTH 22'36'35" WEST, A DISTANCE OF 40.17 FEET;
THENCE NORTH 19'52'45" WEST, A DISTANCE OF 29.06 FEET;
THENCE NORTH 32'33'41" WEST, A DISTANCE OF 46.08 FEET;
THENCE NORTH 17'20'50" WEST, A DISTANCE OF 63.64 FEET;
THENCE NORTH 10'04'53" WEST, A DISTANCE OF 44.86 FEET;
THENCE NORTH 00'07'52" WEST, A DISTANCE OF 58.85 FEET;
THENCE NORTH 14'38'27" WEST, A DISTANCE OF 23.58 FEET;
THENCE NORTH 30'14'12" WEST, A DISTANCE OF 56.79 FEET;
THENCE NORTH 21'45'07" WEST, A DISTANCE OF 32.76 FEET;
THENCE NORTH 30'19'22" WEST, A DISTANCE OF 90.99 FEET;
THENCE NORTH 28'04'59" WEST, A DISTANCE OF 63.70 FEET;
THENCE NORTH 08'56'26" WEST, A DISTANCE OF 45.60 FEET;
THENCE NORTH 00'33'56" WEST, A DISTANCE OF 65.20 FEET;
THENCE NORTH 00'08'07" WEST, A DISTANCE OF 55.27 FEET;
THENCE NORTH 00'44'36" WEST, A DISTANCE OF 29.16 FEET;
THENCE NORTH 17'01'54" WEST, A DISTANCE OF 28.62 FEET;
THENCE NORTH 21'48'52" WEST, A DISTANCE OF 36.06 FEET;
THENCE NORTH 01'20'59" WEST, A DISTANCE OF 53.53 FEET;
THENCE NORTH 12'18'25" EAST, A DISTANCE OF 83.18 FEET;
THENCE NORTH 16'30'13" EAST, A DISTANCE OF 34.31 FEET;
THENCE NORTH 02'51'41" EAST, A DISTANCE OF 63.32 FEET;
THENCE NORTH 11'00'02" WEST, A DISTANCE OF 46.57 FEET;
THENCE NORTH 25'44'16" WEST, A DISTANCE OF 98.47 FEET;
THENCE NORTH 05'36'56" WEST, A DISTANCE OF 30.39 FEET;
THENCE NORTH 36'24'16" WEST, A DISTANCE OF 52.00 FEET;
THENCE NORTH 36'32'26" WEST, A DISTANCE OF 26.84 FEET;
THENCE NORTH 11'53'56" WEST, A DISTANCE OF 183.27 FEET;
THENCE NORTH 14'25'52" EAST, A DISTANCE OF 52.02 FEET;
THENCE NORTH 29'20'26" EAST, A DISTANCE OF 62.68 FEET;
THENCE NORTH 69'27'19" EAST, A DISTANCE OF 39.30 FEET;
THENCE NORTH 62'30'26" EAST, A DISTANCE OF 59.69 FEET;
THENCE NORTH 80'28'14" EAST, A DISTANCE OF 45.30 FEET;
THENCE NORTH 88'49'59" EAST, A DISTANCE OF 49.02 FEET;
THENCE SOUTH 76'19'15" EAST, A DISTANCE OF 95.86 FEET;
THENCE SOUTH 50'44'24" EAST, A DISTANCE OF 34.79 FEET;
THENCE SOUTH 24'59'26" EAST, A DISTANCE OF 37.55 FEET;
THENCE SOUTH 37'11'45" EAST, A DISTANCE OF 106.64 FEET;
THENCE SOUTH 72'24'45" EAST, A DISTANCE OF 41.23 FEET;
THENCE SOUTH 82'42'20" EAST, A DISTANCE OF 55.66 FEET;
THENCE SOUTH 72'07'20" EAST, A DISTANCE OF 98.19 FEET;
THENCE SOUTH 61'53'35" EAST, A DISTANCE OF 66.69 FEET;
THENCE SOUTH 53'49'55" EAST, A DISTANCE OF 50.01 FEET;
THENCE SOUTH 42'34'36" EAST, A DISTANCE OF 37.86 FEET;
THENCE SOUTH 34'30'47" EAST, A DISTANCE OF 28.33 FEET;
THENCE SOUTH 47'23'55" EAST, A DISTANCE OF 147.93 FEET;
THENCE SOUTH 45'48'22" EAST, A DISTANCE OF 48.35 FEET;
THENCE SOUTH 32'09'35" EAST, A DISTANCE OF 76.73 FEET;
THENCE SOUTH 41'26'43" EAST, A DISTANCE OF 48.00 FEET;
THENCE SOUTH 45'12'35" EAST, A DISTANCE OF 61.63 FEET;
THENCE SOUTH 36'20'51" EAST, A DISTANCE OF 70.53 FEET;
THENCE SOUTH 46'15'19" EAST, A DISTANCE OF 61.48 FEET;
THENCE SOUTH 53'40'48" EAST, A DISTANCE OF 62.84 FEET;

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LEGAL DESCRIPTION

PARCEL 3 EXCEPTION CONTINUED:
THENCE SOUTH 02'31'08" EAST, A DISTANCE OF 54.11 FEET;
THENCE SOUTH 15'16'49" EAST, A DISTANCE OF 78.97 FEET;
THENCE SOUTH 18'12'50" EAST, A DISTANCE OF112.80 FEET;
THENCE SOUTH 12'10'47" EAST, A DISTANCE OF 100.50 FEET;
THENCE SOUTH 06'29'41" EAST, A DISTANCE OF 129.73 FEET;
THENCE SOUTH 16'49'46" WEST, A DISTANCE OF 87.50 FEET;
THENCE SOUTH 01'11'55" WEST, A DISTANCE OF 154.65 FEET;
THENCE SOUTH 18'35'11" WEST, A DISTANCE OF 43.36 FEET;
THENCE SOUTH 09'35'21" WEST, A DISTANCE OF 85.95 FEET;
THENCE SOUTH 55'07'08" WEST, A DISTANCE OF 29.42 FEET TO THE POINT OF BEGINNING,
SAID EXCEPTED PARCEL CONTAINS A CALCULATED AREA OF 33.38 ACRES, MORE OR LESS;
THE NET AREA OF PARCEL 3 AFTER EXCEPTION IS 77.928 ACRES, MORE OR LESS.

TOGETHER WITH PARCEL 4:
A PARCEL OF LAND LOCATED IN THE NORTHEAST QUARTER OF SECTION 9, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, AND CONSIDERING THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88'38'53" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;
THENCE NORTH 23'23'47" EAST, A DISTANCE OF 4054.03 FEET TO THE POINT OF BEGINNING;
THENCE NORTH 22'32'13" WEST, A DISTANCE OF 67.33 FEET;
THENCE NORTH 41'45'40" WEST, A DISTANCE OF 65.72 FEET;
THENCE NORTH 36'12'35" WEST, A DISTANCE OF 70.46 FEET;
THENCE NORTH 09'47'35" WEST, A DISTANCE OF 83.86 FEET;
THENCE NORTH 57'14'35" EAST, A DISTANCE OF 142.17 FEET;
THENCE NORTH 28'15'10" EAST, A DISTANCE OF 79.96 FEET;
THENCE NORTH 42'41'22" EAST, A DISTANCE OF 66.46 FEET;
THENCE NORTH 22'46'58" EAST, A DISTANCE OF 58.81 FEET;
THENCE NORTH 05'42'12" WEST, A DISTANCE OF 135.05 FEET;
THENCE NORTH 41'20'11" WEST, A DISTANCE OF 36.09 FEET;
THENCE SOUTH 83'42'01" WEST, A DISTANCE OF 51.56 FEET;
THENCE NORTH 35'04'28" WEST, A DISTANCE OF 61.74 FEET;
THENCE SOUTH 86'15'56" WEST, A DISTANCE OF 74.59 FEET;
THENCE NORTH 05'59'49" WEST, A DISTANCE OF 18.59 FEET;
THENCE NORTH 80'55'02" EAST, A DISTANCE OF 277.05 FEET;
THENCE SOUTH 13'11'14" EAST, A DISTANCE OF 28.80 FEET;
THENCE SOUTH 27'32'14" WEST, A DISTANCE OF 43.04 FEET;
THENCE SOUTH 17'59'41" EAST, A DISTANCE OF 57.88 FEET;
THENCE SOUTH 00'00'42" EAST, A DISTANCE OF 115.67 FEET;
THENCE SOUTH 05'21'27" EAST, A DISTANCE OF 109.22 FEET;
THENCE SOUTH 37'30'03" WEST, A DISTANCE OF 103.69 FEET;
THENCE SOUTH 05'33'23" WEST, A DISTANCE OF 183.33 FEET;
THENCE SOUTH 37'55'57" EAST, A DISTANCE OF 77.94 FEET;
THENCE SOUTH 18'18'43" WEST, A DISTANCE OF 59.33 FEET;
THENCE SOUTH 56'19'33" WEST, A DISTANCE OF 82.46 FEET;
THENCE NORTH 82'20'58" WEST, A DISTANCE OF 68.14 FEET TO THE POINT OF BEGINNING,
SAID PARCEL 4 CONTAINS A CALCULATED AREA OF 2.672 ACRES, MORE OR LESS;

TOGETHER WITH PARCEL 5:
A PARCEL OF LAND LOCATED IN THE WEST HALF OF SECTION 9, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, AND CONSIDERING THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88'38'53" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;
THENCE NORTH 48'58'10" WEST, A DISTANCE OF 949.01 FEET TO THE POINT OF BEGINNING;

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LEGAL DESCRIPTION

PARCEL 5 CONTINUED:
THENCE SOUTH 27'39'05" WEST, A DISTANCE OF 149.56 FEET;
THENCE NORTH 21'49'51" WEST, A DISTANCE OF 85.31 FEET;
THENCE NORTH 02'16'58" EAST, A DISTANCE OF 95.73 FEET;
THENCE NORTH 19'40'54" WEST, A DISTANCE OF 122.30 FEET;
THENCE NORTH 02'50'12" WEST, A DISTANCE OF 91.94 FEET;
THENCE NORTH 18'59'59" WEST, A DISTANCE OF 114.67 FEET;
THENCE SOUTH 90'00'00" WEST, A DISTANCE OF 31.02 FEET;
THENCE SOUTH 31'07'32" WEST, A DISTANCE OF 78.31 FEET;
THENCE SOUTH 05'20'45" WEST, A DISTANCE OF 120.20 FEET;
THENCE SOUTH 02'26'45" WEST, A DISTANCE OF 100.38 FEET;
THENCE SOUTH 04'02'51" WEST, A DISTANCE OF 204.18 FEET;
THENCE SOUTH 14'20'29" WEST, A DISTANCE OF 164.88 FEET;
THENCE SOUTH 21'12'57" WEST, A DISTANCE OF 70.29 FEET;
THENCE SOUTH 60'57'36" WEST, A DISTANCE OF 110.15 FEET;
THENCE NORTH 87'13'39" WEST, A DISTANCE OF 90.06 FEET;
THENCE NORTH 15'02'55" WEST, A DISTANCE OF 141.96 FEET;
THENCE NORTH 04'12'38" EAST, A DISTANCE OF 152.32 FEET;
THENCE NORTH 06'26'21" EAST, A DISTANCE OF 190.62 FEET;
THENCE NORTH 17'54'52" WEST, A DISTANCE OF 121.68 FEET;
THENCE NORTH 06'21'04" EAST, A DISTANCE OF 102.49 FEET;
THENCE NORTH 15'56'21" EAST, A DISTANCE OF 313.13 FEET;
THENCE NORTH 12'24'16" EAST, A DISTANCE OF 262.38 FEET;
THENCE NORTH 04'53'46" EAST, A DISTANCE OF 264.05 FEET;
THENCE NORTH 39'38'10" EAST, A DISTANCE OF 35.47 FEET;
THENCE NORTH 78'38'27" EAST, A DISTANCE OF 108.22 FEET;
THENCE NORTH 12'11'54" EAST, A DISTANCE OF 144.88 FEET;
THENCE NORTH 57'01'32" EAST, A DISTANCE OF 81.13 FEET;
THENCE NORTH 35'24'11" EAST, A DISTANCE OF 58.37 FEET;
THENCE NORTH 39'59'50" EAST, A DISTANCE OF 125.13 FEET;
THENCE NORTH 25'56'46" EAST, A DISTANCE OF 148.00 FEET;
THENCE NORTH 34'59'42" EAST, A DISTANCE OF 89.86 FEET;
THENCE NORTH 18'57'13" EAST, A DISTANCE OF 120.37 FEET;
THENCE NORTH 28'31'37" EAST, A DISTANCE OF 79.61 FEET;
THENCE NORTH 04'37'14" EAST, A DISTANCE OF 66.36 FEET;
THENCE NORTH 20'45'26" EAST, A DISTANCE OF 119.34 FEET;
THENCE NORTH 34'01'38" EAST, A DISTANCE OF 57.73 FEET;
THENCE NORTH 51'45'22" EAST, A DISTANCE OF 75.61 FEET;
THENCE NORTH 61'34'35" EAST, A DISTANCE OF 222.24 FEET;
THENCE SOUTH 63'32'41" EAST, A DISTANCE OF 106.62 FEET;
THENCE SOUTH 77'22'29" EAST, A DISTANCE OF 81.80 FEET;
THENCE NORTH 78'50'24" EAST, A DISTANCE OF 160.26 FEET;
THENCE SOUTH 86'01'42" EAST, A DISTANCE OF 96.95 FEET;
THENCE NORTH 67'15'54" EAST, A DISTANCE OF 60.50 FEET;
THENCE NORTH 82'24'59" EAST, A DISTANCE OF 39.98 FEET;
THENCE SOUTH 39'09'53" EAST, A DISTANCE OF 36.16 FEET;
THENCE SOUTH 05'49'59" WEST, A DISTANCE OF 88.47 FEET;
THENCE SOUTH 35'11'24" EAST, A DISTANCE OF 49.09 FEET;
THENCE NORTH 62'06'13" EAST, A DISTANCE OF 68.56 FEET;
THENCE SOUTH 18'17'35" EAST, A DISTANCE OF 86.80 FEET;
THENCE SOUTH 16'56'59" EAST, A DISTANCE OF 73.19 FEET;
THENCE NORTH 66'29'56" WEST, A DISTANCE OF 70.79 FEET;
THENCE SOUTH 81'00'13" WEST, A DISTANCE OF 89.18 FEET;
THENCE SOUTH 44'58'52" WEST, A DISTANCE OF 45.06 FEET;
THENCE SOUTH 12'28'45" EAST, A DISTANCE OF 51.01 FEET;
THENCE NORTH 76'57'53" EAST, A DISTANCE OF 52.93 FEET;
THENCE SOUTH 79'49'58" EAST, A DISTANCE OF 49.58 FEET;
THENCE SOUTH 07'39'34" WEST, A DISTANCE OF 86.53 FEET;
THENCE SOUTH 24'56'04" EAST, A DISTANCE OF 104.72 FEET;
THENCE SOUTH 23'49'54" WEST, A DISTANCE OF 57.42 FEET;
THENCE SOUTH 50'21'02" WEST, A DISTANCE OF 249.87 FEET;
THENCE SOUTH 64'05'45" WEST, A DISTANCE OF 307.77 FEET;

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PARCEL 5 CONTINUED:
THENCE SOUTH 45'21'15" WEST, A DISTANCE OF 217.70 FEET;
THENCE SOUTH 17'45'31" EAST, A DISTANCE OF 94.51 FEET;
THENCE SOUTH 41'28'07" WEST, A DISTANCE OF 218.66 FEET;
THENCE SOUTH 24'48'52" WEST, A DISTANCE OF 98.87 FEET;
THENCE SOUTH 18'35'35" EAST, A DISTANCE OF 144.24 FEET;
THENCE SOUTH 09'37'22" EAST, A DISTANCE OF 102.50 FEET;
THENCE SOUTH 12'47'12" WEST, A DISTANCE OF 140.40 FEET;
THENCE NORTH 89'19'22" EAST, A DISTANCE OF 57.18 FEET;
THENCE SOUTH 65'15'57" EAST, A DISTANCE OF 43.57 FEET;
THENCE SOUTH 04'34'27" WEST, A DISTANCE OF 90.43 FEET;
THENCE SOUTH 16'53'14" WEST, A DISTANCE OF 120.22 FEET;
THENCE NORTH 89'17'49" WEST, A DISTANCE OF 102.69 FEET;
THENCE SOUTH 71'44'29" WEST, A DISTANCE OF 214.86 FEET;
THENCE SOUTH 25'49'26" WEST, A DISTANCE OF 86.57 FEET;
THENCE SOUTH 17'12'32" WEST, A DISTANCE OF 143.89 FEET TO THE POINT OF BEGINNING,
SAID PARCEL 5 CONTAINS A CALCULATED AREA OF 43.614 ACRES, MORE OR LESS;

TOGETHER WITH PARCEL 6:
A PARCEL OF LAND LOCATED IN THE SOUTHWEST QUARTER OF SECTION 9 AND THE NORTHWEST QUARTER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SAID SECTION 16 AND CONSIDERING THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88'38'53" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;
THENCE NORTH 26'44'12" WEST, A DISTANCE OF 571.88 FEET TO THE POINT OF BEGINNING;
THENCE SOUTH 10'49'06" EAST, A DISTANCE OF 171.78 FEET;
THENCE SOUTH 31'11'51" WEST, A DISTANCE OF 69.43 FEET;
THENCE SOUTH 30'16'00" EAST, A DISTANCE OF 215.08 FEET;
THENCE SOUTH 04'11'05" EAST, A DISTANCE OF 200.36 FEET;
THENCE SOUTH 22'03'30" WEST, A DISTANCE OF 190.31 FEET;
THENCE SOUTH 23'39'38" WEST, A DISTANCE OF 264.41 FEET;
THENCE SOUTH 24'58'22" WEST, A DISTANCE OF 115.00 FEET;
THENCE SOUTH 10'51'59" WEST, A DISTANCE OF 86.25 FEET;
THENCE SOUTH 30'43'41" WEST, A DISTANCE OF 238.89 FEET;
THENCE SOUTH 41'30'36" WEST, A DISTANCE OF 87.33 FEET;
THENCE SOUTH 18'22'17" WEST, A DISTANCE OF 99.73 FEET;
THENCE SOUTH 39'28'33" WEST, A DISTANCE OF 65.32 FEET;
THENCE SOUTH 11'27'17" WEST, A DISTANCE OF 75.79 FEET;
THENCE SOUTH 55'40'15" WEST, A DISTANCE OF 123.34 FEET;
THENCE SOUTH 13'38'01" WEST, A DISTANCE OF 64.58 FEET;
THENCE SOUTH 47'16'02" WEST, A DISTANCE OF 87.81 FEET;
THENCE NORTH 86'35'47" WEST, A DISTANCE OF 65.54 FEET;
THENCE SOUTH 78'18'36" WEST, A DISTANCE OF 131.94 FEET;
THENCE SOUTH 51'51'24" WEST, A DISTANCE OF 67.58 FEET;
THENCE SOUTH 67'51'37" WEST, A DISTANCE OF 109.15 FEET;
THENCE SOUTH 11'11'42" WEST, A DISTANCE OF 122.16 FEET;
THENCE SOUTH 69'13'13" WEST, A DISTANCE OF 188.52 FEET;
THENCE SOUTH 54'18'35" WEST, A DISTANCE OF 134.87 FEET;
THENCE NORTH 52'47'23" WEST, A DISTANCE OF 52.62 FEET;
THENCE SOUTH 78'05'00" WEST, A DISTANCE OF 71.47 FEET;
THENCE SOUTH 41'40'33" WEST, A DISTANCE OF 32.64 FEET;
THENCE SOUTH 00'36'21" WEST, A DISTANCE OF 49.50 FEET;
THENCE SOUTH 36'08'18" WEST, A DISTANCE OF 71.00 FEET;
THENCE SOUTH 51'14'10" WEST, A DISTANCE OF 68.71 FEET;
THENCE NORTH 76'12'40" WEST, A DISTANCE OF 75.76 FEET;
THENCE NORTH 36'58'35" WEST, A DISTANCE OF 49.72 FEET;
THENCE NORTH 10'19'49" WEST, A DISTANCE OF 114.91 FEET;
THENCE NORTH 24'05'05" EAST, A DISTANCE OF 63.10 FEET;
THENCE NORTH 15'11'40" WEST, A DISTANCE OF 155.34 FEET;

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LEGAL DESCRIPTION

PARCEL 6 CONTINUED;
THENCE NORTH 87'04'56" WEST, A DISTANCE OF 83.10 FEET;
THENCE NORTH 65'31'18" WEST, A DISTANCE OF 60.38 FEET;
THENCE NORTH 11'40'03" EAST, A DISTANCE OF 65.27 FEET;
THENCE SOUTH 85'25'56" EAST, A DISTANCE OF 85.07 FEET;
THENCE SOUTH 72'57'12" EAST, A DISTANCE OF 111.59 FEET;
THENCE NORTH 59'41'08" EAST, A DISTANCE OF 67.87 FEET;
THENCE NORTH 87'25'31" EAST, A DISTANCE OF 96.77 FEET;
THENCE NORTH 35'17'22" EAST, A DISTANCE OF 85.17 FEET;
THENCE NORTH 42'20'14" EAST, A DISTANCE OF 173.28 FEET;
THENCE NORTH 67'27'08" EAST, A DISTANCE OF 187.78 FEET;
THENCE NORTH 53'50'25" EAST, A DISTANCE OF 183.67 FEET;
THENCE NORTH 42'27'46" EAST, A DISTANCE OF 122.32 FEET;
THENCE NORTH 64'40'04" EAST, A DISTANCE OF 60.50 FEET;
THENCE NORTH 28'59'59" EAST: A DISTANCE OF 74.31 FEET;
THENCE NORTH 01'00'12" WEST, A DISTANCE OF 170.85 FEET;
THENCE NORTH 41'17'24" EAST, A DISTANCE OF 74.77 FEET;
THENCE NORTH 15'21'08" EAST, A DISTANCE OF 57.99 FEET;
THENCE NORTH 31'53'32" EAST, A DISTANCE OF 133.53 FEET;
THENCE SOUTH 86'38'08" EAST, A DISTANCE OF 65.21 FEET;
THENCE NORTH 06'10'55" EAST, A DISTANCE OF 64.88 FEET;
THENCE NORTH 46'20'47" EAST, A DISTANCE OF 106.06 FEET;
THENCE NORTH 44'41'02" EAST, A DISTANCE OF 67.03 FEET;
THENCE NORTH 02'52'47" EAST, A DISTANCE OF 203.27 FEET;
THENCE NORTH 10'49'47" EAST, A DISTANCE OF 141.19 FEET;
THENCE NORTH 25'50'54" EAST, A DISTANCE OF 204.17 FEET;
THENCE NORTH 33'56'56" EAST, A DISTANCE OF 113.87 FEET;
THENCE NORTH 11'18'19" EAST, A DISTANCE OF 161.91 FEET;
THENCE NORTH 59'56'47" EAST, A DISTANCE OF 145.06 FEET;
THENCE SOUTH 56'47'03" EAST, A DISTANCE OF 49.98 FEET TO THE POINT OF BEGINNING,
SAID PARCEL 6 CONTAINS A CALCULATED AREA OF 26.548 ACRES, MORE OR LESS;

TOGETHER WITH PARCEL 7:
PART OF THE SOUTHWEST QUARTER OF SECTION 9, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 9 AND CONSIDERING THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 9 TO BEAR SOUTH 85'13'21" EAST, WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;
THENCE SOUTH 85'13'21" EAST, ALONG SAID SOUTH LINE, A DISTANCE OF 51.08 FEET TO THE POINT OF BEGINNING;
THENCE NORTH 01'41'58" WEST, A DISTANCE OF 42.18 FEET;
THENCE NORTH 88'18'02" EAST, A DISTANCE OF 32.00 FEET;
THENCE NORTH 01'41'58" WEST, A DISTANCE OF 29.00 FEET;
THENCE NORTH 88'18'02" EAST, A DISTANCE OF 60.00 FEET;
THENCE SOUTH 79'32'16" EAST, A DISTANCE OF 92.73 FEET;
THENCE SOUTH 27'37'15" EAST, A DISTANCE OF 55.08 FEET;
THENCE SOUTH 28'35'17" EAST, A DISTANCE OF 30.42 FEET TO A POINT ON THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 9;
THENCE NORTH 85'13'21" WEST, ALONG SAID LINE, A DISTANCE OF 221.90 FEET TO THE POINT OF BEGINNING;
SAID PARCEL 7 CONTAINS A CALCULATED AREA OF 0.331 ACRE, MORE OR LESS;

TOGETHER WITH PARCEL 8:
A PARCEL OF LAND LOCATED IN THE SOUTHEAST QUARTER OF SECTION 17 AND THE NORTHEAST QUARTER OF SECTION 20, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
COMMENCING AT THE SOUTHEAST CORNER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, AND CONSIDERING THE SOUTH LINE OF THE SOUTHEAST QUARTER OF

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LEGAL DESCRIPTION

PARCEL 8 CONTINUED:
SAID SECTION 16 TO BEAR SOUTH 88'03'34" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;
THENCE SOUTH 78'20'20" WEST, A DISTANCE OF 6915.33 FEET TO THE POINT OF BEGINNING;
THENCE NORTH 29'40'56" WEST, A DISTANCE OF 348.56 FEET;
THENCE NORTH 39'20'38" WEST, A DISTANCE OF 356.52 FEET;
THENCE NORTH 36'59'58" EAST, A DISTANCE OF 336.92 FEET;
THENCE NORTH 28'32'00" WEST, A DISTANCE OF 243.37 FEET;
THENCE NORTH 19'06'15" EAST, A DISTANCE OF 274.21 FEET;
THENCE NORTH 19'20'21" WEST, A DISTANCE OF 180.51 FEET;
THENCE NORTH 04'42'05" EAST, A DISTANCE OF 120.69 FEET TO A POINT ON A CURVE;
THENCE ALONG THE ARC OF A NON-TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 87'23'52", A RADIUS OF 210.00 FEET, AN ARC LENGTH OF 320.33 FEET, AND A CHORD THAT BEARS SOUTH 65'51'24" EAST;
THENCE SOUTH 22'09'28" EAST, A DISTANCE OF 416.94 FEET TO A POINT OF CURVATURE;
THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 51'27'15", A RADIUS OF 210.00 FEET, AND AN ARC LENGTH OF 188.59 FEET;
THENCE SOUTH 29'17'47" WEST, A DISTANCE OF 258.29 FEET TO A POINT OF CURVATURE;
THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 30'24'36", A RADIUS OF 190.00 FEET, AND AN ARC LENGTH OF 100.84 FEET;
THENCE SOUTH 01'06'49" EAST, A DISTANCE OF 588.47 FEET TO A POINT OF CURVATURE;
THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 04'15'11", A RADIUS OF 190.00 FEET, AND AN ARC LENGTH OF 14.10 FEET TO THE POINT OF BEGINNING;
SAID PARCEL 8 CONTAINS AN AREA OF 10.299 ACRES, MORE OR LESS;

TOGETHER WITH PARCEL 9:
A PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 16, THE SOUTHEAST QUARTER OF SECTION 17, THE NORTHEAST QUARTER OF SECTION 20, THE NORTH HALF OF SECTION 21, AND THE NORTHWEST QUARTER OF SECTION 22, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
BEGINNING AT THE SOUTHEAST CORNER OF SAID SECTION 16 AND CONSIDERING THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88'03'34" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;
THENCE SOUTH 05'26'12" WEST, A DISTANCE OF 462.06 FEET;
THENCE SOUTH 40'07'39" EAST, A DISTANCE OF 469.61 FEET;
THENCE SOUTH 04'18'25" EAST, A DISTANCE OF 462.16 FEET;
THENCE SOUTH 33'32'02" WEST, A DISTANCE OF 915.51 FEET;
THENCE SOUTH 81'08'12" WEST, A DISTANCE OF 1873.21 FEET;
THENCE NORTH 70'30'00" WEST, A DISTANCE OF 668.03 FEET;
THENCE NORTH 23'18'26" WEST, A DISTANCE OF 776.98 FEET;
THENCE NORTH 30'49'51" WEST, A DISTANCE OF 328.94 FEET;
THENCE NORTH 09'04'28" EAST, A DISTANCE OF 313.33 FEET;
THENCE NORTH 07'43'55" WEST, A DISTANCE OF 706.28 FEET;
THENCE SOUTH 83'39'49" WEST, A DISTANCE OF 179.60 FEET;
THENCE NORTH 18'13'07" WEST, A DISTANCE OF 396.49 FEET;
THENCE SOUTH 76'42'33" WEST, A DISTANCE OF 157.49 FEET TO A POINT ON THE EAST LINE OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 16;
THENCE SOUTH 06'26'26" WEST, ALONG SAID EAST LINE, A DISTANCE OF 93.33 FEET TO THE SOUTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 16;
THENCE NORTH 88'04'12" WEST, ALONG THE SOUTH LINE OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 16, A DISTANCE OF 92.88 FEET;
THENCE SOUTH 14'43'51" EAST, A DISTANCE OF 507.37 FEET;
THENCE SOUTH 77'24'42" WEST, A DISTANCE OF 81.46 FEET;
THENCE NORTH 46'17'56" WEST, A DISTANCE OF 145.16 FEET;
THENCE SOUTH 83'40'40" WEST, A DISTANCE OF 588.82 FEET;
THENCE NORTH 81'31'51" WEST, A DISTANCE OF 451.13 FEET;
THENCE SOUTH 52'15'23" WEST, A DISTANCE OF 243.82 FEET;
THENCE SOUTH 45'27'54" WEST, A DISTANCE OF 446.51 FEET;
THENCE SOUTH 08'47'03" WEST, A DISTANCE OF 161.42 FEET TO A POINT ON THE WESTERLY BOUNDARY OF THE 7.80 ACRE OPEN SPACE PARCEL DEDICATED BY WESTRIDGE SUBDIVISION, THE PLAT OF WHICH

RECEPTION#: 2013006993, 08/14/2013 at 04:03:54 PM, 43 OF 44 Doc Code:AGR,
Sara L. Rosene, Grand County Clerk and Recorder, Colorado

RECEPTION#: 2013006964, 08/14/2013 at 09:48:58 AM, 24 OF 25 Doc Code:RESOLUTION, Sara L. Rosene, Grand County Clerk and Recorder, Colorado

LEGAL DESCRIPTION

PARCEL 9 CONTINUED;
IS RECORDED AT RECEPTION NO. 203775 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
THENCE SOUTH 16'16'51" WEST, ALONG SAID WESTERLY BOUNDARY, A DISTANCE OF 502.04 FEET;
THENCE SOUTH 72'02'29" WEST, A DISTANCE OF 283.80 FEET;
THENCE SOUTH 46'48'58" WEST, A DISTANCE OF 229.29 FEET;
THENCE SOUTH 86'25'33" WEST, A DISTANCE OF 322.14 FEET;
THENCE NORTH 03'33'35" WEST, A DISTANCE OF 698.83 FEET TO A POINT OF CURVATURE;
THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 62'49'37", A RADIUS OF 210.00 FEET, AND AN ARC LENGTH OF 230.27 FEET;
THENCE NORTH 59'16'01" EAST, A DISTANCE OF 245.18 FEET TO A POINT OF CURVATURE;
THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 64'03'40", A RADIUS OF 190.00 FEET, AND AN ARC LENGTH OF 212.43 FEET;
THENCE NORTH 04'47'39" WEST, A DISTANCE OF 164.28 FEET TO A POINT OF CURVATURE;
THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 74'06'19", A RADIUS OF 190.00 FEET, AND AN ARC LENGTH OF 245.74 FEET;
THENCE NORTH 78'53'58" WEST, A DISTANCE OF 129.25 FEET TO A POINT OF CURVATURE;
THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 91'01'52", A RADIUS OF 210.00 FEET, AND AN ARC LENGTH OF 333.65 FEET;
THENCE NORTH 12'07'54" EAST, A DISTANCE OF 159.45 FEET;
THENCE SOUTH 47'40'17" EAST, A DISTANCE OF 55.96 FEET;
THENCE NORTH 72'23'16" EAST, A DISTANCE OF 889.28 FEET;
THENCE SOUTH 55'44'06" EAST, A DISTANCE OF 525.10 FEET;
THENCE NORTH 70'01'41" EAST, A DISTANCE OF 156.93 FEET TO A POINT ON THE WEST LINE OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 16;
THENCE NORTH 08'12'10" EAST, ALONG SAID WEST LINE, A DISTANCE OF 1203.61 FEET TO THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 16;
THENCE SOUTH 87'50'43" EAST, ALONG THE NORTH LINE OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 16, A DISTANCE OF 775.92 FEET;
THENCE NORTH 19'35'43" EAST, A DISTANCE OF 96.30 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF VILLAGE DRIVE AS DEDICATED BY THE PLAT OF SILVERGATE SUBDIVISION RECORDED AT RECEPTION NO. 203772 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
THENCE SOUTH 12'13'04" EAST, ALONG SAID WESTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 35.85 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF THAT EIGHTY (80) FOOT WIDE RIGHT-OF-WAY DESCRIBED AT RECEPTION NO. 2003-007992 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
THENCE ALONG SAID WESTERLY RIGHT-OF-WAY LINE THE FOLLOWING TWO (2) COURSES
1) THENCE SOUTH 12'13'04" EAST, A DISTANCE OF 51.14 FEET TO A POINT OF CURVATURE;
2) THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 01'43'26", A RADIUS OF 262.00 FEET, AND AN ARC LENGTH OF 7.88 FEET TO THE NORTH LINE OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 16;

THENCE SOUTH 87'50'43" EAST, ALONG SAID NORTH LINE, A DISTANCE OF 84.27 FEET TO A POINT ON A CURVE ON THE SOUTHERLY BOUNDARY OF TRACT B, WRANGLERS CROSSING AS RECORDED AT RECEPTION NO. 2003-007994 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
THENCE ALONG SAID SOUTHERLY BOUNDARY, ALONG THE ARC OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 99'55'34", A RADIUS OF 182.00 FEET, AN ARC LENGTH OF 317.41 FEET, AND A CHORD THAT BEARS SOUTH 71'26'25" EAST TO A POINT ON THE EAST LINE OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 16;
THENCE SOUTH 06'26'26" WEST, ALONG SAID EAST LINE, A DISTANCE OF 93.90 FEET TO A POINT ON A CURVE ON THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID EIGHTY (80) FOOT WIDE RIGHT-OF-WAY DESCRIBED AT RECEPTION NO. 2003-007992;
THENCE ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE THE FOLLOWING TWO (2) COURSES:

1) THENCE ALONG THE ARC OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 16'06'47", A RADIUS OF 262.00 FEET, AN ARC LENGTH OF 73.68 FEET, AND A CHORD THAT BEARS NORTH 63'20'20" EAST;
2) THENCE NORTH 55'16'56" EAST, A DISTANCE OF 103.13 FEET TO THE NORTHWEST CORNER OF THE AMENDED FINAL PLAT OF THE MOUNTAINSIDE AT SILVERCREEK PHASE II AS RECORDED AT RECEPTION NO. 2000-005640 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;

RECEPTION#: 2013006993, 08/14/2013 at 04:03:54 PM, 44 OF 44 Doc Code:AGR,
Sara L. Rosene, Grand County Clerk and Recorder, Colorado

RECEPTION#: 2013006964, 08/14/2013 at 09:48:58 AM, 25 OF 25 Doc Code:RESOLUTION, Sara L. Rosene, Grand County Clerk and Recorder, Colorado

LEGAL DESCRIPTION

PARCEL 9 CONTINUED;
THENCE SOUTH 13'16'56" WEST, ALONG THE WESTERLY BOUNDARY OF SAID AMENDED FINAL PLAT OF THE MOUNTAINSIDE AT SILVERCREEK PHASE II AND ITS SOUTHERLY EXTENSION, A DISTANCE OF 624.73 FEET;
THENCE SOUTH 85'51'25" EAST, A DISTANCE OF 462.12 FEET;
THENCE SOUTH 04'47'55" WEST, A DISTANCE OF 36.68 FEET;
THENCE SOUTH 65'56'43" EAST, A DISTANCE OF 627.82 FEET;
THENCE NORTH 88'45'26" EAST, A DISTANCE OF 178.77 FEET;
THENCE NORTH 44'10'34" EAST, A DISTANCE OF 929.57 FEET;
THENCE SOUTH 56'43'40" EAST, A DISTANCE OF 2016.36 FEET TO THE POINT OF BEGINNING,
SAID PARCEL 9 CONTAINS A GROSS AREA OF 303.723 ACRES, MORE OR LESS;

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCEL:
THE 2.40 ACRE OPEN SPACE PARCEL SHOWN ON THE FINAL PLAT OF THE MOUNTAINSIDE AT SILVERCREEK PHASE I SUBDIVISION, ACCORDING TO THE PLAT RECORDED AT RECEPTION NO. 203319 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER, TOGETHER WITH THE 0.22 ACRE OPEN SPACE PARCEL SHOWN ON THE FINAL PLAT OF THE MOUNTAINSIDE AT SILVERCREEK PHASE II SUBDIVISION, ACCORDING TO THE PLAT RECORDED AT RECEPTION NO. 222486 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER LOCATED IN THE SOUTHEAST QUARTER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, SUBORDINATELY DESCRIBED AS FOLLOWS:
COMMENCING AT THE SOUTHEAST CORNER SAID SECTION 16 AND CONSIDERING THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88'03'34" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;
THENCE NORTH 73'01'23" EAST, A DISTANCE OF 1364.97 FEET TO THE POINT OF BEGINNING:
THENCE SOUTH 28'16'56" WEST, A DISTANCE OF 114.25 FEET;
THENCE NORTH 61'43'04" WEST, A DISTANCE OF 520.40 FEET;
THENCE NORTH 28'16'56" EAST, A DISTANCE OF 324.51 FEET;
THENCE SOUTH 39'43'04" EAST, A DISTANCE OF 561.27 FEET TO THE POINT OF BEGINNING;
SAID EXCEPTED PARCEL CONTAINS A CALCULATED AREA OF 2.621 ACRES, MORE OR LESS;

THE NET AREA OF SAID PARCEL 9 AFTER EXCEPTION IS 301.102 ACRES, MORE OR LESS;

EXHIBIT F

RECEPTION#: 2013006964, 08/14/2013 at 09:48:58 AM, 1 OF 25, R $131.00, Additional Names Fee: , , Doc Code:RESOLUTION, Sara L. Rosene, Grand County Clerk and Recorder, Colorado

After Recordation Please Return To:
Robertson & Marchetti, P.C.
28 Second Street, Suite 213
Post Office Box 600
Edwards Colorado 81632

AMENDED AND RESTATED JOINT RESOLUTION OF THE BOARDS OF DIRECTORS OF HEADWATERS METROPOLITAN DISTRICT AND GRANBY RANCH METROPOLITAN DISTRICT

AND JOINT RESOLUTION OF THE BOARDS OF DIRECTORS OF GRANBY RANCH METROPOLITAN DISTRICT NO. 2 AND GRANBY RANCH METROPOLITAN DISTRICT NO. 8

TO ESTABLISH AN AMENITY FEE

WHEREAS, the Headwaters Metropolitan District ("Headwaters"), Granby Ranch Metropolitan District ("Granby Ranch"), Granby Ranch Metropolitan District No. 2 ("Granby Ranch No. 2"), and Granby Ranch Metropolitan District No. 8 ("Granby Ranch No. 8") (collectively, the "Districts") were organized to provide services, programs and facilities, including the acquisition, construction, and installation of public infrastructure, within and without the boundaries of the Districts, in accordance with the "Service Plans" of the Districts; and

WHEREAS, consistent with the purpose of the Districts' organizations and the Service Plans, the Boards of Directors of the Districts (the "Boards") determine it to be in the best interests of the Districts, and the property owners, taxpayers, and residents of the Districts, to acquire, construct, and install certain recreational amenities benefiting the property within the Districts, which amenities include a golf course, ski area, and related improvements, trails, and other recreational improvements, facilities, appurtenances, rights-of-way and other amenities as shall from time to time be acquired, constructed and installed by Headwaters (collectively, the "Amenities"); and

WHEREAS, on May 26, 2005, the Boards of Directors of Headwaters and Granby Ranch adopted a "Joint Resolution of Headwaters Metropolitan District and Granby Ranch Metropolitan District to Establish an Amenity Fee" (as amended September 6, 2006, the "Original Amenity Fee Resolution") establishing a fair and equitable amenity fee (the "Amenity Fee") to provide a source of funding to pay for costs incurred by Headwaters for the acquisition, construction, and installation of the Amenities; and

WHEREAS, after reviewing, evaluating, and discussing current economic conditions and payment deadlines associated with the Amenity Fee, and the operating history, capacity, and other facts and circumstances associated with the use of the Amenities, the Boards have determined it to be in the best interests of the Districts, and the property owners, taxpayers, and residents of the Districts, to amend and restate the Original Amenity Fee Resolution, and adopt this "Resolution;" and

WHEREAS, the Districts have and will continue to incur significant expenses for the financing, acquisition, construction, and installation of the Amenities; and

WHEREAS, pursuant to Section 32-1-1001(1)(j)(I), C.R.S., the Districts are authorized to fix and impose fees, rates, tolls, charges and penalties for services or facilities provided by the Districts which, until such fees, rates, tolls, charges and penalties are paid, shall constitute a perpetual lien on and against the property served; and

WHEREAS, the establishment and continuation of a fair and equitable Amenity Fee will provide a source of funding to pay for costs incurred by the Districts for the acquisition, construction, and installation of the Amenities, which costs are generally attributable to the persons subject to such charges, and such fees and charges are necessary to provide for the common good and for the prosperity and general welfare of the Districts and their inhabitants and for the orderly and uniform administration of the Districts' affairs with regards to the Amenities; and

WHEREAS, Headwaters will be charged with collecting the Amenity Fee on behalf of the Districts; and

WHEREAS, the Boards find that the Amenity Fee is reasonably related to the services and facilities to be provided and that imposition thereof is necessary and appropriate; and

WHEREAS, Headwaters entered into an "Amenity Fee Agreement" with Granby Realty Holdings LLC on June 1, 2005, and Headwaters subsequently entered into an "Amenity Fee Agreement" with Aspen Meadows Condominiums, LLC on July 5, 2005 (collectively, and as may be amended from time to time, the "Amenity Fee Agreements"); and

WHEREAS, pursuant to the Original Amenity Fee Resolution and the Amenity Fee Agreements, each "Eligible Property" was provided with certain "Priority Access" to the Amenities; and

WHEREAS, the Boards have determined that each property constituting an Eligible Property prior to the adoption of this Resolution, any property that has been Transferred to a Qualified Builder prior to the adoption of this Resolution, and certain property owned and platted by GRH prior to the adoption of this Resolution (all as defined below) as such properties are shown and described in Exhibit A, attached hereto and incorporated herein by this reference ("collectively, the "Exempt Parcels") shall be entitled to the Priority Access as set forth in the Original Amenity Fee Resolution.

NOW, THEREFORE, BE IT RESOLVED that the Boards of Directors of the Headwaters Metropolitan District, Granby Ranch Metropolitan District, Granby Ranch Metropolitan District No. 2 and Granby Ranch Metropolitan District No. 8 hereby adopt and establish an Amenity Fee as follows:

1. Definitions. Except as otherwise expressly provided or where the context indicates otherwise, the following capitalized terms shall have the respective meanings set forth below:

(a) "*Affordable Housing Unit*" means a Residential Unit to which a deed restriction has been affixed, providing that the housing can only be owned and occupied in perpetuity by persons residing full-time within Grand County, or as otherwise defined by the Board of Trustees of the Town of Granby.

(b) "*Apartment Unit*" means a unit within an apartment building which unit is held for lease or rent for residential occupancy.

(c) "*Eligible Property*" means each Apartment Unit, Residential Unit and Lot for which the Amenity Fee has been paid.

(d) "*End User*" means any third-party homeowner or tenant of any homeowner occupying or intending to occupy a Residential Unit, or a person or entity purchasing a Lot for the purpose of constructing a Residential Unit for private use and not-for-resale. A Qualified Builder shall not be considered an End User.

(e) "*Lot*" means each parcel of land within the Districts established by a recorded final subdivision plat.

(f) "*Qualified Builder*" means any entity approved by Headwaters, in its sole and absolute discretion, whose principal business, or the principal business of its parent or its subsidiaries, consists of constructing Apartment Units or Residential Units. By way of example, an entity purchasing Lots for resale to other entities or individuals shall not be considered to be a Qualified Builder under this definition. Notwithstanding the foregoing, Granby Realty Holdings, LLC, ("GRH") the master-developer of the Granby Ranch project, its affiliates and assigns, and any successor or other master-developer designated by GRH, in its sole and absolute discretion, shall be deemed Qualified Builders for purposes of this definition.

(g) "*Residential Unit*" means each residential dwelling unit (including, without limitation, condominiums, townhomes, and any other attached dwelling unit, and detached single family dwelling units) located within the boundaries of the Districts, but specifically excluding an Apartment Unit.

(h) "*Transfer*" or *"Transferred"* shall include a sale, conveyance, or transfer by deed, instrument, writing, lease, or any other documents or otherwise by which real property is sold, granted, let, assigned, transferred, exchanged or otherwise vested in a tenant, tenants, purchaser or purchasers. Notwithstanding the foregoing, the following shall not be considered a "Transfer" or "Transferred" for purposes of this definition: (i) a conveyance to secure a debt or obligation (or a release, reconveyance, or foreclosure of any such security); or (ii) any conveyance that Headwaters, in its sole and absolute discretion, determines should not trigger the payment of the Amenity Fee.

2. Amenity Fee. A one-time Amenity Fee, initially imposed at the rate of $10,000, is hereby established to be collected as provided in this Resolution, for each Apartment Unit, Residential Unit, and Lot, located within the boundaries of the Districts, for which an Amenity Fee

has not already been paid. The Boards find that the Amenity Fee as set forth in this Resolution is fair and equitable, and approximates a pro rata calculation of not more than the cost of the acquisition, construction and installation of the Amenities.

3. Priority Access. Each Eligible Property shall be entitled to priority access to certain of the Amenities as determined by the Board of Directors of Headwaters from time to time, in its sole and absolute discretion, and shall be set forth in a "Priority Access Schedule," which shall constitute the priority access in effect until such schedule is amended or repealed by Headwaters. The initial Priority Access Schedule is set forth in Exhibit B, attached hereto and incorporated herein by this reference. The owner(s) of each Eligible Property shall, no more frequently than once per year, designate a person (an "Eligible Purchaser") who shall be eligible to receive the priority access to the Amenities, as set forth in the Priority Access Schedule. In order to be an Eligible Purchaser, such individual must either (i) own a fee simple interest (including by joint tenancy or by tenancy by the entirety, but excluding tenancy in common) in an Eligible Property, or (ii) own a leasehold interest in an Eligible Property for a term of at least six months.

4. Payment of Amenity Fee. The Amenity Fee shall become due and owing to Headwaters not later than the date of: (i) the issuance of a certificate of occupancy for an Apartment Unit, (ii) the Transfer of a Residential Unit to an End User, (iii) the Transfer of a Lot to an End User, (iv) the Transfer of a Lot to any person or entity other than a Qualified Builder, or (v) to the extent a certificate of occupancy has been issued for a Residential Unit and said Residential Unit has not otherwise been Transferred to an End User, immediately upon the presentation of a lease to and application for membership benefits from "The Club at Granby Ranch," for which payment of the Amenity Fee is a prerequisite. The Amenity Fee is not established for, and shall not be collected from, any property within the Districts that is to be developed for non-residential purposes, such as the streets and roadways, golf course, clubhouse, and similar non-residential property.

5. Responsible Party. If payment of the Amenity Fee is pursuant to subsection 4(ii), (iii) or (iv) above, the Amenity Fee is payable by the transferor of such Lot or Residential Unit. If payment of the Amenity Fee is pursuant to subsection 4(i) or (v) above, the Amenity Fee is payable by the owner of the Apartment Unit, Lot or Residential Unit at the time the Amenity Fee becomes due and payable.

6. Out-of-District Users. Headwaters may determine from time to time, in its sole and absolute discretion, to allow those who reside outside of the Districts' boundaries to receive priority access to the amenities. In order to receive priority access, such individuals must pay (i) a fee, which Headwaters may establish by resolution, but which shall not be less than the Amenity Fee, and, (ii) an annual amount, which Headwaters may establish by resolution, payable on January 1 of each year. This Resolution does not cap the fee or annual amount that Headwaters may impose on individuals who reside outside of the Districts' boundaries to receive priority access.

7. Fee Increases. The Amenity Fee may be increased as adjusted on an annual basis by the change in the Denver/Boulder/Greeley Cost of Living Index, as produced by the U.S. Department of Labor Statistics, and may otherwise be increased in such amounts as are determined from time to time by Headwaters in its sole and absolute discretion.

8. Use of Amenity Fee. The revenues generated by the Amenity Fee shall be used solely for the purpose of financing the acquisition, construction, and installation of Amenities, which may include, without limitation: (1) the issuance of bonds or (2) reimbursement of amounts advanced by GRH or other parties. This restriction on the use of Amenity Fee revenues shall be absolute and without qualification.

9. Late Fees and Penalty Interest. Any Amenity Fee not paid in full within fifteen (15) days after the scheduled due date shall be assessed a late fee of the greater of Fifteen Dollars ($15.00) or up to five percent per month, or fraction thereof, not to exceed a total of twenty-five percent of the amount due, pursuant to § 29-1-1102(3), C.R.S. Interest will also accrue on any outstanding Amenity Fee, exclusive of assessed late fees and interest, at the rate of 12% per annum, pursuant to § 29-1-1102(7), C.R.S. Headwaters shall be entitled to institute such remedies and collection proceedings as may be authorized under Colorado law including but not limited to foreclosure of its perpetual lien. The defaulting property owner shall pay all costs and expenses, including attorneys' fees, incurred by Headwaters in connection with the foregoing and such costs and expenses incurred by Headwaters shall be secured by its lien against the property to which such costs and expenses are allocable.

10. Payment. Payment for all fees, interest and delinquent charges shall be by wire or equivalent form acceptable to Headwaters, and sent on or before the due date to an account designated by Headwaters. Headwaters may change the payment instructions and account information from time to time and such change shall not require an amendment to this Resolution.

11. Amenity Fee Constitutes Lien. The Amenity Fee imposed hereunder is imposed by the Districts pursuant to Section 32-1-1001(1)(j), C.R.S., for the purpose of furnishing public facilities serving properties within the Districts and is deemed by the Districts to be necessary in order to fulfill its governmental purposes. As a result, the Amenity Fee, together with any late fees or penalty interest due thereon, constitutes a valid, perpetual lien on and against the property, such lien securing the payment of such Amenity Fee until paid in full. All such liens shall be in a senior position as against all other liens, whether or not of record, affecting the property. Such lien may be foreclosed in the manner as provided by the laws of the State of Colorado for the foreclosure of mechanic's liens, pursuant to § 32-1-1001(1)(j), C.R.S., such lien being a charge imposed for the provision of services and facilities to the property. Said lien may be foreclosed at such times as Headwaters in its sole and absolute discretion may determine.

12. Collection Procedures. Headwaters shall process all delinquent accounts in accordance with any applicable collections resolution or other rules and regulations of Headwaters, as may be adopted and amended from time to time by the Board of Directors of Headwaters, it being acknowledged that Headwaters, as the administrative agent for the Districts, and as set forth in this Resolution, is charged with the implementation, collection and enforcement of the Amenity Fee.

13. Severability. If any portion of this Resolution is declared by any court of competent jurisdiction to be void or unenforceable, such decision shall not affect the validity of any remaining

portion of this Resolution, which shall remain in full force and effect. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Resolution a provision similar in terms to such illegal, invalid or unenforceable provision so that the resulting reformed provision is legal, valid and enforceable.

14. The Property. This Resolution shall apply to all property within the Districts' boundaries, including but not limited to the property set forth in Exhibit C, attached hereto and incorporated herein by this reference, and any additional property included into the Districts after the date of this Resolution.

15. Affordable Housing Units. Notwithstanding any provision in the Amenity Fee Agreements or this Resolution to the contrary, the Districts shall not impose the Amenity Fee upon any Affordable Housing Unit, and owners and residents of an Affordable Housing Unit shall not be entitled to priority access. Notwithstanding the foregoing, an individual living in an Affordable Housing Unit shall be eligible to purchase priority access on the same terms as set forth in Section 6 hereof for individuals residing outside of the Districts, as determined by Headwaters from time to time, so long as such individual owns a fee simple interest (including by joint tenancy or by tenancy by the entirety, but excluding tenancy in common) in said Affordable Housing Unit.

16. Prepayment of Fees. Headwaters may enter into agreements for the prepayment of Amenity Fees in order to permit property owners to avoid future increases in the Amenity Fee rate. The rate for such prepaid fees shall be the rate of the then-current Amenity Fee at the time of prepayment rather than the rate in effect at the time the Amenity Fee would otherwise be due and owing.

17. Effective Date. This Resolution was duly adopted by the Boards of Directors of the Headwaters Metropolitan District, Granby Ranch Metropolitan District, Granby Ranch Metropolitan District No. 2 and Granby Ranch Metropolitan District No. 8 at meetings held on July 17, 2013, and shall become effective immediately upon execution by both Boards, and shall supersede the Original Amenity Fee Resolution in its entirety

APPROVED and ADOPTED this 17th day of July, 2013

Signature pages follow.

GRANBY RANCH METROPOLITAN DISTRICT NO. 2, a quasi-municipal corporation and political subdivision of the State of Colorado

By_____
President

ATTEST:

By_____
Secretary

GRANBY RANCH METROPOLITAN DISTRICT NO. 8, a quasi-municipal corporation and political subdivision of the State of Colorado

By_____
President

ATTEST:

By_____
Secretary

Signature page 2 of 2 to Joint Resolution to Establish an Amenity Fee

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

By_____
President

ATTEST:

By_____
Secretary

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

By_____
President

ATTEST:

By_____
Secretary

EXHIBIT A
EXEMPT PARCELS

All of the following described lands are within Township 1 North, Range 76 West of the Sixth Principle Meridian, Grand County, Colorado.

Granby Ranch Filing No. 1:

All lots included in Granby Ranch Filing No. 1 First Administrative Plat Amendment recorded September 1, 2005 at reception #2005009514.

Granby Ranch Filing No. 1B:

All lots included in Granby Ranch Filing No. 1B recorded June 15, 2006 at reception #2006005921.

Granby Ranch Filing No. 2:

All lots included in Granby Ranch Filing No. 2 recorded May 27, 2005 at reception #2005005488.

Granby Ranch Filing No. 2B:

Lots 36 through 65 included in Granby Ranch Filing No. 2B recorded June 15, 2006 at reception #2006005927.

Granby Ranch Filing No. 3:

All lots included in Granby Ranch Filing No. 3 recorded March 15, 2005 at reception #2005002634.

Granby Ranch Filing No. 4:

All condominium units included in Aspen Meadows – As Built Condominium Map recorded July 11, 2007 at reception #2007007445;
All condominium units included in Aspen Meadows – As Built Condominium Map First Supplement recorded July 19, 2007 at reception #2007007718;
All condominium units included in Aspen Meadows – As Built Condominium Map Second Supplement recorded July 19, 2007 at reception #2007007719;
All condominium units included in Aspen Meadows – As Built Condominium Map Third Supplement recorded July 25, 2008 at reception #2008007262;
Building Lots G and H included in First Administrative Plat Amendment to Aspen Meadows Condominiums Granby Ranch Filing No. 4. recorded June 30, 2006 at reception #2006006561.

Granby Ranch Filing No. 5:

All lots included in First Administrative Plat Amendment Granby Ranch Filing No. 5 recorded December 9, 2005 at reception #2005013944.

Granby Ranch Filing No. 6:

All lots included in Granby Ranch Filing No. 6 recorded July 8, 2005 at reception #2005007220.

Granby Ranch Filing No. 8:

Lots 1 through 37, lot 65, lot 66 and lot 67 included in Granby Ranch Filing No. 8 recorded May 3, 2006 at reception #2006004206.

Granby Ranch Filing No. 9:

All condominium units included in As Built Condominium Map of Base Camp One Condominiums recorded March 27, 2009 at reception #2009002677;

Development Unit A and Development Unit B of the Final Plat of Base Camp One Condominiums recorded March 27, 2009 at reception #2009002672;

Lot 2, Granby Ranch Filing No. 9 recorded July 10, 2007 at reception #2007007428.

Granby Ranch Filing No. 10:

All lots included in Granby Ranch Filing No. 10 recorded May 10, 2007 at reception #2007005105.

Granby Ranch Filing No. 11:

Lots 1 through 17 and lot 21, lot 22 and lot 23 included in Granby Ranch Filing No. 11 recorded May 10, 2007 at reception #2007005113;

Lots 18, lot 19 and lot 20 included in Administrative Plat Amendment First Amendment Granby Ranch Filing No. 11 recorded October 22, 2008 at reception #2008010123.

Kicking Horse Lodges:

Units 1-101, 1-102, 1-103, 1-104, 1-201, 1-204, 1-301, 1-302, 1-303, 1-305, 2-104, 2-201, 2-203, 2-204, 2-301, 2-302, 2-304, 2-305, 3-101, 3-102, 3-103, 3-104, 3-203, 3-205, 3-302, 3-304, 4-102, 4-202, 4-205, 4-302, 4-304 and 4-305 included in the As Built Plat and Condominium map for Kicking Horse Lodges recorded May 15, 2001 reception #2001004370;

Units 5-102, 5-103, 5-104, 5-202, 5-204, 5-205, 5-301, 5-302, 5-303, 5-304, 5-305, 6-102, 6-201, 6-203, 6-205, 6-303, 6-305, 7-101, 7-103, 7-104, 7-105, 7-201, 7-202, 7-203, 7-204, 7-205, 7-302, 7-303, 7-304, 8-101, 8-102, 8-103, 8-104, 8-105, 8-202, 8-203, 8-205, 8-301, 8-302, 8-303, 8-304 and 8-305 included in the Administrative Plat Amendment to the Amended As Built Plat and Condominium Map for Kicking Horse Lodges Phase 2 recorded November 14, 2005 at reception #2005012874.

Silverstar Townhomes:

South Pt Lot 1, Silverstar Townhomes Subdivision recorded July 8, 2005 at reception #2005007214.

RECEPTION#: 2013006964, 08/14/2013 at 09:48:58 AM, 12 OF 25 Doc Code:RESOLUTION, Sara L. Rosene, Grand County Clerk and Recorder, Colorado

EXHIBIT B

2013 PRIORITY ACCESS SCHEDULE

Effective July 17, 2013

Each Eligible Purchaser shall be entitled to the following priority access until this schedule is amended or repealed by the Board of Directors of Headwaters Metropolitan District.

Please note that unless otherwise specified, priority access is only available to the Eligible Purchaser, the Eligible Purchaser's spouse, and the Eligible Purchaser's immediate family members under the age of 24.

Golf

- 20% discount on daily greens fees (excluding cart fees or caddie fees) off the rate charged from time to time by Headwaters (or its administrative agent or any manager retained by Headwaters, as applicable) for members of the general public residing outside of the Town of Granby (applies only to daily greens fees and not to season passes or any products)
- Tee time reservations in advance of the general public

Ski

- 20% discount on individual, single-day lift tickets, off the rate charged from time to time by Headwaters (or its administrative agent or any manager retained by Headwaters, as applicable) for members of the general public residing outside of the Town of Granby. The 20% discount is not available for season passes.

EXHIBIT C

THE PROPERTY

LEGAL DESCRIPTION

PARTS OF SECTIONS 4, 5, 7, 8, 9, 15, 16, 17, 20, 21, AND 22, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE FIRST ADMINISTRATIVE PLAT AMENDMENT TO GRANBY RANCH FILING NO. 1 AS RECORDED AT RECEPTION NO. 2005-009514 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 8.397 ACRES, MORE OR LESS;

TOGETHER WITH GRANBY RANCH FILING NO. 1B AS RECORDED AT RECEPTION NO. 2006-005921 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 23.790 ACRES, MORE OR LESS;

TOGETHER WITH GRANBY RANCH FILING NO. 2 AS RECORDED AT RECEPTION NO. 2005-005488 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 53.643 ACRES, MORE OR LESS;

TOGETHER WITH GRANBY RANCH FILING NO. 2B AS RECORDED AT RECEPTION NO. 2006-005927 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 44.386 ACRES, MORE OR LESS;

TOGETHER WITH GRANBY RANCH FILING NO. 3 AS RECORDED AT RECEPTION NO. 2005-002634 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 237.39 ACRES, MORE OR LESS;

TOGETHER WITH THE FIRST ADMINISTRATIVE PLAT AMENDMENT TO ASPEN MEADOWS CONDOMINIUMS GRANBY RANCH FILING NO. 4 AS RECORDED AT RECEPTION NO. 2006-006561 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 22.930 ACRES, MORE OR LESS;

TOGETHER WITH THE FIRST ADMINISTRATIVE PLAT AMENDMENT TO GRANBY RANCH FILING NO. 5 AS RECORDED AT RECEPTION NO. 2005-013944 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 26.278 ACRES, MORE OR LESS;

TOGETHER WITH LOTS 1 - 56, INCLUSIVE, AND TRACTS A - E, INCLUSIVE, OF GRANBY RANCH FILING NO. 5B AS RECORDED AT RECEPTION NO. 2006-012421 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 20.044 ACRES, MORE OR LESS;

TOGETHER WITH GRANBY RANCH FILING NO. 6 AS RECORDED AT RECEPTION NO. 2005-007220 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 34.066 ACRES, MORE OR LESS;

TOGETHER WITH THE FIRST ADMINISTRATIVE PLAT AMENDMENT TO GRANBY RANCH FILING NO. 7 AS RECORDED AT RECEPTION NO. 2006-006560 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 8.380 ACRES, MORE OR LESS;

TOGETHER WITH GRANBY RANCH FILING NO. 8 AS RECORDED AT RECEPTION NO. 2006-004206 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 47.638 ACRES, MORE OR LESS;

TOGETHER WITH THE FIRST ADMINISTRATIVE PLAT AMENDMENT TO GRANBY RANCH FILING NO. 9 AS RECORDED AT RECEPTION NO. 2006-013472 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 5.980 ACRES, MORE OR LESS;

TOGETHER WITH GRANBY RANCH FILING NO. 10 AS RECORDED AT RECEPTION NO. 2007-005105 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 76.035 ACRES, MORE OR LESS;

LEGAL DESCRIPTION

TOGETHER WITH GRANBY RANCH FILING NO. 11 AS RECORDED AT RECEPTION NO. 2007-005113 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 104.729 ACRES, MORE OR LESS;

TOGETHER WITH LOTS 1 AND 2 OF GRANBY RANCH FILING NO. 12 AS RECORDED AT RECEPTION NO. 2008-008905 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 4.987 ACRES, MORE OR LESS;

TOGETHER WITH LOTS 2 AND 5, TRACTS B, C AND D, AND OPEN SPACE PARCEL 2, WRANGLERS CROSSING AS RECORDED AT RECEPTION NO. 2003-007994 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 29.676 ACRES, MORE OR LESS;

TOGETHER WITH LOTS 2, 3, 4 AND 5 OF LAKEVIEW SUBDIVISION AS RECORDED AT RECEPTION NO. 203722 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;

TOGETHER WITH THE SOUTHERLY PORTION OF LOT 1, SILVERSTAR TOWNHOMES SUBDIVISION AS RECORDED AT RECEPTION NO. 2005-006360 AND 2005-007214 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
SAID PARCEL CONTAINS AN AREA OF 2.566 ACRES, MORE OR LESS;

TOGETHER WITH THAT PART OF THE EIGHTY (80) FOOT WIDE ROAD RIGHT-OF-WAY DESCRIBED AT REC. NO. 2003-007989 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER LOCATED IN SAID SECTION 16;
SAID PARCEL CONTAINS AN AREA OF 6.857 ACRES, MORE OR LESS;

TOGETHER WITH PARCEL 1:
A PARCEL OF LAND LOCATED IN THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER AND NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE 6TH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
COMMENCING AT THE SOUTHWEST CORNER OF THE SOUTHWEST QUARTER OF SECTION 5 AND CONSIDERING THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SOUTHWEST QUARTER OF SECTION 5 TO BEAR NORTH 10'34'46" EAST, WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;
THENCE NORTH 10'34'46 EAST, ALONG SAID WEST LINE, A DISTANCE OF 2002.01 FEET;
THENCE NORTH 90'00'00" EAST, A DISTANCE OF 1148.73 FEET TO THE POINT OF BEGINNING:
THENCE NORTH 45'51'27" EAST, A DISTANCE OF 323.05 FEET;
THENCE SOUTH 13'05'00" EAST, A DISTANCE OF 573.76 FEET;
THENCE NORTH 47'17'28" WEST, A DISTANCE OF 492.25 FEET TO THE POINT OF BEGINNING;
SAID PARCEL 1 CONTAINS AN AREA OF 1.82 ACRES, MORE OR LESS.

TOGETHER WITH PARCEL 2:
THAT PART OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER AND THAT PART OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF GRAND, STATE OF COLORADO, LYING NORTHERLY OF THE UNION PACIFIC RAILROAD RIGHT-OF-WAY;
SAID PARCEL 2 CONTAINS A CALCULATED AREA OF 31.00 ACRES, MORE OR LESS.

TOGETHER WITH PARCEL 3:
A PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 4 AND THE NORTH HALF OF SECTION 9, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, AND CONSIDERING THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88'38'53" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;
THENCE NORTH 24'07'19" EAST, A DISTANCE OF 5292.12 FEET TO THE POINT OF BEGINNING;
THENCE SOUTH 78'47'25" WEST, A DISTANCE OF 163.25 FEET;
THENCE SOUTH 35'19'21" WEST, A DISTANCE OF 132.49 FEET;
THENCE SOUTH 51'31'58" WEST, A DISTANCE OF 66.16 FEET;
THENCE SOUTH 83'14'12" WEST, A DISTANCE OF 60.79 FEET;

LEGAL DESCRIPTION

PARCEL 3 CONTINUED:
THENCE NORTH 68'06'15" WEST, A DISTANCE OF 21.21 FEET;
THENCE SOUTH 60'38'26" WEST, A DISTANCE OF 368.49 FEET;
THENCE SOUTH 68'38'33" WEST, A DISTANCE OF 53.15 FEET;
THENCE SOUTH 80'51'55" WEST, A DISTANCE OF 47.32 FEET;
THENCE NORTH 72'12'48" WEST, A DISTANCE OF 94.40 FEET;
THENCE NORTH 61'57'12" WEST, A DISTANCE OF 93.32 FEET;
THENCE NORTH 82'07'24" WEST, A DISTANCE OF 87.35 FEET;
THENCE NORTH 46'25'18" WEST, A DISTANCE OF 154.87 FEET;
THENCE NORTH 51'57'32" WEST, A DISTANCE OF 185.44 FEET;
THENCE NORTH 48'24'52" WEST, A DISTANCE OF 328.84 FEET;
THENCE NORTH 31'30'02" WEST, A DISTANCE OF 75.47 FEET;
THENCE NORTH 15'27'13" WEST, A DISTANCE OF 160.03 FEET;
THENCE NORTH 07'52'52" WEST, A DISTANCE OF 166.48 FEET;
THENCE NORTH 21'22'23" WEST, A DISTANCE OF 150.38 FEET;
THENCE NORTH 03'34'44" EAST, A DISTANCE OF 97.67 FEET;
THENCE NORTH 06'59'38" WEST, A DISTANCE OF 171.36 FEET;
THENCE NORTH 23'20'48" EAST, A DISTANCE OF 91.96 FEET;
THENCE NORTH 11'13'40" WEST, A DISTANCE OF 68.56 FEET;
THENCE NORTH 87'51'51" WEST, A DISTANCE OF 94.29 FEET;
THENCE NORTH 53'30'47" WEST, A DISTANCE OF 48.62 FEET;
THENCE NORTH 68'08'50" WEST, A DISTANCE OF 110.80 FEET;
THENCE NORTH 56'44'29" WEST, A DISTANCE OF 120.36 FEET;
THENCE NORTH 80'58'26" WEST, A DISTANCE OF 111.84 FEET;
THENCE NORTH 64'44'06" WEST, A DISTANCE OF 155.45 FEET;
THENCE NORTH 22'53'02" WEST, A DISTANCE OF 127.41 FEET;
THENCE NORTH 77'51'20" WEST, A DISTANCE OF 94.54 FEET;
THENCE NORTH 45'39'52" WEST, A DISTANCE OF 111.50 FEET;
THENCE NORTH 24'18'34" WEST, A DISTANCE OF 142.31 FEET;
THENCE SOUTH 72'51'35" WEST, A DISTANCE OF 47.42 FEET;
THENCE NORTH 42'05'34" WEST, A DISTANCE OF 95.69 FEET;
THENCE NORTH 34'41'33" WEST, A DISTANCE OF 133.02 FEET;
THENCE NORTH 29'21'22" WEST, A DISTANCE OF 99.21 FEET;
THENCE NORTH 73'48'33" EAST, A DISTANCE OF 65.16 FEET;
THENCE SOUTH 79'13'24" EAST, A DISTANCE OF 71.29 FEET;
THENCE SOUTH 39'13'10" EAST, A DISTANCE OF 274.27 FEET;
THENCE SOUTH 46'58'23" WEST, A DISTANCE OF 57.64 FEET;
THENCE SOUTH 14'19'09" EAST, A DISTANCE OF 80.36 FEET;
THENCE NORTH 70'21'39" EAST, A DISTANCE OF 51.23 FEET;
THENCE SOUTH 51'56'34" EAST, A DISTANCE OF 30.29 FEET;
THENCE SOUTH 08'37'05" WEST, A DISTANCE OF 39.78 FEET;
THENCE SOUTH 28'14'50" EAST, A DISTANCE OF 67.19 FEET;
THENCE SOUTH 83'51'03" EAST, A DISTANCE OF 59.79 FEET;
THENCE NORTH 25'27'50" EAST, A DISTANCE OF 62.15 FEET;
THENCE NORTH 65'27'49" EAST, A DISTANCE OF 157.00 FEET;
THENCE SOUTH 64'12'58" EAST A DISTANCE OF 52.97 FEET;
THENCE SOUTH 84'40'45" EAST, A DISTANCE OF 106.79 FEET;
THENCE NORTH 13'32'50" EAST, A DISTANCE OF 68.01 FEET;
THENCE NORTH 38'43'32" EAST, A DISTANCE OF 71.32 FEET;
THENCE NORTH 87'55'13" EAST, A DISTANCE OF 230.16 FEET;
THENCE NORTH 53'24'51" EAST, A DISTANCE OF 87.28 FEET;
THENCE NORTH 89'21'10" EAST, A DISTANCE OF 174.38 FEET;
THENCE NORTH 56'08'18" EAST, A DISTANCE OF 96.7.3 FEET;
THENCE SOUTH 68'32'34" EAST, A DISTANCE OF 112.66 FEET;
THENCE SOUTH 84'45'59" EAST, A DISTANCE OF 127.39 FEET;
THENCE SOUTH 41'13'30" EAST, A DISTANCE OF 92.74 FEET;
THENCE NORTH 22'52'01" EAST, A DISTANCE OF 42.81 FEET;
THENCE NORTH 46'13'17" EAST, A DISTANCE OF 109.61 FEET;
THENCE NORTH 82'04'23" EAST, A DISTANCE OF 57.35 FEET;
THENCE SOUTH 41'46'28" EAST, A DISTANCE OF 98.06 FEET;
THENCE NORTH 40'23'14" EAST, A DISTANCE OF 55.60 FEET;
THENCE SOUTH 73'39'23" EAST, A DISTANCE OF 125.66 FEET;

LEGAL DESCRIPTION

PARCEL 3 CONTINUED:
THENCE SOUTH 66'06'13" EAST, A DISTANCE OF 1.31.12 FEET;
THENCE SOUTH 82'07'57" EAST, A DISTANCE OF 477.61 FEET;
THENCE NORTH 88'01'42" EAST, A DISTANCE OF 204.65 FEET;
THENCE SOUTH 81'22'37" EAST, A DISTANCE OF 79.32 FEET;
THENCE SOUTH 16'33'23" EAST, A DISTANCE OF 67.68 FEET;
THENCE SOUTH 84'20'44" EAST, A DISTANCE OF 140.37 FEET;
THENCE SOUTH 67'12'01" EAST, A DISTANCE OF 240.45 FEET;
THENCE SOUTH 79'00'59" EAST, A DISTANCE OF 85.94 FEET;
THENCE SOUTH 77'54'11" EAST, A DISTANCE OF 166.58 FEET;
THENCE SOUTH 56'31'21" EAST, A DISTANCE OF 246.30 FEET;
THENCE SOUTH 24'28'40" EAST, A DISTANCE OF 71.45 FEET;
THENCE SOUTH 26'24'33" WEST, A DISTANCE OF 104.32 FEET;
THENCE SOUTH 09'53'10" WEST, A DISTANCE OF 86.84 FEET;
THENCE SOUTH 02'17'26" EAST, A DISTANCE OF 77.68 FEET;
THENCE SOUTH 30'50'13" EAST, A DISTANCE OF 79.32 FEET;
THENCE SOUTH 04'21'28" EAST, A DISTANCE OF 51.55 FEET;
THENCE SOUTH 21'40'55" EAST, A DISTANCE OF 87.25 FEET;
THENCE SOUTH 47'33'38" EAST, A DISTANCE OF 75.80 FEET;
THENCE SOUTH 43'58'16" EAST, A DISTANCE OF 81.48 FEET;
THENCE SOUTH 08'55'30" EAST, A DISTANCE OF 89.85 FEET;
THENCE SOUTH 00'52'53" WEST, A DISTANCE OF 69.81 FEET;
THENCE SOUTH 07'26'20" EAST, A DISTANCE OF 96.04 FEET;
THENCE SOUTH 39'04'15" EAST, A DISTANCE OF 105.67 FEET;
THENCE SOUTH 06'37'32" WEST, A DISTANCE OF 55.88 FEET;
THENCE SOUTH 77'12'11" WEST, A DISTANCE OF 218.29 FEET;
THENCE SOUTH 79'15'40" WEST, A DISTANCE OF 252.78 FEET;
THENCE NORTH 83'52'38" WEST, A DISTANCE OF 70.32 FEET;
THENCE SOUTH 75'32'07" WEST, A DISTANCE OF 61.38 FEET;
THENCE SOUTH 82'10'21" WEST, A DISTANCE OF 67.60 FEET;
THENCE SOUTH 69'19'31" WEST, A DISTANCE OF 104.46 FEET;
THENCE SOUTH 84'49'41" WEST, A DISTANCE OF 151.45 FEET;
THENCE NORTH 65'49'42" WEST, A DISTANCE OF 83.24 FEET;
THENCE SOUTH 48'21'20" WEST, A DISTANCE OF 62.07 FEET;
THENCE SOUTH 86'56'46" WEST, A DISTANCE OF 71.17 FEET;
THENCE SOUTH 63'33'48" WEST, A DISTANCE OF 112.87 FEET TO THE POINT OF BEGINNING,
SAID PARCEL 3 CONTAINS A GROSS AREA OF 111.31 ACRES, MORE OR LESS;

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCEL:
A PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 4 AND THE NORTH HALF OF SECTION 9, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, AND CONSIDERING THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88'38'53" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;
THENCE NORTH 20'01'49" EAST, A DISTANCE OF 5108.17 FEET TO THE POINT OF BEGINNING;
THENCE NORTH 86'38'35" WEST, A DISTANCE OF 58.98 FEET;
THENCE SOUTH 72'46'32" WEST, A DISTANCE OF 43.49 FEET;
THENCE SOUTH 46'10'36" WEST, A DISTANCE OF 37.60 FEET;
THENCE SOUTH 67'08'56" WEST, A DISTANCE OF 42.49 FEET;
THENCE SOUTH 75'05'11" WEST, A DISTANCE OF 21.02 FEET;
THENCE SOUTH 57'54'37" WEST, A DISTANCE OF 26.49 FEET;
THENCE SOUTH 33'40'26" WEST, A DISTANCE OF 33.91 FEET;
THENCE SOUTH 22'12'44" WEST, A DISTANCE OF 43.97 FEET;
THENCE SOUTH 33'49'06" WEST, A DISTANCE OF 100.58 FEET;
THENCE SOUTH 71'03'11" WEST, A DISTANCE OF 141.99 FEET;
THENCE NORTH 67'22'21" WEST, A DISTANCE OF 29.91 FEET;
THENCE NORTH 76'23'53" WEST, A DISTANCE OF 65.61 FEET;
THENCE NORTH 64'07'32" WEST, A DISTANCE OF 47.27 FEET;
THENCE NORTH 40'20'20" WEST, A DISTANCE OF 25.42 FEET;
THENCE NORTH 18'23'18" WEST, A DISTANCE OF 45.29 FEET;

LEGAL DESCRIPTION

PARCEL 3 EXCEPTION CONTINUED:
THENCE NORTH 38'58'59" WEST, A DISTANCE OF 29.01 FEET;
THENCE NORTH 64'53'42" WEST, A DISTANCE OF 102.28 FEET;
THENCE NORTH 28'36'31" WEST, A DISTANCE OF 31.73 FEET;
THENCE NORTH 06'02'51" WEST, A DISTANCE OF 43.13 FEET;
THENCE NORTH 14'34'12" WEST, A DISTANCE OF 28.26 FEET;
THENCE NORTH 28'32'18" WEST, A DISTANCE OF 23.62 FEET;
THENCE NORTH 64'58'42" WEST, A DISTANCE OF 25.39 FEET;
THENCE SOUTH 70'41'17" WEST, A DISTANCE OF 31.29 FEET;
THENCE NORTH 72'46'04" WEST, A DISTANCE OF 26.87 FEET;
THENCE NORTH 22'36'35" WEST, A DISTANCE OF 40.17 FEET;
THENCE NORTH 19'52'45" WEST, A DISTANCE OF 29.06 FEET;
THENCE NORTH 32'33'41" WEST, A DISTANCE OF 46.08 FEET;
THENCE NORTH 17'20'50" WEST, A DISTANCE OF 63.64 FEET;
THENCE NORTH 10'04'53" WEST, A DISTANCE OF 44.86 FEET;
THENCE NORTH 00'07'52" WEST, A DISTANCE OF 58.85 FEET;
THENCE NORTH 14'38'27" WEST, A DISTANCE OF 23.58 FEET;
THENCE NORTH 30'14'12" WEST, A DISTANCE OF 56.79 FEET;
THENCE NORTH 21'45'07" WEST, A DISTANCE OF 32.76 FEET;
THENCE NORTH 30'19'22" WEST, A DISTANCE OF 90.99 FEET;
THENCE NORTH 28'04'59" WEST, A DISTANCE OF 63.70 FEET;
THENCE NORTH 08'56'26" WEST, A DISTANCE OF 45.60 FEET;
THENCE NORTH 00'33'56" WEST, A DISTANCE OF 65.20 FEET;
THENCE NORTH 00'08'07" WEST, A DISTANCE OF 55.27 FEET;
THENCE NORTH 00'44'36" WEST, A DISTANCE OF 29.16 FEET;
THENCE NORTH 17'01'54" WEST, A DISTANCE OF 28.62 FEET;
THENCE NORTH 21'48'52" WEST, A DISTANCE OF 36.06 FEET;
THENCE NORTH 01'20'59" WEST, A DISTANCE OF 53.53 FEET;
THENCE NORTH 12'18'25" EAST, A DISTANCE OF 83.18 FEET;
THENCE NORTH 16'30'13" EAST, A DISTANCE OF 34.31 FEET;
THENCE NORTH 02'51'41" EAST, A DISTANCE OF 63.32 FEET;
THENCE NORTH 11'00'02" WEST, A DISTANCE OF 46.57 FEET;
THENCE NORTH 25'44'16" WEST, A DISTANCE OF 98.47 FEET;
THENCE NORTH 05'36'56" WEST, A DISTANCE OF 30.39 FEET;
THENCE NORTH 36'24'16" WEST, A DISTANCE OF 52.00 FEET;
THENCE NORTH 36'32'26" WEST, A DISTANCE OF 26.84 FEET;
THENCE NORTH 11'53'56" WEST, A DISTANCE OF 183.27 FEET;
THENCE NORTH 14'25'52" EAST, A DISTANCE OF 52.02 FEET;
THENCE NORTH 29'20'26" EAST, A DISTANCE OF 62.68 FEET;
THENCE NORTH 69'27'19" EAST, A DISTANCE OF 39.30 FEET;
THENCE NORTH 62'30'26" EAST, A DISTANCE OF 59.69 FEET;
THENCE NORTH 80'28'14" EAST, A DISTANCE OF 45.30 FEET;
THENCE NORTH 88'49'59" EAST, A DISTANCE OF 49.02 FEET;
THENCE SOUTH 76'19'15" EAST, A DISTANCE OF 95.86 FEET;
THENCE SOUTH 50'44'24" EAST, A DISTANCE OF 34.79 FEET;
THENCE SOUTH 24'59'26" EAST, A DISTANCE OF 37.55 FEET;
THENCE SOUTH 37'11'45" EAST, A DISTANCE OF 106.64 FEET;
THENCE SOUTH 72'24'45" EAST, A DISTANCE OF 41.23 FEET;
THENCE SOUTH 82'42'20" EAST, A DISTANCE OF 55.66 FEET;
THENCE SOUTH 72'07'20" EAST, A DISTANCE OF 98.19 FEET;
THENCE SOUTH 61'53'35" EAST, A DISTANCE OF 66.69 FEET;
THENCE SOUTH 53'49'55" EAST, A DISTANCE OF 50.01 FEET;
THENCE SOUTH 42'34'36" EAST, A DISTANCE OF 37.86 FEET;
THENCE SOUTH 34'30'47" EAST, A DISTANCE OF 28.33 FEET;
THENCE SOUTH 47'23'55" EAST, A DISTANCE OF 147.93 FEET;
THENCE SOUTH 45'48'22" EAST, A DISTANCE OF 48.35 FEET;
THENCE SOUTH 32'09'35" EAST, A DISTANCE OF 76.73 FEET;
THENCE SOUTH 41'26'43" EAST, A DISTANCE OF 48.00 FEET;
THENCE SOUTH 45'12'35" EAST, A DISTANCE OF 61.63 FEET;
THENCE SOUTH 36'20'51" EAST, A DISTANCE OF 70.53 FEET;
THENCE SOUTH 46'15'19" EAST, A DISTANCE OF 61.48 FEET;
THENCE SOUTH 53'40'48" EAST, A DISTANCE OF 62.84 FEET;

LEGAL DESCRIPTION

PARCEL 3 EXCEPTION CONTINUED:
THENCE SOUTH 02'31'08" EAST, A DISTANCE OF 54.11 FEET;
THENCE SOUTH 15'16'49" EAST, A DISTANCE OF 78.97 FEET;
THENCE SOUTH 18'12'50" EAST, A DISTANCE OF112.80 FEET;
THENCE SOUTH 12'10'47" EAST, A DISTANCE OF 100.50 FEET;
THENCE SOUTH 06'29'41" EAST, A DISTANCE OF 129.73 FEET;
THENCE SOUTH 16'49'46" WEST, A DISTANCE OF 87.50 FEET;
THENCE SOUTH 01'11'55" WEST, A DISTANCE OF 154.65 FEET;
THENCE SOUTH 18'35'11" WEST, A DISTANCE OF 43.36 FEET;
THENCE SOUTH 09'35'21" WEST, A DISTANCE OF 85.95 FEET;
THENCE SOUTH 55'07'08" WEST, A DISTANCE OF 29.42 FEET TO THE POINT OF BEGINNING,
SAID EXCEPTED PARCEL CONTAINS A CALCULATED AREA OF 33.38 ACRES, MORE OR LESS;
THE NET AREA OF PARCEL 3 AFTER EXCEPTION IS 77.928 ACRES, MORE OR LESS.

TOGETHER WITH PARCEL 4:
A PARCEL OF LAND LOCATED IN THE NORTHEAST QUARTER OF SECTION 9, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, AND CONSIDERING THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88'38'53" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;
THENCE NORTH 23'23'47" EAST, A DISTANCE OF 4054.03 FEET TO THE POINT OF BEGINNING;
THENCE NORTH 22'32'13" WEST, A DISTANCE OF 67.33 FEET;
THENCE NORTH 41'45'40" WEST, A DISTANCE OF 65.72 FEET;
THENCE NORTH 36'12'35" WEST, A DISTANCE OF 70.46 FEET;
THENCE NORTH 09'47'35" WEST, A DISTANCE OF 83.86 FEET;
THENCE NORTH 57'14'35" EAST, A DISTANCE OF 142.17 FEET;
THENCE NORTH 28'15'10" EAST, A DISTANCE OF 79.96 FEET;
THENCE NORTH 42'41'22" EAST, A DISTANCE OF 66.46 FEET;
THENCE NORTH 22'46'58" EAST, A DISTANCE OF 58.81 FEET;
THENCE NORTH 05'42'12" WEST, A DISTANCE OF 135.05 FEET;
THENCE NORTH 41'20'11" WEST, A DISTANCE OF 36.09 FEET;
THENCE SOUTH 83'42'01" WEST, A DISTANCE OF 51.56 FEET;
THENCE NORTH 35'04'28" WEST, A DISTANCE OF 61.74 FEET;
THENCE SOUTH 86'15'56" WEST, A DISTANCE OF 74.59 FEET;
THENCE NORTH 05'59'49" WEST, A DISTANCE OF 18.59 FEET;
THENCE NORTH 80'55'02" EAST, A DISTANCE OF 277.05 FEET;
THENCE SOUTH 13'11'14" EAST, A DISTANCE OF 28.80 FEET;
THENCE SOUTH 27'32'14" WEST, A DISTANCE OF 43.04 FEET;
THENCE SOUTH 17'59'41" EAST, A DISTANCE OF 57.88 FEET;
THENCE SOUTH 00'00'42" EAST, A DISTANCE OF 115.67 FEET;
THENCE SOUTH 05'21'27" EAST, A DISTANCE OF 109.22 FEET;
THENCE SOUTH 37'30'03" WEST, A DISTANCE OF 103.69 FEET;
THENCE SOUTH 05'33'23" WEST, A DISTANCE OF 183.33 FEET;
THENCE SOUTH 37'55'57" EAST, A DISTANCE OF 77.94 FEET;
THENCE SOUTH 18'18'43" WEST, A DISTANCE OF 59.33 FEET;
THENCE SOUTH 56'19'33" WEST, A DISTANCE OF 82.46 FEET;
THENCE NORTH 82'20'58" WEST, A DISTANCE OF 68.14 FEET TO THE POINT OF BEGINNING,
SAID PARCEL 4 CONTAINS A CALCULATED AREA OF 2.672 ACRES, MORE OR LESS;

TOGETHER WITH PARCEL 5:
A PARCEL OF LAND LOCATED IN THE WEST HALF OF SECTION 9, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, AND CONSIDERING THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88'38'53" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;
THENCE NORTH 48'58'10" WEST, A DISTANCE OF 949.01 FEET TO THE POINT OF BEGINNING;

LEGAL DESCRIPTION

PARCEL 5 CONTINUED:
THENCE SOUTH 27'39'05" WEST, A DISTANCE OF 149.56 FEET;
THENCE NORTH 21'49'51" WEST, A DISTANCE OF 85.31 FEET;
THENCE NORTH 02'16'58" EAST, A DISTANCE OF 95.73 FEET;
THENCE NORTH 19'40'54" WEST, A DISTANCE OF 122.30 FEET;
THENCE NORTH 02'50'12" WEST, A DISTANCE OF 91.94 FEET;
THENCE NORTH 18'59'59" WEST, A DISTANCE OF 114.67 FEET;
THENCE SOUTH 90'00'00" WEST, A DISTANCE OF 31.02 FEET;
THENCE SOUTH 31'07'32" WEST, A DISTANCE OF 78.31 FEET;
THENCE SOUTH 05'20'45" WEST, A DISTANCE OF 120.20 FEET;
THENCE SOUTH 02'26'45" WEST, A DISTANCE OF 100.38 FEET;
THENCE SOUTH 04'02'51" WEST, A DISTANCE OF 204.18 FEET;
THENCE SOUTH 14'20'29" WEST, A DISTANCE OF 164.88 FEET;
THENCE SOUTH 21'12'57" WEST, A DISTANCE OF 70.29 FEET;
THENCE SOUTH 60'57'36" WEST, A DISTANCE OF 110.15 FEET;
THENCE NORTH 87'13'39" WEST, A DISTANCE OF 90.06 FEET;
THENCE NORTH 15'02'55" WEST, A DISTANCE OF 141.96 FEET;
THENCE NORTH 04'12'38" EAST, A DISTANCE OF 152.32 FEET;
THENCE NORTH 06'26'21" EAST, A DISTANCE OF 190.62 FEET;
THENCE NORTH 17'54'52" WEST, A DISTANCE OF 121.68 FEET;
THENCE NORTH 06'21'04" EAST, A DISTANCE OF 102.49 FEET;
THENCE NORTH 15'56'21" EAST, A DISTANCE OF 313.13 FEET;
THENCE NORTH 12'24'16" EAST, A DISTANCE OF 262.38 FEET;
THENCE NORTH 04'53'46" EAST, A DISTANCE OF 264.05 FEET;
THENCE NORTH 39'38'10" EAST, A DISTANCE OF 35.47 FEET;
THENCE NORTH 78'38'27" EAST, A DISTANCE OF 108.22 FEET;
THENCE NORTH 12'11'54" EAST, A DISTANCE OF 144.88 FEET;
THENCE NORTH 57'01'32" EAST, A DISTANCE OF 81.13 FEET;
THENCE NORTH 35'24'11" EAST, A DISTANCE OF 58.37 FEET;
THENCE NORTH 39'59'50" EAST, A DISTANCE OF 125.13 FEET;
THENCE NORTH 25'56'46" EAST, A DISTANCE OF 148.00 FEET;
THENCE NORTH 34'59'42" EAST, A DISTANCE OF 89.86 FEET;
THENCE NORTH 18'57'13" EAST, A DISTANCE OF 120.37 FEET;
THENCE NORTH 28'31'37" EAST, A DISTANCE OF 79.61 FEET;
THENCE NORTH 04'37'14" EAST, A DISTANCE OF 66.36 FEET;
THENCE NORTH 20'45'26" EAST, A DISTANCE OF 119.34 FEET;
THENCE NORTH 34'01'38" EAST, A DISTANCE OF 57.73 FEET;
THENCE NORTH 51'45'22" EAST, A DISTANCE OF 75.61 FEET;
THENCE NORTH 61'34'35" EAST, A DISTANCE OF 222.24 FEET;
THENCE SOUTH 63'32'41" EAST, A DISTANCE OF 106.62 FEET;
THENCE SOUTH 77'22'29" EAST, A DISTANCE OF 81.80 FEET;
THENCE NORTH 78'50'24" EAST, A DISTANCE OF 160.26 FEET;
THENCE SOUTH 86'01'42" EAST, A DISTANCE OF 96.95 FEET;
THENCE NORTH 67'15'54" EAST, A DISTANCE OF 60.50 FEET;
THENCE NORTH 82'24'59" EAST, A DISTANCE OF 39.98 FEET;
THENCE SOUTH 39'09'53" EAST, A DISTANCE OF 36.16 FEET;
THENCE SOUTH 05'49'59" WEST, A DISTANCE OF 88.47 FEET;
THENCE SOUTH 35'11'24" EAST, A DISTANCE OF 49.09 FEET;
THENCE NORTH 62'06'13" EAST, A DISTANCE OF 68.56 FEET;
THENCE SOUTH 18'17'35" EAST, A DISTANCE OF 86.80 FEET;
THENCE SOUTH 16'56'59" EAST, A DISTANCE OF 73.19 FEET;
THENCE NORTH 66'29'56" WEST, A DISTANCE OF 70.79 FEET;
THENCE SOUTH 81'00'13" WEST, A DISTANCE OF 89.18 FEET;
THENCE SOUTH 44'58'52" WEST, A DISTANCE OF 45.06 FEET;
THENCE SOUTH 12'28'45" EAST, A DISTANCE OF 51.01 FEET;
THENCE NORTH 76'57'53" EAST, A DISTANCE OF 52.93 FEET;
THENCE SOUTH 79'49'58" EAST, A DISTANCE OF 49.58 FEET;
THENCE SOUTH 07'39'34" WEST, A DISTANCE OF 86.53 FEET;
THENCE SOUTH 24'56'04" EAST, A DISTANCE OF 104.72 FEET;
THENCE SOUTH 23'49'54" WEST, A DISTANCE OF 57.42 FEET;
THENCE SOUTH 50'21'02" WEST, A DISTANCE OF 249.87 FEET;
THENCE SOUTH 64'05'45" WEST, A DISTANCE OF 307.77 FEET;

LEGAL DESCRIPTION

PARCEL 5 CONTINUED:
THENCE SOUTH 45'21'15" WEST, A DISTANCE OF 217.70 FEET;
THENCE SOUTH 17'45'31" EAST, A DISTANCE OF 94.51 FEET;
THENCE SOUTH 41'28'07" WEST, A DISTANCE OF 218.66 FEET;
THENCE SOUTH 24'48'52" WEST, A DISTANCE OF 98.87 FEET;
THENCE SOUTH 18'35'35" EAST, A DISTANCE OF 144.24 FEET;
THENCE SOUTH 09'37'22" EAST, A DISTANCE OF 102.50 FEET;
THENCE SOUTH 12'47'12" WEST, A DISTANCE OF 140.40 FEET;
THENCE NORTH 89'19'22" EAST, A DISTANCE OF 57.18 FEET;
THENCE SOUTH 65'15'57" EAST, A DISTANCE OF 43.57 FEET;
THENCE SOUTH 04'34'27" WEST, A DISTANCE OF 90.43 FEET;
THENCE SOUTH 16'53'14" WEST, A DISTANCE OF 120.22 FEET;
THENCE NORTH 89'17'49" WEST, A DISTANCE OF 102.69 FEET;
THENCE SOUTH 71'44'29" WEST, A DISTANCE OF 214.86 FEET;
THENCE SOUTH 25'49'26" WEST, A DISTANCE OF 86.57 FEET;
THENCE SOUTH 17'12'32" WEST, A DISTANCE OF 143.89 FEET TO THE POINT OF BEGINNING,
SAID PARCEL 5 CONTAINS A CALCULATED AREA OF 43.614 ACRES, MORE OR LESS;

TOGETHER WITH PARCEL 6:
A PARCEL OF LAND LOCATED IN THE SOUTHWEST QUARTER OF SECTION 9 AND THE NORTHWEST QUARTER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SAID SECTION 16 AND CONSIDERING THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88'38'53" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;
THENCE NORTH 26'44'12" WEST, A DISTANCE OF 571.88 FEET TO THE POINT OF BEGINNING;
THENCE SOUTH 10'49'06" EAST, A DISTANCE OF 171.78 FEET;
THENCE SOUTH 31'11'51" WEST, A DISTANCE OF 69.43 FEET;
THENCE SOUTH 30'16'00" EAST, A DISTANCE OF 215.08 FEET;
THENCE SOUTH 04'11'05" EAST, A DISTANCE OF 200.36 FEET;
THENCE SOUTH 22'03'30" WEST, A DISTANCE OF 190.31 FEET;
THENCE SOUTH 23'39'38" WEST, A DISTANCE OF 264.41 FEET;
THENCE SOUTH 24'58'22" WEST, A DISTANCE OF 115.00 FEET;
THENCE SOUTH 10'51'59" WEST, A DISTANCE OF 86.25 FEET;
THENCE SOUTH 30'43'41" WEST, A DISTANCE OF 238.89 FEET;
THENCE SOUTH 41'30'36" WEST, A DISTANCE OF 87.33 FEET;
THENCE SOUTH 18'22'17" WEST, A DISTANCE OF 99.73 FEET;
THENCE SOUTH 39'28'33" WEST, A DISTANCE OF 65.32 FEET;
THENCE SOUTH 11'27'17" WEST, A DISTANCE OF 75.79 FEET;
THENCE SOUTH 55'40'15" WEST, A DISTANCE OF 123.34 FEET;
THENCE SOUTH 13'38'01" WEST, A DISTANCE OF 64.58 FEET;
THENCE SOUTH 47'16'02" WEST, A DISTANCE OF 87.81 FEET;
THENCE NORTH 86'35'47" WEST, A DISTANCE OF 65.54 FEET;
THENCE SOUTH 78'18'36" WEST, A DISTANCE OF 131.94 FEET;
THENCE SOUTH 51'51'24" WEST, A DISTANCE OF 67.58 FEET;
THENCE SOUTH 67'51'37" WEST, A DISTANCE OF 109.15 FEET;
THENCE SOUTH 11'11'42" WEST, A DISTANCE OF 122.16 FEET;
THENCE SOUTH 69'13'13" WEST, A DISTANCE OF 188.52 FEET;
THENCE SOUTH 54'18'35" WEST, A DISTANCE OF 134.87 FEET;
THENCE NORTH 52'47'23" WEST, A DISTANCE OF 52.62 FEET;
THENCE SOUTH 78'05'00" WEST, A DISTANCE OF 71.47 FEET;
THENCE SOUTH 41'40'33" WEST, A DISTANCE OF 32.64 FEET;
THENCE SOUTH 00'36'21" WEST, A DISTANCE OF 49.50 FEET;
THENCE SOUTH 36'08'18" WEST, A DISTANCE OF 71.00 FEET;
THENCE SOUTH 51'14'10" WEST, A DISTANCE OF 68.71 FEET;
THENCE NORTH 76'12'40" WEST, A DISTANCE OF 75.76 FEET;
THENCE NORTH 36'58'35" WEST, A DISTANCE OF 49.72 FEET;
THENCE NORTH 10'19'49" WEST, A DISTANCE OF 114.91 FEET;
THENCE NORTH 24'05'05" EAST, A DISTANCE OF 63.10 FEET;
THENCE NORTH 15'11'40" WEST, A DISTANCE OF 155.34 FEET;

LEGAL DESCRIPTION

PARCEL 6 CONTINUED;
THENCE NORTH 87'04'56" WEST, A DISTANCE OF 83.10 FEET;
THENCE NORTH 65'31'18" WEST, A DISTANCE OF 60.38 FEET;
THENCE NORTH 11'40'03" EAST, A DISTANCE OF 65.27 FEET;
THENCE SOUTH 85'25'56" EAST, A DISTANCE OF 85.07 FEET;
THENCE SOUTH 72'57'12" EAST, A DISTANCE OF 111.59 FEET;
THENCE NORTH 59'41'08" EAST, A DISTANCE OF 67.87 FEET;
THENCE NORTH 87'25'31" EAST, A DISTANCE OF 96.77 FEET;
THENCE NORTH 35'17'22" EAST, A DISTANCE OF 85.17 FEET;
THENCE NORTH 42'20'14" EAST, A DISTANCE OF 173.28 FEET;
THENCE NORTH 67'27'08" EAST, A DISTANCE OF 187.78 FEET;
THENCE NORTH 53'50'25" EAST, A DISTANCE OF 183.67 FEET;
THENCE NORTH 42'27'46" EAST, A DISTANCE OF 122.32 FEET;
THENCE NORTH 64'40'04" EAST, A DISTANCE OF 60.50 FEET;
THENCE NORTH 28'59'59" EAST: A DISTANCE OF 74.31 FEET;
THENCE NORTH 01'00'12" WEST, A DISTANCE OF 170.85 FEET;
THENCE NORTH 41'17'24" EAST, A DISTANCE OF 74.77 FEET;
THENCE NORTH 15'21'08" EAST, A DISTANCE OF 57.99 FEET;
THENCE NORTH 31'53'32" EAST, A DISTANCE OF 133.53 FEET;
THENCE SOUTH 86'38'08" EAST, A DISTANCE OF 65.21 FEET;
THENCE NORTH 06'10'55" EAST, A DISTANCE OF 64.88 FEET;
THENCE NORTH 46'20'47" EAST, A DISTANCE OF 106.06 FEET;
THENCE NORTH 44'41'02" EAST, A DISTANCE OF 67.03 FEET;
THENCE NORTH 02'52'47" EAST, A DISTANCE OF 203.27 FEET;
THENCE NORTH 10'49'47" EAST, A DISTANCE OF 141.19 FEET;
THENCE NORTH 25'50'54" EAST, A DISTANCE OF 204.17 FEET;
THENCE NORTH 33'56'56" EAST, A DISTANCE OF 113.87 FEET;
THENCE NORTH 11'18'19" EAST, A DISTANCE OF 161.91 FEET;
THENCE NORTH 59'56'47" EAST, A DISTANCE OF 145.06 FEET;
THENCE SOUTH 56'47'03" EAST, A DISTANCE OF 49.98 FEET TO THE POINT OF BEGINNING,
SAID PARCEL 6 CONTAINS A CALCULATED AREA OF 26.548 ACRES, MORE OR LESS;

TOGETHER WITH PARCEL 7:
PART OF THE SOUTHWEST QUARTER OF SECTION 9, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 9 AND CONSIDERING THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 9 TO BEAR SOUTH 85'13'21" EAST, WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;
THENCE SOUTH 85'13'21" EAST, ALONG SAID SOUTH LINE, A DISTANCE OF 51.08 FEET TO THE POINT OF BEGINNING;
THENCE NORTH 01'41'58" WEST, A DISTANCE OF 42.18 FEET;
THENCE NORTH 88'18'02" EAST, A DISTANCE OF 32.00 FEET;
THENCE NORTH 01'41'58" WEST, A DISTANCE OF 29.00 FEET;
THENCE NORTH 88'18'02" EAST, A DISTANCE OF 60.00 FEET;
THENCE SOUTH 79'32'16" EAST, A DISTANCE OF 92.73 FEET;
THENCE SOUTH 27'37'15" EAST, A DISTANCE OF 55.08 FEET;
THENCE SOUTH 28'35'17" EAST, A DISTANCE OF 30.42 FEET TO A POINT ON THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 9;
THENCE NORTH 85'13'21" WEST, ALONG SAID LINE, A DISTANCE OF 221.90 FEET TO THE POINT OF BEGINNING;
SAID PARCEL 7 CONTAINS A CALCULATED AREA OF 0.331 ACRE, MORE OR LESS;

TOGETHER WITH PARCEL 8:
A PARCEL OF LAND LOCATED IN THE SOUTHEAST QUARTER OF SECTION 17 AND THE NORTHEAST QUARTER OF SECTION 20, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
COMMENCING AT THE SOUTHEAST CORNER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, AND CONSIDERING THE SOUTH LINE OF THE SOUTHEAST QUARTER OF

LEGAL DESCRIPTION

PARCEL 8 CONTINUED:
SAID SECTION 16 TO BEAR SOUTH 88°03'34" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;
THENCE SOUTH 78°20'20" WEST, A DISTANCE OF 6915.33 FEET TO THE POINT OF BEGINNING;
THENCE NORTH 29°40'56" WEST, A DISTANCE OF 348.56 FEET;
THENCE NORTH 39°20'38" WEST, A DISTANCE OF 356.52 FEET;
THENCE NORTH 36°59'58" EAST, A DISTANCE OF 336.92 FEET;
THENCE NORTH 28°32'00" WEST, A DISTANCE OF 243.37 FEET;
THENCE NORTH 19°06'15" EAST, A DISTANCE OF 274.21 FEET;
THENCE NORTH 19°20'21" WEST, A DISTANCE OF 180.51 FEET;
THENCE NORTH 04°42'05" EAST, A DISTANCE OF 120.69 FEET TO A POINT ON A CURVE;
THENCE ALONG THE ARC OF A NON-TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 87°23'52", A RADIUS OF 210.00 FEET, AN ARC LENGTH OF 320.33 FEET, AND A CHORD THAT BEARS SOUTH 65°51'24" EAST;
THENCE SOUTH 22°09'28" EAST, A DISTANCE OF 416.94 FEET TO A POINT OF CURVATURE;
THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 51°27'15", A RADIUS OF 210.00 FEET, AND AN ARC LENGTH OF 188.59 FEET;
THENCE SOUTH 29°17'47" WEST, A DISTANCE OF 258.29 FEET TO A POINT OF CURVATURE;
THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 30°24'36", A RADIUS OF 190.00 FEET, AND AN ARC LENGTH OF 100.84 FEET;
THENCE SOUTH 01°06'49" EAST, A DISTANCE OF 588.47 FEET TO A POINT OF CURVATURE;
THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 04°15'11", A RADIUS OF 190.00 FEET, AND AN ARC LENGTH OF 14.10 FEET TO THE POINT OF BEGINNING;
SAID PARCEL 8 CONTAINS AN AREA OF 10.299 ACRES, MORE OR LESS;

TOGETHER WITH PARCEL 9:
A PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 16, THE SOUTHEAST QUARTER OF SECTION 17, THE NORTHEAST QUARTER OF SECTION 20, THE NORTH HALF OF SECTION 21, AND THE NORTHWEST QUARTER OF SECTION 22, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
BEGINNING AT THE SOUTHEAST CORNER OF SAID SECTION 16 AND CONSIDERING THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88°03'34" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;
THENCE SOUTH 05°26'12" WEST, A DISTANCE OF 462.06 FEET;
THENCE SOUTH 40°07'39" EAST, A DISTANCE OF 469.61 FEET;
THENCE SOUTH 04°18'25" EAST, A DISTANCE OF 462.16 FEET;
THENCE SOUTH 33°32'02" WEST, A DISTANCE OF 915.51 FEET;
THENCE SOUTH 81°08'12" WEST, A DISTANCE OF 1873.21 FEET;
THENCE NORTH 70°30'00" WEST, A DISTANCE OF 668.03 FEET;
THENCE NORTH 23°18'26" WEST, A DISTANCE OF 776.98 FEET;
THENCE NORTH 30°49'51" WEST, A DISTANCE OF 328.94 FEET;
THENCE NORTH 09°04'28" EAST, A DISTANCE OF 313.33 FEET;
THENCE NORTH 07°43'55" WEST, A DISTANCE OF 706.28 FEET;
THENCE SOUTH 83°39'49" WEST, A DISTANCE OF 179.60 FEET;
THENCE NORTH 18°13'07" WEST, A DISTANCE OF 396.49 FEET;
THENCE SOUTH 76°42'33" WEST, A DISTANCE OF 157.49 FEET TO A POINT ON THE EAST LINE OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 16;
THENCE SOUTH 06°26'26" WEST, ALONG SAID EAST LINE, A DISTANCE OF 93.33 FEET TO THE SOUTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 16;
THENCE NORTH 88°04'12" WEST, ALONG THE SOUTH LINE OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 16, A DISTANCE OF 92.88 FEET;
THENCE SOUTH 14°43'51" EAST, A DISTANCE OF 507.37 FEET;
THENCE SOUTH 77°24'42" WEST, A DISTANCE OF 81.46 FEET;
THENCE NORTH 46°17'56" WEST, A DISTANCE OF 145.16 FEET;
THENCE SOUTH 83°40'40" WEST, A DISTANCE OF 588.82 FEET;
THENCE NORTH 81°31'51" WEST, A DISTANCE OF 451.13 FEET;
THENCE SOUTH 52°15'23" WEST, A DISTANCE OF 243.82 FEET;
THENCE SOUTH 45°27'54" WEST, A DISTANCE OF 446.51 FEET;
THENCE SOUTH 08°47'03" WEST, A DISTANCE OF 161.42 FEET TO A POINT ON THE WESTERLY BOUNDARY OF THE 7.80 ACRE OPEN SPACE PARCEL DEDICATED BY WESTRIDGE SUBDIVISION, THE PLAT OF WHICH

LEGAL DESCRIPTION

PARCEL 9 CONTINUED;
IS RECORDED AT RECEPTION NO. 203775 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
THENCE SOUTH 16'16'51" WEST, ALONG SAID WESTERLY BOUNDARY, A DISTANCE OF 502.04 FEET;
THENCE SOUTH 72'02'29" WEST, A DISTANCE OF 283.80 FEET;
THENCE SOUTH 46'48'58" WEST, A DISTANCE OF 229.29 FEET;
THENCE SOUTH 86'25'33" WEST, A DISTANCE OF 322.14 FEET;
THENCE NORTH 03'33'35" WEST, A DISTANCE OF 698.83 FEET TO A POINT OF CURVATURE;
THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 62'49'37", A RADIUS OF 210.00 FEET, AND AN ARC LENGTH OF 230.27 FEET;
THENCE NORTH 59'16'01" EAST, A DISTANCE OF 245.18 FEET TO A POINT OF CURVATURE;
THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 64'03'40", A RADIUS OF 190.00 FEET. AND AN ARC LENGTH OF 212.43 FEET;
THENCE NORTH 04'47'39" WEST, A DISTANCE OF 164.28 FEET TO A POINT OF CURVATURE;
THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 74'06'19", A RADIUS OF 190.00 FEET, AND AN ARC LENGTH OF 245.74 FEET;
THENCE NORTH 78'53'58" WEST, A DISTANCE OF 129.25 FEET TO A POINT OF CURVATURE;
THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 91'01'52", A RADIUS OF 210.00 FEET, AND AN ARC LENGTH OF 333.65 FEET;
THENCE NORTH 12'07'54" EAST, A DISTANCE OF 159.45 FEET;
THENCE SOUTH 47'40'17" EAST, A DISTANCE OF 55.96 FEET;
THENCE NORTH 72'23'16" EAST, A DISTANCE OF 889.28 FEET;
THENCE SOUTH 55'44'06" EAST, A DISTANCE OF 525.10 FEET;
THENCE NORTH 70'01'41" EAST, A DISTANCE OF 156.93 FEET TO A POINT ON THE WEST LINE OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 16;
THENCE NORTH 08'12'10" EAST, ALONG SAID WEST LINE, A DISTANCE OF 1203.61 FEET TO THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 16;
THENCE SOUTH 87'50'43" EAST, ALONG THE NORTH LINE OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 16, A DISTANCE OF 775.92 FEET;
THENCE NORTH 19'35'43" EAST, A DISTANCE OF 96.30 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF VILLAGE DRIVE AS DEDICATED BY THE PLAT OF SILVERGATE SUBDIVISION RECORDED AT RECEPTION NO. 203772 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
THENCE SOUTH 12'13'04" EAST, ALONG SAID WESTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 35.85 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF THAT EIGHTY (80) FOOT WIDE RIGHT-OF-WAY DESCRIBED AT RECEPTION NO. 2003-007992 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
THENCE ALONG SAID WESTERLY RIGHT-OF-WAY LINE THE FOLLOWING TWO (2) COURSES
1) THENCE SOUTH 12'13'04" EAST, A DISTANCE OF 51.14 FEET TO A POINT OF CURVATURE;
2) THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 01'43'26", A RADIUS OF 262.00 FEET, AND AN ARC LENGTH OF 7.88 FEET TO THE NORTH LINE OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 16;

THENCE SOUTH 87'50'43" EAST, ALONG SAID NORTH LINE, A DISTANCE OF 84.27 FEET TO A POINT ON A CURVE ON THE SOUTHERLY BOUNDARY OF TRACT B, WRANGLERS CROSSING AS RECORDED AT RECEPTION NO. 2003-007994 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
THENCE ALONG SAID SOUTHERLY BOUNDARY, ALONG THE ARC OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 99'55'34", A RADIUS OF 182.00 FEET, AN ARC LENGTH OF 317.41 FEET, AND A CHORD THAT BEARS SOUTH 71'26'25" EAST TO A POINT ON THE EAST LINE OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 16;
THENCE SOUTH 06'26'26" WEST, ALONG SAID EAST LINE, A DISTANCE OF 93.90 FEET TO A POINT ON A CURVE ON THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID EIGHTY (80) FOOT WIDE RIGHT-OF-WAY DESCRIBED AT RECEPTION NO. 2003-007992;
THENCE ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE THE FOLLOWING TWO (2) COURSES:

1) THENCE ALONG THE ARC OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 16'06'47", A RADIUS OF 262.00 FEET, AN ARC LENGTH OF 73.68 FEET, AND A CHORD THAT BEARS NORTH 63'20'20" EAST;
2) THENCE NORTH 55'16'56" EAST, A DISTANCE OF 103.13 FEET TO THE NORTHWEST CORNER OF THE AMENDED FINAL PLAT OF THE MOUNTAINSIDE AT SILVERCREEK PHASE II AS RECORDED AT RECEPTION NO. 2000-005640 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;

RECEPTION#: 2013006964, 08/14/2013 at 09:48:58 AM, 25 OF 25 Doc Code:RESOLUTION, Sara L. Rosene, Grand County Clerk and Recorder, Colorado

LEGAL DESCRIPTION

PARCEL 9 CONTINUED;
THENCE SOUTH 13'16'56" WEST, ALONG THE WESTERLY BOUNDARY OF SAID AMENDED FINAL PLAT OF THE MOUNTAINSIDE AT SILVERCREEK PHASE II AND ITS SOUTHERLY EXTENSION, A DISTANCE OF 624.73 FEET;
THENCE SOUTH 85'51'25" EAST, A DISTANCE OF 462.12 FEET;
THENCE SOUTH 04'47'55" WEST, A DISTANCE OF 36.68 FEET;
THENCE SOUTH 65'56'43" EAST, A DISTANCE OF 627.82 FEET;
THENCE NORTH 88'45'26" EAST, A DISTANCE OF 178.77 FEET;
THENCE NORTH 44'10'34" EAST, A DISTANCE OF 929.57 FEET;
THENCE SOUTH 56'43'40" EAST, A DISTANCE OF 2016.36 FEET TO THE POINT OF BEGINNING,
SAID PARCEL 9 CONTAINS A GROSS AREA OF 303.723 ACRES, MORE OR LESS;

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCEL:
THE 2.40 ACRE OPEN SPACE PARCEL SHOWN ON THE FINAL PLAT OF THE MOUNTAINSIDE AT SILVERCREEK PHASE I SUBDIVISION, ACCORDING TO THE PLAT RECORDED AT RECEPTION NO. 203319 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER, TOGETHER WITH THE 0.22 ACRE OPEN SPACE PARCEL SHOWN ON THE FINAL PLAT OF THE MOUNTAINSIDE AT SILVERCREEK PHASE II SUBDIVISION, ACCORDING TO THE PLAT RECORDED AT RECEPTION NO. 222486 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER LOCATED IN THE SOUTHEAST QUARTER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, SUBORDINATELY DESCRIBED AS FOLLOWS:
COMMENCING AT THE SOUTHEAST CORNER SAID SECTION 16 AND CONSIDERING THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88'03'34" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;
THENCE NORTH 73'01'23" EAST, A DISTANCE OF 1364.97 FEET TO THE POINT OF BEGINNING:
THENCE SOUTH 28'16'56" WEST, A DISTANCE OF 114.25 FEET;
THENCE NORTH 61'43'04" WEST, A DISTANCE OF 520.40 FEET;
THENCE NORTH 28'16'56" EAST, A DISTANCE OF 324.51 FEET;
THENCE SOUTH 39'43'04" EAST, A DISTANCE OF 561.27 FEET TO THE POINT OF BEGINNING;
SAID EXCEPTED PARCEL CONTAINS A CALCULATED AREA OF 2.621 ACRES, MORE OR LESS;

THE NET AREA OF SAID PARCEL 9 AFTER EXCEPTION IS 301.102 ACRES, MORE OR LESS;

EXHIBIT G

Seter & Vander Wall, P.C.
ATTORNEYS AT LAW

KIM J. SETER
BARBARA T. VANDER WALL
JEFFREY E. ERB
COLIN B. MIELKE
RUSSELL NEWTON

August 22, 2016

via e-mail: jcollins@CCCFIRM.COM
Granby Realty Holdings, LLC
Jim Collins, Esq.
Collins Cockrel & Cole
390 Union Blvd., Suite 400
Denver, CO 80228

via e-mail: gwhite@wbapc.com; cwaldron@wbapc.com
Headwaters Metropolitan District
Granby Ranch Metropolitan District No. 8
Gary White, Esq.
Clint Waldron, Esq.
White Bear Ankele Tanka & Waldron, P.C.
2154 East Commons Ave., Suite 2000
Centennial, CO 80122

Re: Granby Ranch Metropolitan District, Granby Realty Holdings, LLC, Headwaters Metropolitan District, and Granby Ranch Metropolitan District No. 8 – Plan for Refunding of 2006 Bonds; Road Operation and Maintenance; and Related Issues

Dear Jim, Gary and Clint:

At the meeting held on August 12, 2016 between Granby Ranch Metropolitan District ("GRMD") and Granby Realty Holdings, LLC ("GRH") regarding refunding of the GRMD 2006 and 2010 Bonds, operation and maintenance of the roads in Granby Ranch, and related issues, the parties agreed that accomplishing several goals would be in each of their best interests and agreed to the following plan:

1. Refunding of 2006 Bonds

a. Based on the cash flow projections presented at the August 12, 2016 meeting, GRMD will proceed with refinancing its 2006 Bonds, to close before November 8, 2016 (the refunding bonds are called the "2016 Bonds").

b. In connection with the 2016 Bonds and as memorialized as appropriate, GRH will guarantee the payment of 10 capital facilities fees per year for four years, beginning in 2017. The actual payment obligation will be reduced by the number of capital facilities fees paid in each calendar year by third-parties.

c. Before closing on the 2016 Bonds, Granby Ranch Filing No. 17 and the property anticipated to be included in Granby Ranch Filing No 18 as modeled in the August 12 cash flow projections will be included into GRMD.

{00238022}

EXHIBIT G

d. All property in Granby Ranch Metropolitan District No. 8 currently subject to the debt service mill levy for the 2006 bonds will remain obligated for payment of the debt service mill levy on the 2016 Bonds.

e. At the time of closing on the 2016 Bonds, GRH will cancel or otherwise release any right to payment under the 2010 Bonds, which are held solely by GRH.

f. The funds currently held in the Lot Sale Escrow Account as additional security for the 2006 Bonds will be released in full to GRH at the time of closing on the 2016 Bonds.

2. Roads within Granby Ranch

a. Repair of Roads

i. GRH will, at its sole expense, repair as necessary the roads within Granby Ranch to a level supporting initial acceptance by the Town of Granby, including, but not limited to, the road repairs associated with Granby Ranch Filing Nos. 8 and 10 (the "Major Repairs"). All Major Repairs must be completed and initial acceptance made by the Town of Granby no later than October 31, 2017, unless an extension is required as caused by persons or matters over which GRH has no control, in which case the Major Repairs will be completed as soon as reasonably possible. Upon initial acceptance, the contractor must provide a two-year warranty on the Major Repairs in favor of the Town of Granby and Headwaters Metropolitan District.

b. Operation and Maintenance of Roads and Future Replacement/Repairs

i. Beginning January 1, 2017, GRMD will pay for the costs of road operation, maintenance and minor repairs necessary on or after January 1, 2017 for the roads that are within the boundaries of GRMD, except for the Major Repairs set forth above in paragraph 2.a.i. It is anticipated that Headwaters Metropolitan District will administer the contract for road operation and maintenance. GRMD will remit these funds to Headwaters Metropolitan District as payment for Headwaters Metropolitan District providing road operation, road maintenance, and minor repairs.

ii. Granby Ranch Metropolitan District No. 8 will certify a mill levy to fund the costs of road operation, road maintenance, and minor repairs equal to the mill levy certified by GRMD to fund road operation, road maintenance and minor repairs. Granby Ranch Metropolitan District No. 8 will remit these funds to Headwaters Metropolitan District as payment for Headwaters Metropolitan District providing road operation, road maintenance, and minor repairs.

c. On or before December 31, 2016, Headwaters Metropolitan District and GRH will execute non-exclusive public access easements for all roads within Granby Ranch in favor of GRMD and the other taxing districts within Granby Ranch.

EXHIBIT G

3. No later than seven days after the closing of the 2016 Bonds, GRH will transfer $75,000 to GRMD with no repayment obligation.

4. On or before January 15, 2017, GRH will loan GRMD $100,000 without interest, with repayment in full due on or before August 31, 2017.

5. The Intergovernmental Agreement between Headwaters Metropolitan District and GRMD dated June 1, 2006 as amended on April 21, 2010 will be amended or replaced on or before December 31, 2016 to eliminate any obligations between the parties other than GRMD's funding of road operations, maintenance and minor repairs.

6. GRMD will take those steps necessary to amend its service plan in conjunction with the service plans of the other special districts in Granby Ranch before closing on the 2016 Bonds to:

a. allow for a total maximum debt service mill levy of 50 mills, a total maximum operations and maintenance mill levy of 50 mills, and a total combined maximum mill levy of 60 mills, subject to approval by the Town of Granby; and

b. terminate any financial obligations other than road operation, maintenance and minor repairs between GRMD and Headwaters Metropolitan District.

7. GRH will cause the appointment and/or election of an eligible elector of GRMD not employed by or associated with GRH or any affiliated entities to the Headwaters Metropolitan District Board of Directors on or before December 31, 2016.

The parties recognize that achieving these goals will require cooperation between the parties and pursuit of their obligations in good faith.

This plan was approved by the GRMD Board of Directors at its meeting held Friday, August 19, 2016 at 1:30 p.m. and incorporates prior edits and comments from the parties prior to this date.

Please arrange for approval and signature in the space below. Once agreed to by all parties, we can begin working on accomplishing the objectives of the plan and preparing any additional contracts or transactions as required.

Sincerely,

SETER & VANDER WALL, P.C.

Jeffrey E. Erb

cc: Granby Ranch Metropolitan District, Board of Directors
Ms. Marise Cipriani, Granby Realty Holdings, LLC
Mr. Jason Carrol, CliftonLarsonAllen, LLP
Mr. Bob Blodgett, CliftonLarsonAllen, LLP
Mr. Jonathan Heroux, Piper Jaffray & Co.
Ms. Stacey Berlinger, Piper Jaffray & Co.
Dee Wisor, Esq., Butler Snow, LLP
Kim J. Seter, Esq., Seter & Vander Wall, P.C.
Russell Newton, Esq., Seter & Vander Wall. P.C.

Agreed to by each party as set forth below:

Date: August 31, 2016.

Granby Ranch Metropolitan District

Name: Natasha Watt
Title: President

Attest:

Secretary/Assistant Secretary

EXHIBIT G

Date: August 30th, 2016

Granby Realty Holdings, LLC

Marise Cipriani, Manager

EXHIBIT G

Date: August 30, 2016

Headwaters Metropolitan District

Name: Lance C. Badger
Title: President

Attest:

Julie Krueger
Secretary/Assistant Secretary

EXHIBIT G

Date: August 30, 2016.

Granby Ranch Metropolitan District No. 8

Name: Lance C. Badger
Title: _____

Attest:

Julie Krueger
Secretary/Assistant Secretary

EXHIBIT G

EXHIBIT H

SECOND AMENDMENT TO

SERVICE PLAN

OF

GRANBY RANCH METROPOLITAN DISTRICT

(FORMERLY SOLVISTA METROPOLITAN DISTRICT NO. 2)

ORIGINALLY APPROVED BY THE TOWN OF GRANBY, COLORADO

ON JULY 22, 2003 AND AS AMENDED ON JUNE 27, 2006

Prepared by:

Seter & Vander Wall, P.C.

7400 East Orchard Road, Suite 3300

Greenwood Village, CO 80111

Second Amendment to Service Plan approved by the Town of Granby

on

October 11, 2016

EXHIBIT H

I. INTRODUCTION

This Second Amendment to the Service Plan (the "Second Amendment") of Granby Ranch Metropolitan District (formerly named "SolVista Metropolitan District No. 2" and hereinafter referred to as "GRMD"), constitutes an amendment to certain provisions of the original service plan for GRMD (the "Original Service Plan") approved by the Board of Trustees of the Town of Granby (the "Town") on July 22, 2003, and the First Amendment to the Service Plan of the Granby Ranch Metropolitan District approved by the Town on June 27, 2006 (the "First Amendment") (together, the "Service Plan").

GRMD was organized by the Original Service Plan to serve the needs of the Granby Ranch development and existing community.

This purpose of this Second Amendment is to clarify and, to the extent necessary, amend provisions of the Service Plan relating to GRMD's ability to impose *ad valorem* property taxes, to note that the District IGA between GRMD and Headwaters Metropolitan District (formerly named "SolVista Metropolitan District No. 1" and hereinafter referred to as "HMD") will be terminated and replaced with a road maintenance and snow removal agreement, and to clarify that the relationship between GRMD and HMD as otherwise set forth in the Service Plan is terminated and rendered null and void.

II. AMENDMENT

A. Section V.B., page 13 (as amended by the First Amendment).

1. The phrase "The property tax levy of the Tax District will not exceed 50 mills for operating and debt repayment purposes, unless otherwise Approved by the Town; provided, however, in the event that the method of calculating assessed valuation is changed after May 1, 2003" is amended as follows:

    a. "The property tax levy of GRMD will not exceed a total combined mill levy of 60 mills for operations, maintenance and debt repayment, with a limit of 50 mills for debt and 50 mills for operations and maintenance, unless otherwise Approved by the Town; provided, however, in the event that the method of calculating assessed valuation is changed after November 1, 2016"

B. Modification of Relationship Between the District and HMD

The Original Service Plan makes references to the relationship between HMD (as the Service District) and GRMD (as the Tax District) concerning the roles of each district, and to the existence of a "District IGA" to further detail this relationship.

The Original Service Plan is amended as a whole to clarify that the District IGA between GRMD and HMD will be terminated, GRMD will provide all of its own operation and maintenance functions, including debt issuance and repayment, and that GRMD will enter into an agreement with HMD regarding the funding of road maintenance and snow removal for the roads located within GRMD. The Service plan is further amended to clarify that any obligation of GRMD, other than as set forth in the road maintenance and snow removal agreement, to provide funds to HMD, or any delegation of power or delegation of approval or disapproval authority to HMD of any acts of the District, are repealed and rendered null and void with the intent that any role or relationship of GRMD as a "Tax District" and HMD as a "Service District" is terminated.

III. NO ADDITIONAL CHANGES

Except as amended herein, all other provisions of the Service Plan shall remain in full force and effect.

EXHIBIT I

FIRST AMENDMENT TO

SERVICE PLAN FOR

HEADWATERS METROPOLITAN DISTRICT

TOWN OF GRANBY, COLORADO

Prepared by:
White Bear Ankele Tanaka & Waldron
Professional Corporation
2154 E. Commons Avenue, Suite 2000
Centennial, CO 80122

November 8, 2016

I. INTRODUCTION

The Service Plan for the Headwaters Metropolitan District (formerly named SolVista Metropolitan District No. 1 and hereinafter the "**District**") was approved by the Board of Trustees of the Town of Granby on July 22, 2003 by Resolution No. 2003-07-22b ("**Service Plan**").

On November 25, 2003, the District Court in and for Grand County, Colorado issued an Order and Decree organizing the District. The District was organized to, inter alia, finance public improvements for the benefit of the residents, property owners, and taxpayers of the District. This First Amendment to the Service Plan ("**First Amendment**") is intended to be read in conjunction with the Service Plan. Unless the context indicates, all capitalized terms shall have the meaning as set forth in the Service Plan.

II. FIRST AMENDMENT

The District's Board of Directors (the "**Board**") has determined it is in the best interests of the residents, property owners, and taxpayers of the District to amend the Service Plan in order to clarify and amend certain provisions relating to the intergovernmental agreements between the District and Granby Ranch Metropolitan District.

III. AMENDMENT

1. The relationship between the District and Granby Ranch Metropolitan District is modified throughout the Service Plan as follows:

The Service Plan makes references to the relationship between the District (as the Service District) and Granby Ranch Metropolitan District (as the Tax District), and to the existence of a "District IGA" to further detail this relationship.

The Service Plan is amended as whole to clarify that the District IGA between the District and Granby Ranch Metropolitan District will be terminated. Granby Ranch Metropolitan District will provide all of its own operation and maintenance functions, including debt issuance and repayment. The District and Granby Ranch Metropolitan District will enter into an agreement regarding the funding of road maintenance and snow removal for the roads owned by the District which are located within Granby Ranch Metropolitan District.

The Service Plan is further amended to clarify that any obligation of Granby Ranch Metropolitan District, other than as set forth in the road maintenance and snow removal agreement, to provide funds to the District, or any delegation of power or delegation of approval or disapproval authority to the District of any acts of Granby Ranch Metropolitan District, are repealed and rendered null and void with the intent that any role or relationship of the District (as the Service District) and Granby Ranch Metropolitan District (as the Tax District) is terminated.

IV. EFFECT OF FIRST AMENDMENT

Except as specifically amended as set forth above, all other provisions of the Service Plan shall remain in full force and effect. To the extent there are any inconsistencies between this First Amendment and the Service Plan, this First Amendment shall control.

EXHIBIT J

AGREEMENT RE WAIVER AND RELEASE OF CLAIMS

This AGREEMENT RE WAIVER AND RELEASE OF CLAIMS (the "**Agreement**") is entered into this 11th day of April, 2018 by and between Granby Realty Holdings, LLC, a Colorado limited liability company ("**GRH**"); Headwaters Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado ("**HMD**"); Granby Ranch Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado ("**GRMD**"); and Granby Ranch Metropolitan District No. 8, a quasi-municipal corporation and political subdivision of the State of Colorado ("**GRMD 8**") (HMD, GRMD and GRMD 8 together the "**Districts**") (the Districts and GRH, together the " "**Parties**").

A. GRH is the developer of a ski-area, golf course, and residential community known as Granby Ranch located in the Town of Granby, Grand County, Colorado; and

B. HMD is a special district located within Granby Ranch that provides public improvements and services within Granby Ranch; and

C. GRMD is a special district located within Granby Ranch that provides public improvements and services within Granby Ranch; and

D. GRH was the proponent of the organization of HMD and GRMD and permitted certain of its key employees to serve as directors of the Districts, (collectively, "**Directors**") which employees, as directors of the Districts, engaged employees, agents, attorneys, accountants, managers, and other representatives to advise the Directors regarding the business of the Districts (collectively, the "**Consultants**"); and

E. GRMD 8 is a special district located within Granby Ranch that provides public improvements and services within Granby Ranch; and

F. GRMD issued approximately $14.7 million in bonds in 2006 related to the costs of constructing public improvements (the "**Senior Bonds**"); and

G. GRMD issued approximately $11.1 million worth of bonds in 2010 related to the costs of constructing public improvements (the "**Subordinate Bonds**"); and

H. Pursuant to the GRMD service plan dated July 22, 2003, as first amended on June 27, 2006 (the "**GRMD Service Plan**"); and the HMD service plan dated July 22, 2003 (the "**HMD Service Plan**") (together, the "**Service Plans**"); HMD was designated the "service district" and GRMD was designated the "tax district"; and

I. Pursuant to the Service Plans, HMD and GRMD were parties to various intergovernmental agreements regarding the provision of certain services and the contracting of the authority to perform such services to HMD (the "**Master IGAs**"); and

J. Pursuant to the Master IGAs, HMD provided all administrative and discretionary services to GRMD; and

EXHIBIT J

K. Since approximately 2010, GRMD has not generated revenue from property taxes sufficient to pay the principal and interest payments owed on the Senior Bonds; and

L. GRMD has not made any payments on the Subordinate Bonds, which are owned solely by GRH; and

M. Since approximately 2010, GRH provided for the costs of the administration and operation of GRMD, HMD and GRMD 8; and

N. Beginning on January 1, 2017, GRH indicated it will no longer pay for the costs of the operation of GRMD, including the costs of road maintenance and snow removal; and

O. GRMD has the opportunity to refinance its Senior Bonds at a lower interest rate which will reduce its principal and interest payments; and

P. In connection with the refinance of its Senior Bonds, GRH has agreed to discharge in full the Subordinate Bonds under terms set forth herein; and

Q. Due to the reduced principal and debt payments on the Senior Bonds and the discharge of the Subordinate Bonds, GRMD will have sufficient funds available to pay for its operations expenses and a portion of the maintenance and snow removal expenses for roads within Granby Ranch beginning on January 1, 2018 and thereafter; and

R. GRH agreed to provide GRMD with $75,000 in 2017 in accordance with the terms hereof due to its lack of operating funds; and

S. Due to the status of development within GRMD and the amendment of the Service Plans and the service plan for GRMD 8, as approved by the Town Board of the Town of Granby on November 8, 2016, the Master IGAs are no longer necessary; and

T. The Parties entered into an agreement dated August 22, 2016, as amended on November 17, 2017 and April 11, 2018 setting forth the promises of the Parties to accomplish (1) the refinancing of the Senior Bonds; (2) the discharge of the Subordinate Bonds; (3) the termination of the Master IGA; (4) the repair and operation and maintenance of the roads within Granby Ranch; and (5) other items as identified in the agreement (the "**Letter Agreement**", attached as **Exhibit A**); and

U. The Parties have determined that it is in their collective best interests to resolve the matters in dispute among them regarding the Senior Bonds, the Subordinate Bonds, the Master IGAs, and the repair and operation and maintenance of the roads within Granby Ranch without any admissions by any party.

NOW, THEREFORE, in consideration of the mutual covenants and obligations of this Agreement, the promises and conditions contained in the Letter Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Waiver and Release of Claims. Each Party, for itself, its respective successors, assigns, shareholders, directors, officers, employees, agents, attorneys, accountants, managers and other representatives, fully and forever irrevocably releases, waives, relinquishes and discharges the other Parties, and their respective successors, assigns, shareholders, directors, officers, employees, agents, attorneys and other representatives, including the Directors and Consultants (collectively, the **"Released Parties"**) from and against any and all claims, demands, obligations, duties, liabilities, damages, expenses, breaches of contract, acts, omissions, causes of action, promises, damages, costs, and remedies therefor of every kind, description, character or nature whatsoever now or in the future, whether known or unknown, raised or which could have been raised, which may otherwise exist or which may arise in relation to the Senior Bonds, the Subordinate Bonds, the Master IGA, the repair and operation and maintenance of the roads within Granby Ranch or any other matter related to the formation, administration, and operation of the Districts (the **"Claims"**) existing as of the Release Date (defined below in **Paragraph 3**). The foregoing release shall not apply to the obligations contained in the Letter Agreement as amended.

Each party assumes the risk of any and all Claims which exist as of the Release Date but which they do not know or suspect to exist, whether through ignorance, oversight, error, negligence, or otherwise; and which, if known, would materially affect their decision to enter into this Agreement. The Parties assume this risk, and notwithstanding this risk freely enter into this Agreement and the releases contained herein. This Agreement is a compromise of disputed claims, and by entering into this Agreement, the Parties and other persons released hereby are not making any admissions regarding any of the Claims.

2. Good Faith Compromise. This Agreement is entered into as a good faith compromise between the Parties for the complete and final settlement of all current disputes between them and arising out of or relating to the Claims. By this Agreement, no Party admits liability to any other Party in any respect, or makes any admission as to factual or legal contentions relating to the matters addressed in this Agreement.

3. Effective Date of the Waiver and Release of Claims. The waiver and release of Claims related to the (a) Senior Bonds, (b) the Subordinate Bonds, (c) the Master IGAs, and (d) the repair and operation and maintenance of the roads within Granby Ranch or any other matter related to the formation, administration, and operation of the Districts are effective on the Release Date, defined as follows for each item:

a. "Senior Bonds" - upon the refinancing of the Senior Bonds;

b. "Subordinate Bonds" - upon the release and discharge of the Subordinate Bonds;

c. "the Master IGAs" - upon the termination of the Master IGAs and the obligations of the parties therein; and

d. "repair and operation and maintenance of the roads within Granby Ranch" - upon the completion of the Major Repairs as defined and set forth in the Letter Agreement.

e. "any other matter related to the formation, administration, and operation of the Districts" – upon the refinancing of the Senior Bonds, release and discharge of the Subordinate Bonds, and Termination of the Master IGAs.

4. Legal Costs and Expenses. Each Party shall pay its own legal fees and costs incurred in connection with the resolution of the issues between the Parties.

5. Additional Facts. The Parties may subsequently discover facts different from or in addition to those each now believes to be true, and each of the Parties agrees that this Agreement shall remain effective notwithstanding such different or additional facts.

6. Counterparts and Signatures. This Agreement may be executed in any number of counterparts each of which, when executed and delivered, shall be deemed an original and all of which together shall constitute but one and the same agreement. Signatures obtained by facsimile or email in PDF format shall be deemed original signatures.

7. No Third Party Beneficiaries. This Agreement is not intended to benefit, and does not benefit, any person or entity other than the Released Parties, who is not specifically identified or referenced herein as a Party to, or intended beneficiary of this Agreement.

8. Authority to Execute. Each individual executing this Agreement represents and warrants that he or she is duly authorized to execute this Agreement on behalf of the Party for which he or she is executing, and to bind the Party to the terms of this Agreement. The Districts represent and warrant that all proper and required steps have been taken by the Board of Directors of each to approve this Agreement, and that this Agreement is a valid and binding obligation of the respective District, enforceable in accordance with its terms.

9. Plain Meaning. The Parties acknowledge that they were represented by competent counsel during negotiations of this Agreement and that they each consulted with their respective attorneys regarding the meaning and effect of this Agreement. The Parties each agree that (a) the terms and provisions of this Agreement are not to be construed more strictly against any of the Parties; and (b) it is their mutual intention the terms and provisions of this Agreement be construed as having the plain meaning of the terms used in this Agreement.

10. Entire Agreement. This Agreement, including all Exhibits, constitutes the entire Agreement between the Parties relating to waiver and release of claims as set forth above. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement related to waiver and release of claims are of no force and effect. This Agreement may not be modified except by a writing executed by all Parties.

11. Applicable Law/Venue. The Parties agree that any dispute arising out of or related to this Agreement shall be governed by Colorado law. Venue for any dispute shall be in the Colorado district court for Grand County, Colorado.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and delivered as of the date first written above.

Agreed to by each party as set forth below:

Date: April 11, 2018.

Granby Ranch Metropolitan District

Name: Natalie Wall
Title: President

Attest:

Terry Walker
Secretary/Assistant Secretary

EXHIBIT J

Date: 4/17, 2018.

Granby Realty Holdings, LLC

Marise Cipriani, Manager

Date: March 22, 2018.

Headwaters Metropolitan District

Name: Lance Badger
Title: President

Attest:

Only one board member
Secretary/Assistant Secretary

EXHIBIT J

Date: March 22, 2018

Granby Ranch Metropolitan District No. 8

Name: Lance Badger
Title: President

Attest:

only one board member
Secretary/Assistant Secretary

EXHIBIT J

EXHIBIT K

From: Matt Girard <Matt.Girard@plenarygroup.com>
Sent: Tuesday, April 21, 2020 10:07 PM
To: Randel Lewis; charff@Highlinefin.com
Subject: Granby Ranch (GR) - concerns of a resident
Attachments: Tee Box.JPG; Green Mold.JPG; Moles in Green.JPG; Electrical box 2.JPG; Golf Maintenance Empty.JPG

Gentlemen:

I'm sure you are both busy as can be with this property and all the different moving parts right now, and I'm sure the COVID-19 restrictions are not making life easier. I hope you are both well in the meantime.

As it relates to the property itself, I just wanted to pass along a couple items for your information and consideration:

1 – *General property deterioration* – The Governor's statewide COVID-19 restrictions have obviously had and continue to have an impact to the ski resort & lodge being able to be open to the public. At the same time, there is no reason that GRA staff (as required under their management agreement with Headwaters) should not be taking care of the property and hence taking care of the asset itself, and maintaining it's value. To cite a specific example, the Governor's order allows golf courses to be open, and therefore staff are allowed to be taking care of golf courses. For comparison purposes, other courses in Grand County have had maintenance crews working them for approximately a month already, and at least one plans to open this weekend. This definitely does not appear to be happening at the GR golf course, as you can see from the first 5 photos attached (1) – Tee Box for "family hole" #2; (2) – Mold on green for Hole #16; (3) – Vole infestation on green for Hole #17; and (4) - irrigation box damage near "family hole" #1 just south of parking lot, and these are only a small number of examples of similar deterioration throughout the golf course. All of these pictures are from today, April 21st. The bottom line is that this golf course is clearly in an overall state of serious deterioration. I would highly recommend you make an in-person visit soon (it is going to be 50+ degrees at GR this weekend) to the property, and see the status of such deterioration first hand. It is clear that changes need to be made and serious steps taken soon to keep the deterioration from getting even worse, and further hurting the value of the property.

2 – *Granby Ranch Amenities (GRA) management contract abandonment* – As clearly indicated by the above referenced photos, there has been and continues to be essentially no staff taking care of the golf course, and likely the balance of the property as well. GRA's efforts on the property itself related to either maintenance or opening of the Amenities (such as golf specifically) are addressed in the Management Agreement that Headwaters has with Granby Ranch Amenities (GRA). There are various places in this agreement where GRA has clearly not performed their required tasks associated with taking care of and properly "operating" the Amenities. In fact, it appears as though they have for all practical purposes abandoned the agreement as proven by the fact that they have zero maintenance or operations staff related to the golf operation and prepping for an opening of the golf course, for example. See photo (5) attached which shows an empty parking lot and zero staff at the golf maintenance facility today, and it was mid-50 degrees today, with this photo also taken today, April 21st. This golf course has typically opened in mid-May (Memorial Day at latest, weather pending) in recent years, while this course is obviously an abandoned golf course with no intention or ability of GRA to open anytime soon. I would therefore request that the Headwaters board consider terminating the management agreement immediately per clause 6.1(iii) in that GRA has ceased to operate the golf Amenity as required under the agreement, as any reasonable person would interpret the fact that GRA having no staff working and no intention to hire staff to work on opening the golf course as, for all practical purposes, "ceasing operations", and have already done so for a period of 30 days.

EXHIBIT K

6. DURATION AND TERMINATION

6.1 TERM. Except as provided in this Section 6.1, this Agreement shall be coterminous with the Lease. During the term of the Lease, District may not terminate the Manager except in the following instances: the Manager (i) files a petition or application seeki reorganization, arrangement under federal bankruptcy law, or other debtor relief under the laws of Colorado, (ii) is the subject of such a petition or application which is not contested by Manager, or otherwise dismissed or discharged, within 90 days or (iii) ceases to operate the Amenities for a period of more than 30 days for any reason other than force majeure or by agreement of the Parties. The Manager may terminate this Agreement at any time with 180 da written notice to District. Any successor manager of the Amenities shall be jointly selected by the Landlord and the District.

(NOTE: I am not sending this request to the other Headwaters board members (Dustin & Lance) as they are clearly conflicted since their employment is directly associated with GRA or GRH, which are described as affiliated companies in the opening paragraph of the management agreement itself, which means neither of them as Headwaters board members should be commenting or voting on formal Headwaters board matters related to the existing GRA agreement)

LEASED PREMISES MANAGEMENT AGREEMENT

This **LEASED PREMISES MANAGEMENT AGREEMENT** ("**Agreement**") is made and entered into as of the 31st day of December, 2012, by and among **HEADWATERS METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado ("**District**"); **GRANBY RANCH AMENITIES, LLC**, a Colorado limited liability company ("**Manager**") and together with District, the "**Parties**" and each a "**Party**"); and, as to Sections 4.1, 4.2 and 4.3 only, Granby Realty Holdings LLC, a Colorado limited liability company and affiliate of Manager ("**Granby Realty**").

Thank you in advance for your time and consideration of this information. Any feedback you may be able to provide would be appreciated.

Matt Girard

EXHIBIT K

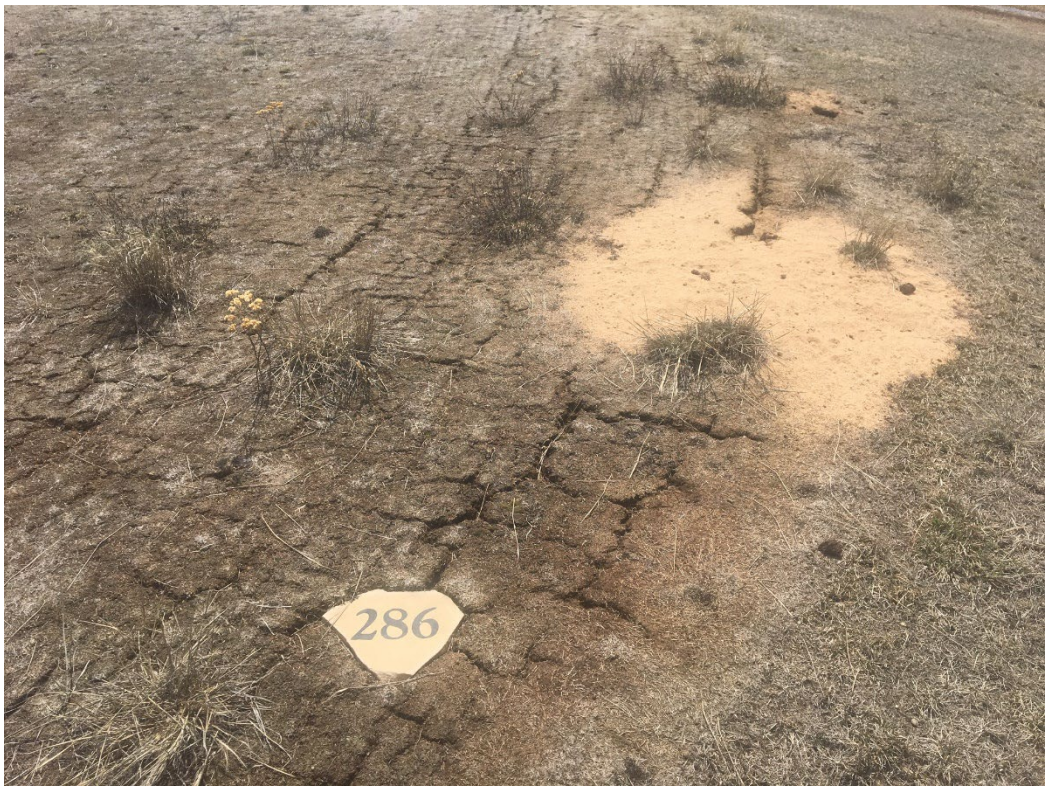

EXHIBIT K

EXHIBIT K

EXHIBIT K

EXHIBIT L

DAVIS GRAHAM & STUBBS

Christopher L. Richardson
303 892 7420
chris.richardson@dgslaw.com

November 11, 2020

Via FedEx Overnight Delivery and Email

Headwaters Metropolitan District
c/o Marchetti & Weaver LLC
28 Second Street, Suite 213
Edwards, CO 81632
Attn: Eric Weaver
eric@mwcpaa.com

Headwaters Metropolitan District
c/oWhite, Bear, Ankele, Tanaka, & Waldron
2154 E. Commons Ave, Suite 2000
Centennial, CO 80211,
Attn: Clint Waldron and Gary R. White
cwaldron@wbapc.com

Re: Notice Regarding Status of Second Amended and Restated Lease Purchase Agreement

Mr. Weaver and Mr. Waldron,

As you know, our firm represents Granby Prentice, LLC ("Granby Prentice") and GP Granby Holdings, LLC ("GPGH"). We write to follow up on our September 1, 2020 letter to Headwaters Metropolitan District ("Headwaters") regarding the Second Amended and Restated Lease Purchase Agreement, dated December 31, 2012, by and between Granby Realty Holdings LLC ("GRH") and Headwaters (the "Second A & R LPA"). Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Second A & R LPA.

GPGH acquired title to the Leased Premises via a non-judicial foreclosure proceeding completed through the Grand County Public Trustee. GRH and Headwaters both received formal notice of the foreclosure proceeding. The history of such proceeding is detailed in our earlier letter.

The non-judicial foreclosure proceeding operated to convey the Leased Premises to GPGH free and clear of all liens and encumbrances junior to the subject deed of trust, including the Second A & R LPA. *See* C.R.S. § 38-38-501.

To be clear, the Second A & R LPA no longer encumbers the Leased Premises, GPGH is not a successor to GRH under the Second A & R LPA, and GPGH is not bound by any terms, covenants, or provisions of the Second A & R LPA. Nevertheless, for the avoidance of doubt, and to whatever extent (if any) the Second A & R LPA is deemed still applicable to the Leased Premises or that GPGH is deemed the "Landlord" thereunder, on behalf our client, we are providing Headwaters notice that GPGH is hereby exercising

EXHIBIT L

any and all rights GPGH has to terminate the Second A & R LPA. Headwaters, the "Tenant" under the Second A & R LPA, has ceased to operate the Amenities for a period of more than thirty (30) days. Pursuant to Section 10 of the Second A & R LPA, and *only* to whatever extent the Second A & R LPA is still applicable to the Leased Premises, on behalf of our client, we hereby provide notice to Headwaters that GPGH is electing to terminate the Second A & R LPA due to such cessation of operations. To the extent not already terminated or extinguished by its terms or operation of law, the Second A & R LPA shall terminate pursuant to Section 10 and this notice at 12:01 a.m. on the date that is eleven (11) days after the later of (i) the date hereof or (ii) the date of receipt of this notice.

Please contact me if you have any questions regarding the foregoing.

Sincerely,

Christopher L. Richardson
Partner
for
DAVIS GRAHAM & STUBBS LLP
Attorneys for Granby Prentice, LLC and
GP Granby Holdings, LLC

EXHIBIT M

RECEPTION#: 2021005752, 05/20/2021 at 04:38:58 PM, 1 OF 30, R$158.00, , , Sara L. Rosene, Grand County Clerk and Recorder, Colorado

DISTRICT COURT, GRAND COUNTY, COLORADO Court Address: Grand County Combined Courts 307 Moffat Ave Hot Sulphur Springs, CO 80451 Telephone No.: (970) 725-3357	
Plaintiff: GRANBY RANCH METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado, **v.** **Defendants:** HEADWATERS METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado; GP GRANBY HOLDINGS, LLC.; Redwood Capital Finance Co., LLC; Granby Prentice, LLC.	▲COURT USE ONLY▲ Case No.: 2021CV030008 Div.: Rm.:
Counsel for Plaintiff: Charles E. Norton, #10633 Alicia M. Garcia, #53860 NORTON & SMITH, P.C. 600 17th Street, Suite 2150S Denver, Colorado 80202 Phone Number: (303) 292-6400 FAX Number: (303) 292-6401 E-mail: CNorton@NortonSmithLaw.com AGarcia@NortonSmithLaw.com	

NOTICE OF COMMENCEMENT OF ACTION

You will please take NOTICE that action has been commenced wherein relief is claimed affecting title to the following real property, and the improvements thereon, situated in Grand County, Colorado and more particularly described in Exhibit 1 attached hereto.

Dated this 20th day of May, 2021.

EXHIBIT M

Respectfully Submitted,

NORTON & SMITH,
A Professional Corporation

s/ Charles E. Norton
Charles E. Norton, #10633
Alicia M. Garcia, #53860
Counsel for Plaintiff

CERTIFICATE OF SERVICE

I certify that on the 20th day of May, 2021, a true and correct copy of the foregoing **NOTICE OF COMMENCEMENT OF ACTION** was served electronically and/or sent via U.S. Mail, postage prepaid to the following:

Mark Champoux, # 40480
Kyler Burgi, # 46479
DAVIS GRAHAM & STUBBS LLP
1550 17th Street, Suite 500
Denver, Colorado 80202
Telephone: 303.892.9400
mark.champoux@dgslaw.com
kyler.burgi@dgslaw.com
Attorneys for Defendant GP Granby Holdings, LLC

Marni Nathan Kloster, Reg. No. 34947
J. Andrew Nathan, Reg. No. 3295
NATHAN DUMM & MAYER P.C.
7900 E. Union Avenue, Suite 600
Denver, CO 80237-2776
Telephone: (303) 691-3737
MNathan@ndm-law.com
ANathan@ndm-law.com
Attorneys for Defendant Headwaters Metro. District

S/ Wynter B. Wells
Wynter B. Wells, Paralegal
NORTON & SMITH, P.C.

LEGAL DESCRIPTION NO. 11

LEASE PURCHASE AGREEMENT

PARCEL A

SHEET 1 OF 9

A PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 16, THE SOUTHEAST QUARTER OF SECTION 17, THE NORTHEAST QUARTER OF SECTION 20, THE NORTH HALF OF SECTION 21, AND THE NORTHWEST QUARTER OF SECTION 22, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID SECTION 16 AND CONSIDERING THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88°03'34" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;
THENCE SOUTH 05°26'12" WEST, A DISTANCE OF 462.06 FEET;
THENCE SOUTH 40°07'39" EAST, A DISTANCE OF 469.61 FEET;
THENCE SOUTH 04°18'25" EAST, A DISTANCE OF 462.16 FEET;
THENCE SOUTH 33°32'02" WEST, A DISTANCE OF 915.51 FEET;
THENCE SOUTH 81°08'12" WEST, A DISTANCE OF 1873.21 FEET;
THENCE NORTH 70°30'00" WEST, A DISTANCE OF 668.03 FEET;
THENCE NORTH 23°18'26" WEST, A DISTANCE OF 776.98 FEET;
THENCE NORTH 30°49'51" WEST, A DISTANCE OF 328.94 FEET;
THENCE NORTH 09°04'28" EAST, A DISTANCE OF 313.33 FEET;
THENCE NORTH 07°43'55" WEST, A DISTANCE OF 706.28 FEET;
THENCE SOUTH 83°39'49" WEST, A DISTANCE OF 179.60 FEET;
THENCE NORTH 18°13'07" WEST, A DISTANCE OF 396.49 FEET;
THENCE SOUTH 76°42'33" WEST, A DISTANCE OF 280.22 FEET;
THENCE SOUTH 14°43'51" EAST, A DISTANCE OF 570.85 FEET;
THENCE SOUTH 77°24'42" WEST, A DISTANCE OF 81.46 FEET;
THENCE NORTH 46°17'56" WEST, A DISTANCE OF 145.16 FEET;
THENCE SOUTH 83°40'40" WEST, A DISTANCE OF 588.82 FEET;
THENCE NORTH 81°31'51" WEST, A DISTANCE OF 451.14 FEET;
THENCE SOUTH 52°15'23" WEST, A DISTANCE OF 243.82 FEET;
THENCE SOUTH 45°27'54" WEST, A DISTANCE OF 446.51 FEET;
THENCE SOUTH 08°47'03" WEST, A DISTANCE OF 161.42 FEET TO A POINT ON THE WESTERLY BOUNDARY OF THE 7.80 ACRE OPEN SPACE PARCEL DEDICATED BY WESTRIDGE SUBDIVISION, THE PLAT OF WHICH IS RECORDED AT RECEPTION NO. 203775 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;
THENCE SOUTH 16°16'51" WEST, ALONG SAID WESTERLY BOUNDARY, A DISTANCE OF 502.04 FEET;
THENCE SOUTH 72°02'29" WEST, A DISTANCE OF 283.80 FEET;
THENCE SOUTH 46°48'58" WEST, A DISTANCE OF 229.29 FEET;
THENCE SOUTH 86°25'33" WEST, A DISTANCE OF 322.14 FEET;
THENCE NORTH 03°33'35" WEST, A DISTANCE OF 698.83 FEET TO A POINT OF CURVATURE;
THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 62°49'37", A RADIUS OF 210.00 FEET, AND AN ARC LENGTH OF 230.27 FEET;
THENCE NORTH 59°16'01" EAST, A DISTANCE OF 245.18 FEET TO A POINT OF CURVATURE;
THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 64°03'40", A RADIUS OF 190.00 FEET, AND AN ARC LENGTH OF 212.43 FEET;
THENCE NORTH 04°47'39" WEST, A DISTANCE OF 164.28 FEET TO A POINT OF CURVATURE;
THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 74°06'19", A RADIUS OF 190.00 FEET, AND AN ARC LENGTH OF 245.74 FEET;
THENCE NORTH 78°53'58" WEST, A DISTANCE OF 129.25 FEET TO A POINT OF CURVATURE;
THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 91°01'52", A RADIUS OF 210.00 FEET, AND AN ARC LENGTH OF 333.65 FEET;
THENCE NORTH 12°07'54" EAST, A DISTANCE OF 159.45 FEET;

CARROLL & LANGE-MANHARD
A MANHARD CONSULTING COMPANY
Professional Engineers & Land Surveyors
7442 South Tucson Way, Suite 190-A Centennial, Colorado 80112 (303) 708-0500

P:\Grhgrc2\dwg\Surv\Final Drawings\Exhibits Surv\2013 – Lease Purchase\...Purchase 11_010613 SCT

LEGAL DESCRIPTION NO. 11

LEASE PURCHASE AGREEMENT

PARCEL A CONTINUED ...

THENCE SOUTH 47°40'17" EAST, A DISTANCE OF 55.96 FEET;
THENCE NORTH 72°23'16" EAST, A DISTANCE OF 889.28 FEET;
THENCE SOUTH 55°44'06" EAST, A DISTANCE OF 525.10 FEET;
THENCE NORTH 70°01'41" EAST, A DISTANCE OF 466.83 FEET;
THENCE NORTH 15°21'32" EAST, A DISTANCE OF 175.69 FEET;
THENCE NORTH 80°19'01" EAST, A DISTANCE OF 138.25 FEET;
THENCE NORTH 53°59'13" EAST, A DISTANCE OF 276.17 FEET;
THENCE SOUTH 88°37'12" EAST, A DISTANCE OF 307.57 FEET;
THENCE NORTH 78°19'12" EAST, A DISTANCE OF 108.71 FEET;
THENCE SOUTH 85°51'25" EAST, A DISTANCE OF 695.64 FEET;
THENCE SOUTH 04°47'55" WEST, A DISTANCE OF 36.68 FEET;
THENCE SOUTH 65°56'43" EAST, A DISTANCE OF 627.82 FEET;
THENCE NORTH 88°45'26" EAST, A DISTANCE OF 178.77 FEET;
THENCE NORTH 44°10'34" EAST, A DISTANCE OF 929.57 FEET;
THENCE SOUTH 56°43'40" EAST, A DISTANCE OF 2016.36 FEET TO THE POINT OF BEGINNING,

SAID PARCEL CONTAINS A GROSS AREA OF 12,179,374 SQUARE FEET OR 279.60 ACRES, MORE OR LESS;

EXCEPT FROM SAID PARCEL A THE FOLLOWING DESCRIBED PARCEL:

THE 2.40 ACRE OPEN SPACE PARCEL SHOWN ON THE FINAL PLAT OF THE MOUNTAINSIDE AT SILVERCREEK PHASE I SUBDIVISION, ACCORDING TO THE PLAT RECORDED AT RECEPTION NO. 203319 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER, TOGETHER WITH THE 0.22 ACRE OPEN SPACE PARCEL SHOWN ON THE FINAL PLAT OF THE MOUNTAINSIDE AT SILVERCREEK PHASE II SUBDIVISION, ACCORDING TO THE PLAT RECORDED AT RECEPTION NO. 222486 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER LOCATED IN THE SOUTHEAST QUARTER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, SUBORDINATELY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER SAID SECTION 16 AND CONSIDERING THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88°03'34" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;
THENCE NORTH 73°01'23" EAST, A DISTANCE OF 1364.97 FEET TO THE POINT OF BEGINNING;
THENCE SOUTH 28°16'56" WEST, A DISTANCE OF 114.25 FEET;
THENCE NORTH 61°43'04" WEST, A DISTANCE OF 520.40 FEET;
THENCE NORTH 28°16'56" EAST, A DISTANCE OF 324.51 FEET;
THENCE SOUTH 39°43'04" EAST, A DISTANCE OF 561.27 FEET TO THE POINT OF BEGINNING;

SAID PARCEL CONTAINS AN AREA OF 114,164 SQUARE FEET OR 2.62 ACRES, MORE OR LESS.

SAID PARCEL A CONTAINS A NET AREA OF 12,065,210 SQUARE FEET OR 276.98 ACRES, MORE OR LESS.

TOGETHER WITH THE FOLLOWING DESCRIBED PARCEL:

PARCEL B

A PARCEL OF LAND LOCATED IN THE SOUTHEAST QUARTER OF SECTION 17 AND THE NORTHEAST QUARTER OF SECTION 20, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

CARROLL & LANGE-MANHARD
A MANHARD CONSULTING COMPANY
Professional Engineers & Land Surveyors
7442 South Tucson Way, Suite 190-A Centennial, Colorado 80112 (303) 708-0500

LEGAL DESCRIPTION NO. 11

LEASE PURCHASE AGREEMENT

PARCEL B CONTINUED ...

COMMENCING AT THE SOUTHEAST CORNER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, AND CONSIDERING THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88°03'34" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;
THENCE SOUTH 78°20'20" WEST, A DISTANCE OF 6915.33 FEET TO THE POINT OF BEGINNING;
THENCE NORTH 29°40'56" WEST, A DISTANCE OF 348.56 FEET;
THENCE NORTH 39°20'38" WEST, A DISTANCE OF 356.52 FEET;
THENCE NORTH 36°59'58" EAST, A DISTANCE OF 336.92 FEET;
THENCE NORTH 28°32'00" WEST, A DISTANCE OF 243.37 FEET;
THENCE NORTH 19°06'15" EAST, A DISTANCE OF 274.21 FEET;
THENCE NORTH 19°20'21" WEST, A DISTANCE OF 180.51 FEET;
THENCE NORTH 04°42'05" EAST, A DISTANCE OF 120.69 FEET TO A POINT ON A CURVE;
THENCE ALONG THE ARC OF A NON-TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 87°23'52", A RADIUS OF 210.00 FEET, AN ARC LENGTH OF 320.33 FEET, AND A CHORD THAT BEARS SOUTH 65°51'24" EAST;
THENCE SOUTH 22°09'28" EAST, A DISTANCE OF 416.94 FEET TO A POINT OF CURVATURE;
THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 51°27'15", A RADIUS OF 210.00 FEET, AND AN ARC LENGTH OF 188.59 FEET;
THENCE SOUTH 29°17'47" WEST, A DISTANCE OF 258.29 FEET TO A POINT OF CURVATURE;
THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 30°24'36", A RADIUS OF 190.00 FEET, AND AN ARC LENGTH OF 100.84 FEET;
THENCE SOUTH 01°06'49" EAST, A DISTANCE OF 588.47 FEET TO A POINT OF CURVATURE;
THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 04°15'11", A RADIUS OF 190.00 FEET, AND AN ARC LENGTH OF 14.10 FEET TO THE POINT OF BEGINNING;

SAID PARCEL CONTAINS AN AREA OF 448,639 SQUARE FEET OR 10.30 ACRES, MORE OR LESS.

TOGETHER WITH THE FOLLOWING DESCRIBED PARCEL:

PARCEL C

LOT 1, FIRST ADMINISTRATIVE PLAT AMENDMENT TO GRANBY RANCH FILING NO. 12, LOCATED IN THE SOUTHWEST QUARTER OF SECTION 16, TOWNSHIP 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, RECORDED SEPTEMBER 15, 2008 AT RECEPTION NO. 2008008905 IN THE TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO;

SAID PARCEL CONTAINS AN AREA OF 199,615 SQUARE FEET OR 4.583 ACRES, MORE OR LESS.

I, JAMES M. ROAKE, A SURVEYOR LICENSED IN THE STATE OF COLORADO, DO HEREBY CERTIFY THAT THE ABOVE LEGAL DESCRIPTION AND ATTACHED EXHIBIT WERE PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND CHECKING.

JAMES M. ROAKE, P.L.S. 37898
FOR AND ON BEHALF OF
CARROLL & LANGE, INC.

COLORADO REGISTERED JAMES MARTIN ROAKE 37898 1-7-13 PROFESSIONAL LAND SURVEYOR

1-7-13
DATE

CARROLL & LANGE-MANHARD
A MANHARD CONSULTING COMPANY

Professional Engineers & Land Surveyors
7442 South Tucson Way, Suite 190-A Centennial, Colorado 80112 (303) 708-0500

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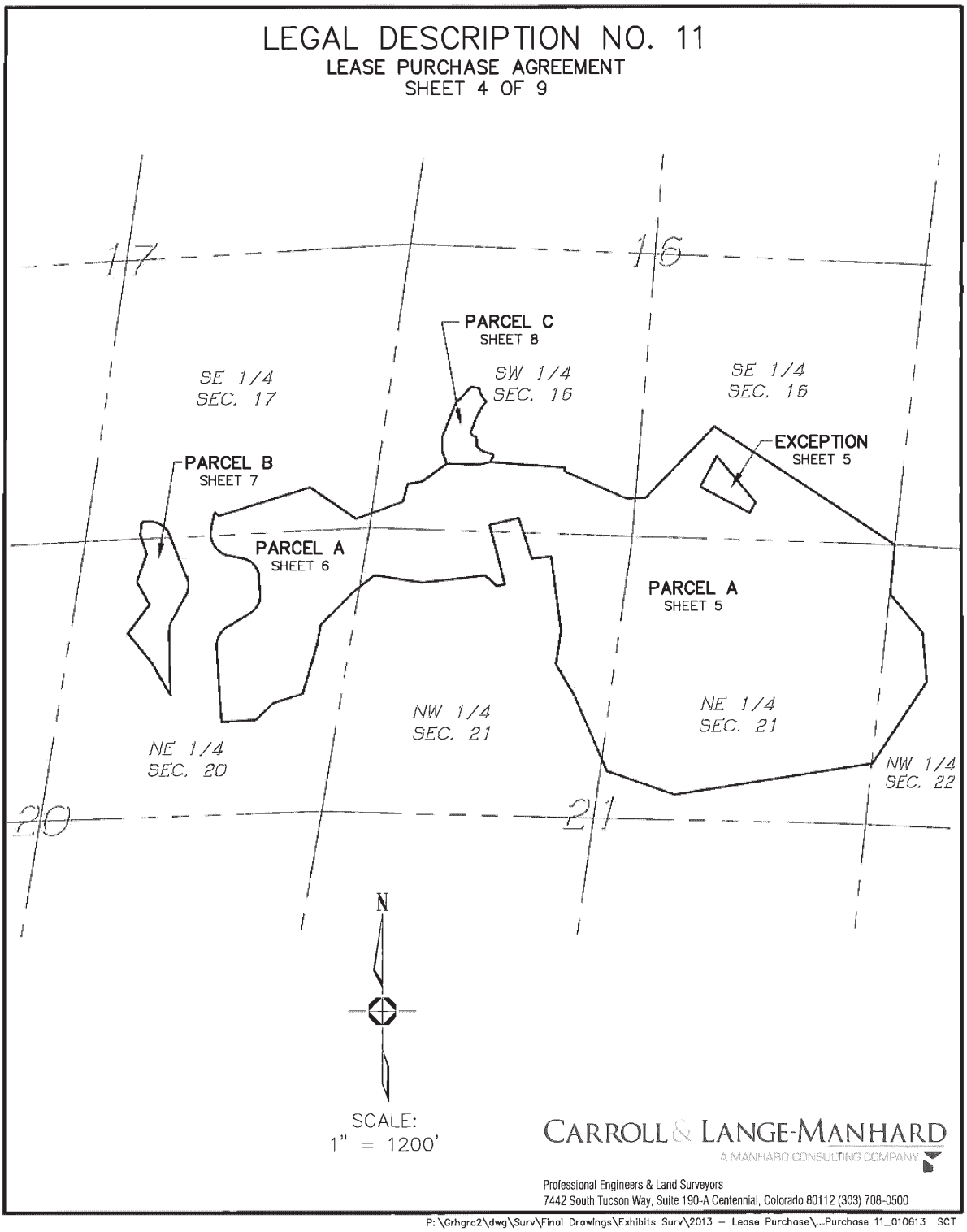
LEGAL DESCRIPTION NO. 11

LEASE PURCHASE AGREEMENT
SHEET 4 OF 9



CARROLL & LANGE-MANHARD
A MANHARD CONSULTING COMPANY

Professional Engineers & Land Surveyors
7442 South Tucson Way, Suite 190-A Centennial, Colorado 80112 (303) 708-0500

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EXHIBIT M

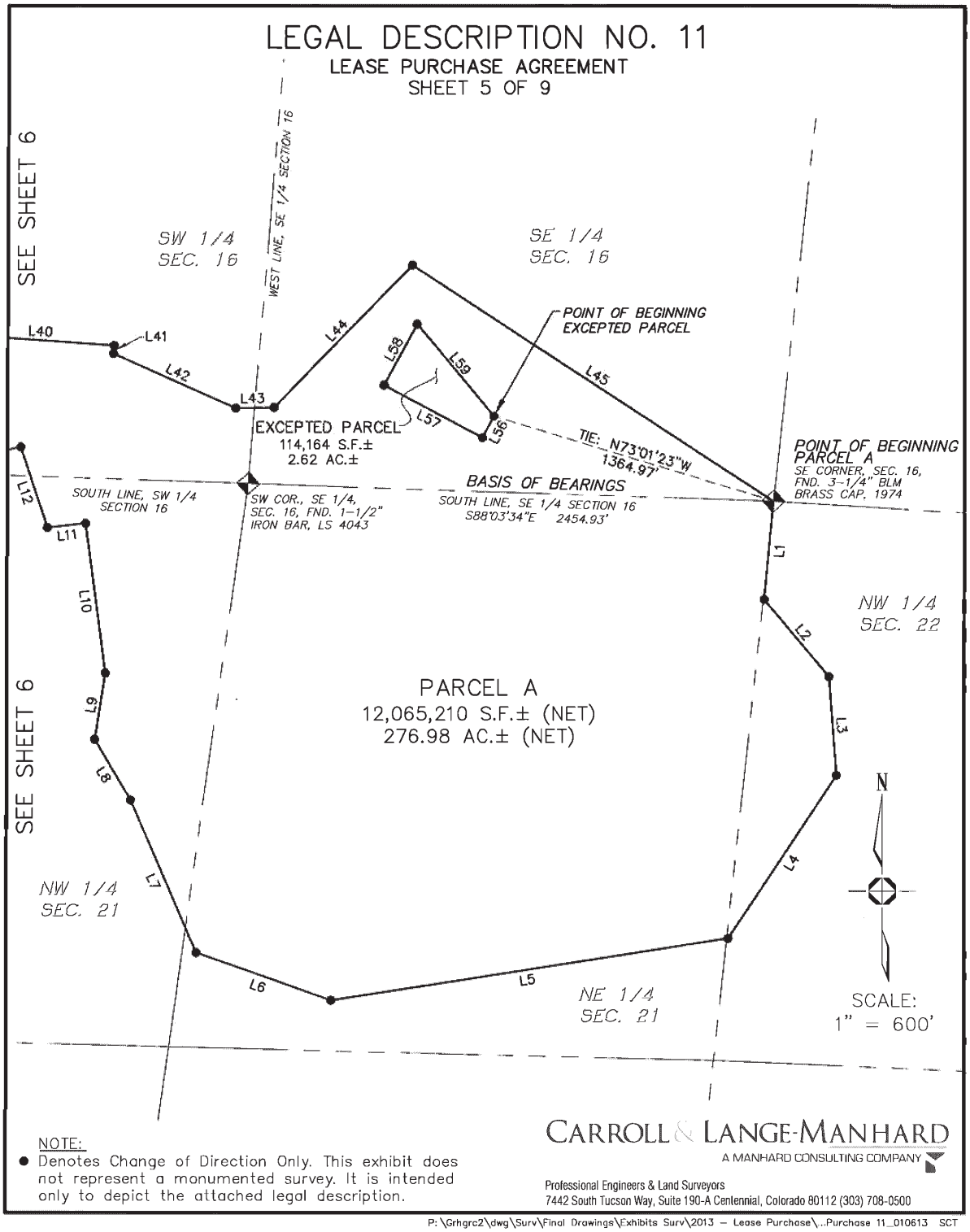
LEGAL DESCRIPTION NO. 11
LEASE PURCHASE AGREEMENT
SHEET 5 OF 9
SEE SHEET 6
SEE SHEET 6
SW 1/4
SEC. 16
SE 1/4
SEC. 16
WEST LINE, SE 1/4 SECTION 16
POINT OF BEGINNING
EXCEPTED PARCEL
L40
L41
L42
L43
L44
L45
L56
L57
L58
L59
EXCEPTED PARCEL
114,164 S.F.±
2.62 AC.±
TIE: N73°01'23"W
1364.97'
POINT OF BEGINNING
PARCEL A
SE CORNER, SEC. 16,
FND. 3-1/4" BLM
BRASS CAP, 1974
BASIS OF BEARINGS
SOUTH LINE, SE 1/4 SECTION 16
S88°03'34"E 2454.93'
SOUTH LINE, SW 1/4
SECTION 16
SW COR., SE 1/4,
SEC. 16, FND. 1-1/2"
IRON BAR, LS 4043
L12
L11
L10
L9
L8
L7
L6
L5
L4
L3
L2
L1
PARCEL A
12,065,210 S.F.± (NET)
276.98 AC.± (NET)
NW 1/4
SEC. 22
NW 1/4
SEC. 21
NE 1/4
SEC. 21
N
SCALE:
1" = 600'
NOTE:
● Denotes Change of Direction Only. This exhibit does not represent a monumented survey. It is intended only to depict the attached legal description.
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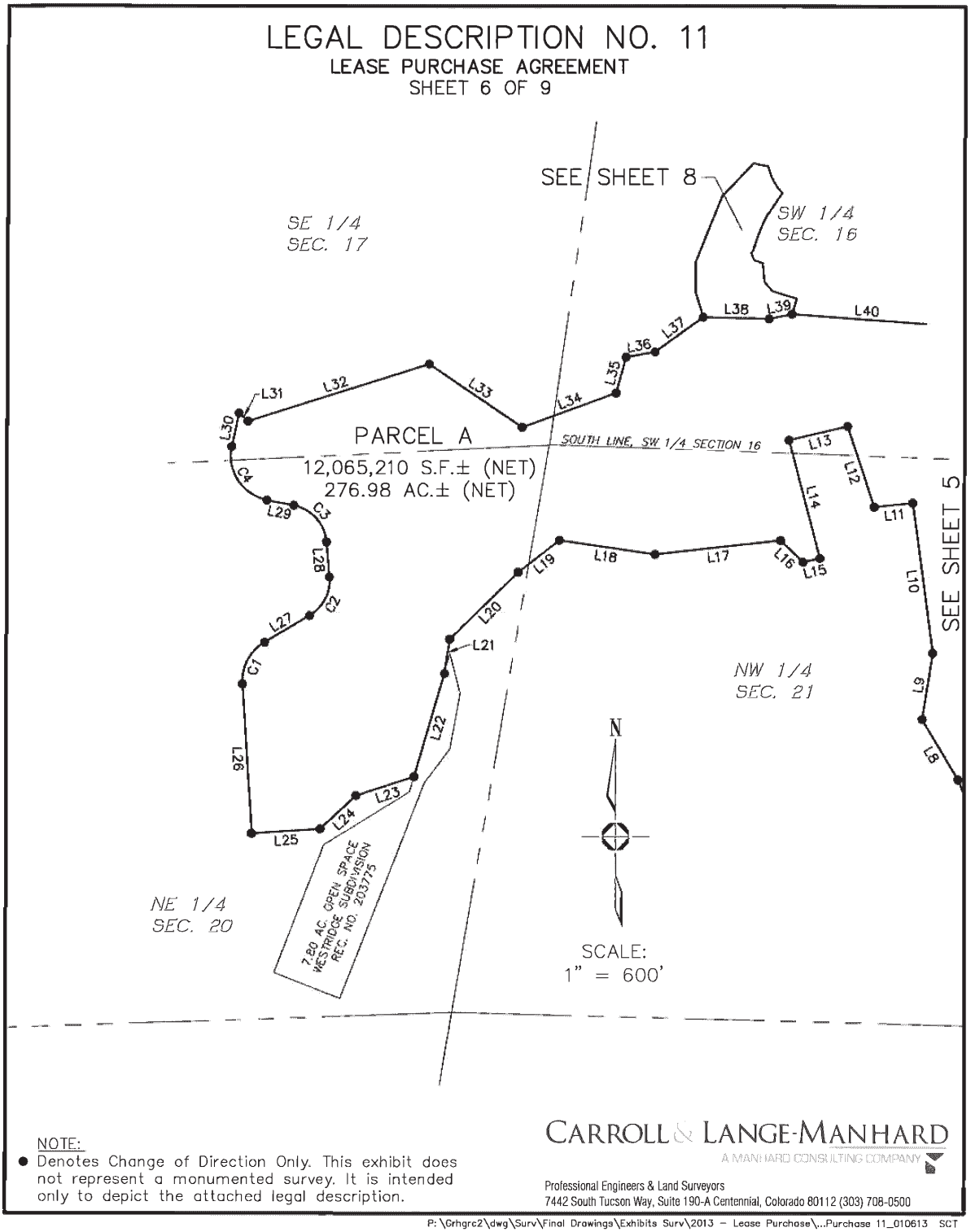
EXHIBIT M

LEGAL DESCRIPTION NO. 11

LEASE PURCHASE AGREEMENT

SHEET 6 OF 9



NOTE:

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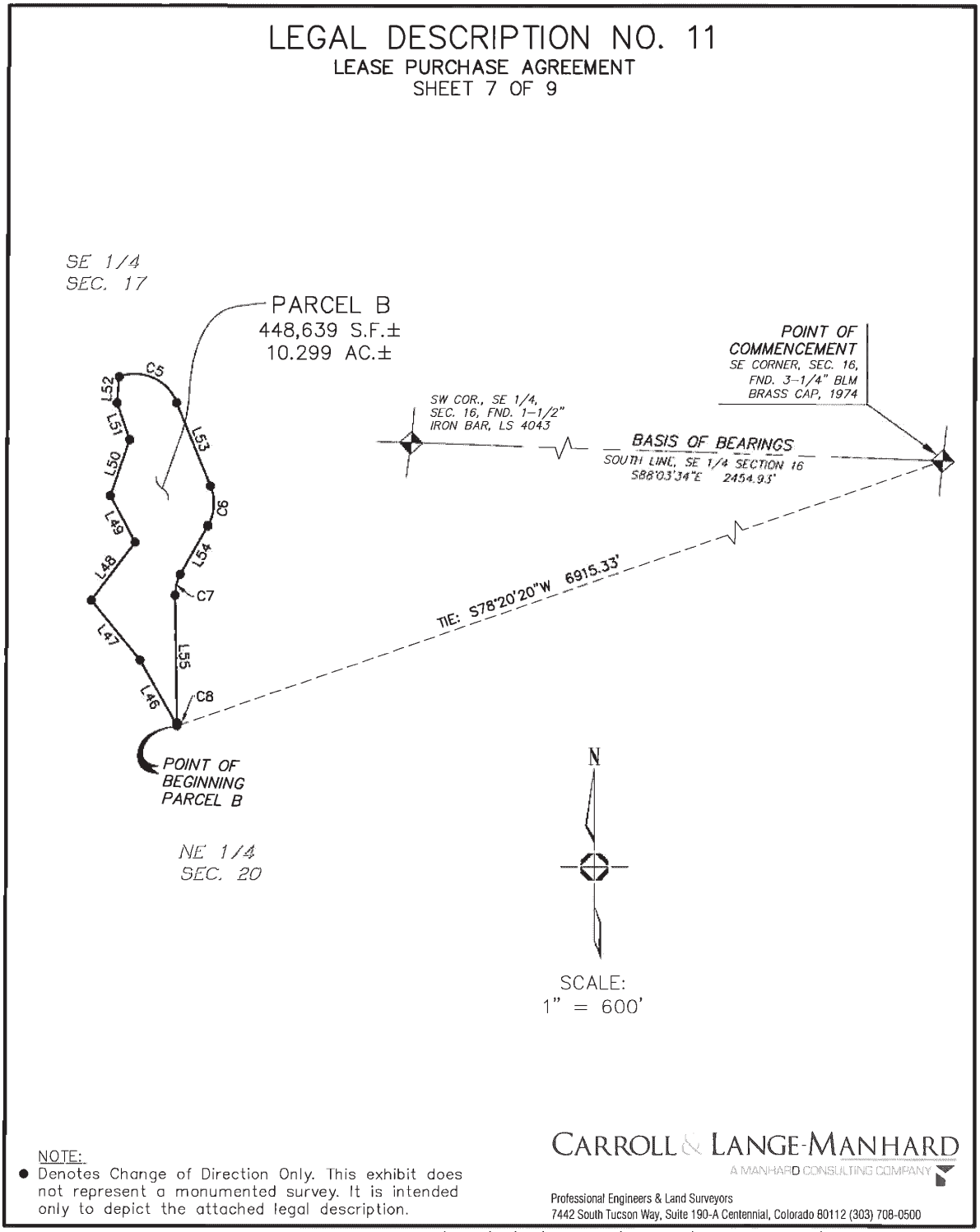
LEGAL DESCRIPTION NO. 11

LEASE PURCHASE AGREEMENT

SHEET 7 OF 9



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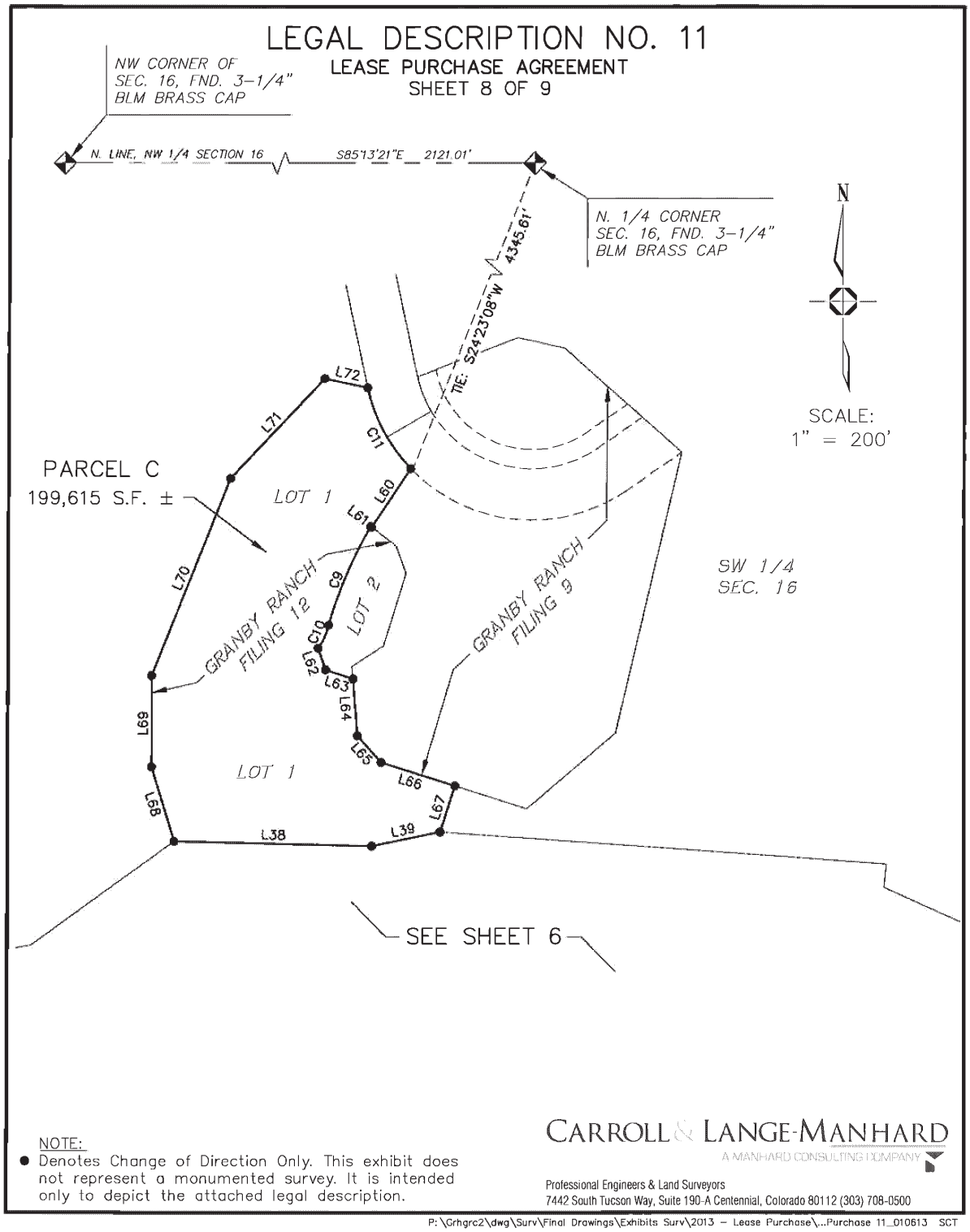
LEGAL DESCRIPTION NO. 11
LEASE PURCHASE AGREEMENT
SHEET 8 OF 9
NW CORNER OF SEC. 16, FND. 3-1/4" BLM BRASS CAP
N. LINE, NW 1/4 SECTION 16
S85°13'21"E 2121.01'
N. 1/4 CORNER SEC. 16, FND. 3-1/4" BLM BRASS CAP
TIE: S24°23'08"W 4345.61'
N
SCALE: 1" = 200'
PARCEL C
199,615 S.F. ±
LOT 1
LOT 2
LOT 1
GRANBY RANCH FILING 12
GRANBY RANCH FILING 9
SW 1/4 SEC. 16
L72
L71
C11
L60
L61
L70
C9
C10
L62
L63
L64
L65
L66
L67
L69
L68
L38
L39
SEE SHEET 6
NOTE:
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EXHIBIT M

LEGAL DESCRIPTION NO. 11

LEASE PURCHASE AGREEMENT

SHEET 9 OF 9

LINE TABLE		
LINE	LENGTH	BEARING
L1	462.06'	S05°26'12"W
L2	469.61'	S40°07'39"E
L3	462.16'	S04°18'25"E
L4	915.51'	S33°32'02"W
L5	1873.21'	S81°08'12"W
L6	668.03'	N70°30'00"W
L7	776.98'	N23°18'26"W
L8	328.94'	N30°49'51"W
L9	313.33'	N09°04'28"E
L10	706.28'	N07°43'55"W
L11	179.60'	S83°39'49"W
L12	396.49'	N18°13'07"W
L13	280.22'	S76°42'33"W
L14	570.85'	S14°43'51"E
L15	81.46'	S77°24'42"W
L16	145.16'	N46°17'56"W
L17	588.82'	S83°40'40"W
L18	451.13'	N81°31'51"W
L19	243.82'	S52°15'23"W
L20	446.51'	S45°27'54"W
L21	161.42'	S08°47'03"W
L22	502.04'	S16°16'51"W
L23	283.80'	S72°02'29"W
L24	229.29'	S46°48'58"W
L25	322.14'	S86°25'33"W
L26	698.83'	N03°33'35"W
L27	245.18'	N59°16'01"E
L28	164.28'	N04°47'39"W
L29	129.25'	N78°53'58"W
L30	159.45'	N12°07'54"E
L31	55.96'	S47°40'17"E
L32	889.28'	N72°23'16"E
L33	525.10'	S55°44'06"E
L34	466.83'	N70°01'41"E
L35	175.69'	N15°21'32"E
L36	138.25'	N80°19'01"E

LINE TABLE		
LINE	LENGTH	BEARING
L37	276.17'	N53°59'13"E
L38	307.57'	S88°37'12"E
L39	108.71'	N78°19'12"E
L40	695.64'	S85°51'25"E
L41	36.68'	S04°47'55"W
L42	627.82'	S65°56'43"E
L43	178.77'	N88°45'26"E
L44	929.57'	N44°10'34"E
L45	2016.36'	S56°43'40"E
L46	348.56'	N29°40'56"W
L47	356.52'	N39°20'38"W
L48	336.92'	N36°59'58"E
L49	243.37'	N28°32'00"W
L50	274.21'	N19°06'15"E
L51	180.51'	N19°20'21"W
L52	120.69'	N04°42'05"E
L53	416.94'	S22°09'28"E
L54	258.29'	S29°17'47"W
L55	588.47'	S01°06'49"E
L56	114.25'	S28°16'56"W
L57	520.40'	N61°43'04"W
L58	324.51'	N28°16'56"E
L59	561.27'	S39°43'04"E
L60	109.64'	S33°51'35"W
L61	1.62'	N52°18'05"W
L62	35.32	S19°31'53"E
L63	45.09	S71°02'21"E
L64	88.48'	S04°19'36"E
L65	55.91	S41°58'51"E
L66	120.53	S72°14'42"E
L67	75.17'	S17°45'19"W
L68	121.46	N17°08'17"W
L69	142.09	N00°00'00"E
L70	330.83	N21°46'58"E
L71	213.94'	N43°15'18"E
L72	68.26'	S77°58'44"E

CURVE TABLE				
CURVE	DELTA	RADIUS	LENGTH	BEARING
C1	62°49'37"	210.00'	230.27'	N27°51'13"E
C2	64°03'40"	190.00'	212.43'	N27°14'11"E
C3	74°06'19"	190.00'	245.74'	N41°50'48"W
C4	91°01'52"	210.00'	333.65'	N33°23'02"W
C5	87°23'52"	210.00'	320.33'	S65°51'24"E
C6	51°27'15"	210.00'	188.59'	S03°34'09"W
C7	30°24'36"	190.00'	100.84'	S14°05'29"W
C8	04°15'11"	190.00'	14.10'	S03°14'24"E
C9	13°45'13"	698.00'	167.55'	S22°59'47"W
C10	17°14'51"	132.00'	39.74'	S24°44'36"W
C11	31°44'20"	262.00'	145.14'	S28°04'58"E

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LEGAL DESCRIPTION NO. 12

LEASE PURCHASE AGREEMENT

PARCEL A

SHEET 1 OF 20

A PARCEL OF LAND LOCATED IN THE SOUTHWEST QUARTER OF SECTION 9 AND THE NORTHWEST QUARTER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SAID SECTION 16 AND CONSIDERING THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88°38'53" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;
THENCE NORTH 26°44'12" WEST, A DISTANCE OF 571.88 FEET TO THE POINT OF BEGINNING;
THENCE SOUTH 10°49'06" EAST, A DISTANCE OF 171.78 FEET;
THENCE SOUTH 31°11'51" WEST, A DISTANCE OF 69.43 FEET;
THENCE SOUTH 30°16'00" EAST, A DISTANCE OF 215.08 FEET;
THENCE SOUTH 04°11'05" EAST, A DISTANCE OF 200.36 FEET;
THENCE SOUTH 22°03'30" WEST, A DISTANCE OF 190.31 FEET;
THENCE SOUTH 23°39'38" WEST, A DISTANCE OF 264.41 FEET;
THENCE SOUTH 24°58'22" WEST, A DISTANCE OF 115.00 FEET;
THENCE SOUTH 10°51'59" WEST, A DISTANCE OF 86.25 FEET;
THENCE SOUTH 30°43'41" WEST, A DISTANCE OF 238.89 FEET;
THENCE SOUTH 41°30'36" WEST, A DISTANCE OF 87.33 FEET;
THENCE SOUTH 18°22'17" WEST, A DISTANCE OF 99.73 FEET;
THENCE SOUTH 39°28'33" WEST, A DISTANCE OF 65.32 FEET;
THENCE SOUTH 11°27'17" WEST, A DISTANCE OF 75.79 FEET;
THENCE SOUTH 55°40'15" WEST, A DISTANCE OF 123.34 FEET;
THENCE SOUTH 13°38'01" WEST, A DISTANCE OF 64.58 FEET;
THENCE SOUTH 47°16'02" WEST, A DISTANCE OF 87.81 FEET;
THENCE NORTH 86°35'47" WEST, A DISTANCE OF 65.54 FEET;
THENCE SOUTH 78°18'36" WEST, A DISTANCE OF 131.94 FEET;
THENCE SOUTH 51°51'24" WEST, A DISTANCE OF 67.58 FEET;
THENCE SOUTH 67°51'37" WEST, A DISTANCE OF 109.15 FEET;
THENCE SOUTH 11°11'42" WEST, A DISTANCE OF 122.16 FEET;
THENCE SOUTH 69°13'13" WEST, A DISTANCE OF 188.52 FEET;
THENCE SOUTH 54°18'35" WEST, A DISTANCE OF 134.87 FEET;
THENCE NORTH 52°47'23" WEST, A DISTANCE OF 52.62 FEET;
THENCE SOUTH 78°05'00" WEST, A DISTANCE OF 71.47 FEET;
THENCE SOUTH 41°40'33" WEST, A DISTANCE OF 32.64 FEET;
THENCE SOUTH 00°36'21" WEST, A DISTANCE OF 49.50 FEET;
THENCE SOUTH 36°08'18" WEST, A DISTANCE OF 71.00 FEET;
THENCE SOUTH 51°14'10" WEST, A DISTANCE OF 68.71 FEET;
THENCE NORTH 76°12'40" WEST, A DISTANCE OF 75.76 FEET;
THENCE NORTH 36°58'35" WEST, A DISTANCE OF 49.72 FEET;
THENCE NORTH 10°19'49" WEST, A DISTANCE OF 114.91 FEET;
THENCE NORTH 24°05'05" EAST, A DISTANCE OF 63.10 FEET;
THENCE NORTH 15°11'40" WEST, A DISTANCE OF 155.34 FEET;
THENCE NORTH 87°04'56" WEST, A DISTANCE OF 83.10 FEET;
THENCE NORTH 65°31'18" WEST, A DISTANCE OF 60.38 FEET;
THENCE NORTH 11°40'03" EAST, A DISTANCE OF 65.27 FEET;
THENCE SOUTH 85°25'56" EAST, A DISTANCE OF 85.07 FEET;

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LEGAL DESCRIPTION NO. 12

LEASE PURCHASE AGREEMENT

PARCEL A CONTINUED ... SHEET 2 OF 20

THENCE SOUTH 72°57'12" EAST, A DISTANCE OF 111.59 FEET;
THENCE NORTH 59°41'08" EAST, A DISTANCE OF 67.87 FEET;
THENCE NORTH 87°25'31" EAST, A DISTANCE OF 96.77 FEET;
THENCE NORTH 35°17'22" EAST, A DISTANCE OF 85.17 FEET;
THENCE NORTH 42°20'14" EAST, A DISTANCE OF 173.28 FEET;
THENCE NORTH 67°27'08" EAST, A DISTANCE OF 187.78 FEET;
THENCE NORTH 53°50'25" EAST, A DISTANCE OF 183.67 FEET;
THENCE NORTH 42°27'46" EAST, A DISTANCE OF 122.32 FEET;
THENCE NORTH 64°40'04" EAST, A DISTANCE OF 60.50 FEET;
THENCE NORTH 28°59'59" EAST, A DISTANCE OF 74.31 FEET;
THENCE NORTH 01°00'12" WEST, A DISTANCE OF 170.85 FEET;
THENCE NORTH 41°17'24" EAST, A DISTANCE OF 74.77 FEET;
THENCE NORTH 15°21'08" EAST, A DISTANCE OF 57.99 FEET;
THENCE NORTH 31°53'32" EAST, A DISTANCE OF 133.53 FEET;
THENCE SOUTH 86°38'08" EAST, A DISTANCE OF 65.21 FEET;
THENCE NORTH 06°10'55" EAST, A DISTANCE OF 64.88 FEET;
THENCE NORTH 46°20'47" EAST, A DISTANCE OF 106.06 FEET;
THENCE NORTH 44°41'02" EAST, A DISTANCE OF 67.03 FEET;
THENCE NORTH 02°52'47" EAST, A DISTANCE OF 203.27 FEET;
THENCE NORTH 10°49'47" EAST, A DISTANCE OF 141.19 FEET;
THENCE NORTH 25°50'54" EAST, A DISTANCE OF 204.17 FEET;
THENCE NORTH 33°56'56" EAST, A DISTANCE OF 113.87 FEET;
THENCE NORTH 11°18'19" EAST, A DISTANCE OF 161.91 FEET;
THENCE NORTH 59°56'47" EAST, A DISTANCE OF 145.06 FEET;
THENCE SOUTH 56°47'03" EAST, A DISTANCE OF 49.98 FEET TO THE POINT OF BEGINNING;

CONTAINING A CALCULATED AREA OF 1,156,452 SQUARE FEET OR 26.548 ACRES, MORE OR LESS;

TOGETHER WITH THE FOLLOWING DESCRIBED PARCEL:

PARCEL B

A PARCEL OF LAND LOCATED IN THE WEST HALF OF SECTION 9, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, AND CONSIDERING THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88°38'53" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;
THENCE NORTH 48°58'10" WEST, A DISTANCE OF 949.01 FEET TO THE POINT OF BEGINNING;
THENCE SOUTH 27°39'05" WEST, A DISTANCE OF 149.56 FEET;
THENCE NORTH 21°49'51" WEST, A DISTANCE OF 85.31 FEET;
THENCE NORTH 02°16'58" EAST, A DISTANCE OF 95.73 FEET;
THENCE NORTH 19°40'54" WEST, A DISTANCE OF 122.30 FEET;
THENCE NORTH 02°50'12" WEST, A DISTANCE OF 91.94 FEET;
THENCE NORTH 18°59'59" WEST, A DISTANCE OF 114.67 FEET;

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LEGAL DESCRIPTION NO. 12

LEASE PURCHASE AGREEMENT

PARCEL B CONTINUED ...

THENCE SOUTH 90°00'00" WEST, A DISTANCE OF 31.02 FEET;
THENCE SOUTH 31°07'32" WEST, A DISTANCE OF 78.31 FEET;
THENCE SOUTH 05°20'45" WEST, A DISTANCE OF 120.20 FEET;
THENCE SOUTH 02°26'45" WEST, A DISTANCE OF 100.38 FEET;
THENCE SOUTH 04°02'51" WEST, A DISTANCE OF 204.18 FEET;
THENCE SOUTH 14°20'29" WEST, A DISTANCE OF 164.88 FEET;
THENCE SOUTH 21°12'57" WEST, A DISTANCE OF 70.29 FEET;
THENCE SOUTH 60°57'36" WEST, A DISTANCE OF 110.15 FEET;
THENCE NORTH 87°13'39" WEST, A DISTANCE OF 90.06 FEET;
THENCE NORTH 15°02'55" WEST, A DISTANCE OF 141.96 FEET;
THENCE NORTH 04°12'38" EAST, A DISTANCE OF 152.32 FEET;
THENCE NORTH 06°26'21" EAST, A DISTANCE OF 190.62 FEET;
THENCE NORTH 17°54'52" WEST, A DISTANCE OF 121.68 FEET;
THENCE NORTH 06°21'04" EAST, A DISTANCE OF 102.49 FEET;
THENCE NORTH 15°56'21" EAST, A DISTANCE OF 313.13 FEET;
THENCE NORTH 12°24'16" EAST, A DISTANCE OF 262.38 FEET;
THENCE NORTH 04°53'46" EAST, A DISTANCE OF 264.05 FEET;
THENCE NORTH 39°38'10" EAST, A DISTANCE OF 35.47 FEET;
THENCE NORTH 78°38'27" EAST, A DISTANCE OF 108.22 FEET;
THENCE NORTH 12°11'54" EAST, A DISTANCE OF 144.88 FEET;
THENCE NORTH 57°01'32" EAST, A DISTANCE OF 81.13 FEET;
THENCE NORTH 35°24'11" EAST, A DISTANCE OF 58.37 FEET;
THENCE NORTH 39°59'50" EAST, A DISTANCE OF 125.13 FEET;
THENCE NORTH 25°56'46" EAST, A DISTANCE OF 148.00 FEET;
THENCE NORTH 34°59'42" EAST, A DISTANCE OF 89.86 FEET;
THENCE NORTH 18°57'13" EAST, A DISTANCE OF 120.37 FEET;
THENCE NORTH 28°31'37" EAST, A DISTANCE OF 79.61 FEET;
THENCE NORTH 04°37'14" EAST, A DISTANCE OF 66.36 FEET;
THENCE NORTH 20°45'26" EAST, A DISTANCE OF 119.34 FEET;
THENCE NORTH 34°01'38" EAST, A DISTANCE OF 57.73 FEET;
THENCE NORTH 51°45'22" EAST, A DISTANCE OF 75.61 FEET;
THENCE NORTH 61°34'35" EAST, A DISTANCE OF 222.24 FEET;
THENCE SOUTH 63°32'41" EAST, A DISTANCE OF 106.62 FEET;
THENCE SOUTH 77°22'29" EAST, A DISTANCE OF 81.80 FEET;
THENCE NORTH 78°50'24" EAST, A DISTANCE OF 160.26 FEET;
THENCE SOUTH 86°01'42" EAST, A DISTANCE OF 96.95 FEET;
THENCE NORTH 67°15'54" EAST, A DISTANCE OF 60.50 FEET;
THENCE NORTH 82°24'59" EAST, A DISTANCE OF 39.98 FEET;
THENCE SOUTH 39°09'53" EAST, A DISTANCE OF 36.16 FEET;
THENCE SOUTH 05°49'59" WEST, A DISTANCE OF 88.47 FEET;
THENCE SOUTH 35°11'24" EAST, A DISTANCE OF 49.09 FEET;
THENCE NORTH 62°06'13" EAST, A DISTANCE OF 68.56 FEET;
THENCE SOUTH 18°17'35" EAST, A DISTANCE OF 86.80 FEET;

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LEGAL DESCRIPTION NO. 12

LEASE PURCHASE AGREEMENT
SHEET 4 OF 20

PARCEL B CONTINUED ...

THENCE SOUTH 16°56'59" EAST, A DISTANCE OF 73.19 FEET;
THENCE NORTH 66°29'56" WEST, A DISTANCE OF 70.79 FEET;
THENCE SOUTH 81°00'13" WEST, A DISTANCE OF 89.18 FEET;
THENCE SOUTH 44°58'52" WEST, A DISTANCE OF 45.06 FEET;
THENCE SOUTH 12°28'45" EAST, A DISTANCE OF 51.01 FEET;
THENCE NORTH 76°57'53" EAST, A DISTANCE OF 52.93 FEET;
THENCE SOUTH 79°49'58" EAST, A DISTANCE OF 49.58 FEET;
THENCE SOUTH 07°39'34" WEST, A DISTANCE OF 86.53 FEET;
THENCE SOUTH 24°56'04" EAST, A DISTANCE OF 104.72 FEET;
THENCE SOUTH 23°49'54" WEST, A DISTANCE OF 57.42 FEET;
THENCE SOUTH 50°21'02" WEST, A DISTANCE OF 249.87 FEET;
THENCE SOUTH 64°05'45" WEST, A DISTANCE OF 307.77 FEET;
THENCE SOUTH 45°21'15" WEST, A DISTANCE OF 217.70 FEET;
THENCE SOUTH 17°45'31" EAST, A DISTANCE OF 94.51 FEET;
THENCE SOUTH 41°28'07" WEST, A DISTANCE OF 218.66 FEET;
THENCE SOUTH 24°48'52" WEST, A DISTANCE OF 98.87 FEET;
THENCE SOUTH 18°35'35" EAST, A DISTANCE OF 144.24 FEET;
THENCE SOUTH 09°37'22" EAST, A DISTANCE OF 102.50 FEET;
THENCE SOUTH 12°47'12" WEST, A DISTANCE OF 140.40 FEET;
THENCE NORTH 89°19'22" EAST, A DISTANCE OF 57.18 FEET;
THENCE SOUTH 65°15'57" EAST, A DISTANCE OF 43.57 FEET;
THENCE SOUTH 04°34'27" WEST, A DISTANCE OF 90.43 FEET;
THENCE SOUTH 16°53'14" WEST, A DISTANCE OF 120.22 FEET;
THENCE NORTH 89°17'49" WEST, A DISTANCE OF 102.69 FEET;
THENCE SOUTH 71°44'29" WEST, A DISTANCE OF 214.86 FEET;
THENCE SOUTH 25°49'26" WEST, A DISTANCE OF 86.57 FEET;
THENCE SOUTH 17°12'32" WEST, A DISTANCE OF 143.89 FEET;
TO THE POINT OF BEGINNING;

CONTAINING A CALCULATED AREA OF 1,899,822 SQUARE FEET OR 43.614 ACRES, MORE OR LESS;

TOGETHER WITH THE FOLLOWING DESCRIBED PARCEL:

PARCEL C

A PARCEL OF LAND LOCATED IN THE NORTHEAST QUARTER OF SECTION 9, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, AND CONSIDERING THE

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LEGAL DESCRIPTION NO. 12

LEASE PURCHASE AGREEMENT

SHEET 5 OF 20

PARCEL C CONTINUED ...

NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88°38'53" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;
THENCE NORTH 23°23'47" EAST, A DISTANCE OF 4054.03 FEET TO THE POINT OF BEGINNING;
THENCE NORTH 22°32'13" WEST, A DISTANCE OF 67.33 FEET;
THENCE NORTH 41°45'40" WEST, A DISTANCE OF 65.72 FEET;
THENCE NORTH 36°12'35" WEST, A DISTANCE OF 70.46 FEET;
THENCE NORTH 09°47'35" WEST, A DISTANCE OF 83.86 FEET;
THENCE NORTH 57°14'35" EAST, A DISTANCE OF 142.17 FEET;
THENCE NORTH 28°15'10" EAST, A DISTANCE OF 79.96 FEET;
THENCE NORTH 42°41'22" EAST, A DISTANCE OF 66.46 FEET;
THENCE NORTH 22°46'58" EAST, A DISTANCE OF 58.81 FEET;
THENCE NORTH 05°42'12" WEST, A DISTANCE OF 135.05 FEET;
THENCE NORTH 41°20'11" WEST, A DISTANCE OF 36.09 FEET;
THENCE SOUTH 83°42'01" WEST, A DISTANCE OF 51.56 FEET;
THENCE NORTH 35°04'28" WEST, A DISTANCE OF 61.74 FEET;
THENCE SOUTH 86°15'56" WEST, A DISTANCE OF 74.59 FEET;
THENCE NORTH 05°59'49" WEST, A DISTANCE OF 18.59 FEET;
THENCE NORTH 80°55'02" EAST, A DISTANCE OF 277.05 FEET;
THENCE SOUTH 13°11'14" EAST, A DISTANCE OF 28.80 FEET;
THENCE SOUTH 27°32'14" WEST, A DISTANCE OF 43.04 FEET;
THENCE SOUTH 17°59'41" EAST, A DISTANCE OF 57.88 FEET;
THENCE SOUTH 00°00'42" EAST, A DISTANCE OF 115.67 FEET;
THENCE SOUTH 05°21'27" EAST, A DISTANCE OF 109.22 FEET;
THENCE SOUTH 37°30'03" WEST, A DISTANCE OF 103.69 FEET;
THENCE SOUTH 05°33'23" WEST, A DISTANCE OF 183.33 FEET;
THENCE SOUTH 37°55'57" EAST, A DISTANCE OF 77.94 FEET;
THENCE SOUTH 18°18'43" WEST, A DISTANCE OF 59.33 FEET;
THENCE SOUTH 56°19'33" WEST, A DISTANCE OF 82.46 FEET;
THENCE NORTH 82°20'58" WEST, A DISTANCE OF 68.14 FEET TO THE POINT OF BEGINNING;

CONTAINING A CALCULATED AREA OF 116,372 SQUARE FEET OR 2.672 ACRES, MORE OR LESS;

TOGETHER WITH THE FOLLOWING DESCRIBED PARCEL:

PARCEL D

A PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 4 AND THE NORTH HALF OF SECTION 9, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, AND CONSIDERING THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88°38'53" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;

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LEGAL DESCRIPTION NO. 12

LEASE PURCHASE AGREEMENT

PARCEL D CONTINUED ... SHEET 6 OF 20

THENCE NORTH 24°07'19" EAST, A DISTANCE OF 5292.12 FEET TO THE POINT OF BEGINNING;
THENCE SOUTH 78°47'25" WEST, A DISTANCE OF 163.25 FEET;
THENCE SOUTH 35°19'21" WEST, A DISTANCE OF 132.49 FEET;
THENCE SOUTH 51°31'58" WEST, A DISTANCE OF 66.16 FEET;
THENCE SOUTH 83°14'12" WEST, A DISTANCE OF 60.79 FEET;
THENCE NORTH 68°06'15" WEST, A DISTANCE OF 21.21 FEET;
THENCE SOUTH 60°38'26" WEST, A DISTANCE OF 368.49 FEET;
THENCE SOUTH 68°38'33" WEST, A DISTANCE OF 53.15 FEET;
THENCE SOUTH 80°51'55" WEST, A DISTANCE OF 47.32 FEET;
THENCE NORTH 72°12'48" WEST, A DISTANCE OF 94.40 FEET;
THENCE NORTH 61°57'12" WEST, A DISTANCE OF 93.32 FEET;
THENCE NORTH 82°07'24" WEST, A DISTANCE OF 87.35 FEET;
THENCE NORTH 46°25'18" WEST, A DISTANCE OF 154.87 FEET;
THENCE NORTH 51°57'32" WEST, A DISTANCE OF 185.44 FEET;
THENCE NORTH 48°24'52" WEST, A DISTANCE OF 328.84 FEET;
THENCE NORTH 31°30'02" WEST, A DISTANCE OF 75.47 FEET;
THENCE NORTH 15°27'13" WEST, A DISTANCE OF 160.03 FEET;
THENCE NORTH 07°52'52" WEST, A DISTANCE OF 166.48 FEET;
THENCE NORTH 21°22'23" WEST, A DISTANCE OF 150.38 FEET;
THENCE NORTH 03°34'44" EAST, A DISTANCE OF 97.67 FEET;
THENCE NORTH 06°59'38" WEST, A DISTANCE OF 171.36 FEET;
THENCE NORTH 23°20'48" EAST, A DISTANCE OF 91.96 FEET;
THENCE NORTH 11°13'40" WEST, A DISTANCE OF 68.56 FEET;
THENCE NORTH 87°51'51" WEST, A DISTANCE OF 94.29 FEET;
THENCE NORTH 53°30'47" WEST, A DISTANCE OF 48.62 FEET;
THENCE NORTH 68°08'50" WEST, A DISTANCE OF 110.80 FEET;
THENCE NORTH 56°44'29" WEST, A DISTANCE OF 120.36 FEET;
THENCE NORTH 80°58'26" WEST, A DISTANCE OF 111.84 FEET;
THENCE NORTH 64°44'06" WEST, A DISTANCE OF 155.45 FEET;
THENCE NORTH 22°53'02" WEST, A DISTANCE OF 127.41 FEET;
THENCE NORTH 77°51'20" WEST, A DISTANCE OF 94.54 FEET;
THENCE NORTH 45°39'52" WEST, A DISTANCE OF 111.50 FEET;
THENCE NORTH 24°18'34" WEST, A DISTANCE OF 142.31 FEET;
THENCE SOUTH 72°51'35" WEST, A DISTANCE OF 47.42 FEET;
THENCE NORTH 42°05'34" WEST, A DISTANCE OF 95.69 FEET;
THENCE NORTH 34°41'33" WEST, A DISTANCE OF 133.02 FEET;
THENCE NORTH 29°21'22" WEST, A DISTANCE OF 99.21 FEET;
THENCE NORTH 73°48'33" EAST, A DISTANCE OF 65.16 FEET;
THENCE SOUTH 79°13'24" EAST, A DISTANCE OF 71.29 FEET;
THENCE SOUTH 39°13'10" EAST, A DISTANCE OF 274.27 FEET;
THENCE SOUTH 46°58'23" WEST, A DISTANCE OF 57.64 FEET;
THENCE SOUTH 14°19'09" EAST, A DISTANCE OF 80.36 FEET;
THENCE NORTH 70°21'39" EAST, A DISTANCE OF 51.23 FEET;
THENCE SOUTH 51°56'34" EAST, A DISTANCE OF 30.29 FEET;
THENCE SOUTH 08°37'05" WEST, A DISTANCE OF 39.78 FEET;
THENCE SOUTH 28°14'50" EAST, A DISTANCE OF 67.19 FEET;

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LEGAL DESCRIPTION NO. 12

LEASE PURCHASE AGREEMENT

SHEET 7 OF 20

PARCEL D CONTINUED ...

THENCE SOUTH 83°51'03" EAST, A DISTANCE OF 59.79 FEET;
THENCE NORTH 25°27'50" EAST, A DISTANCE OF 62.15 FEET;
THENCE NORTH 65°27'49" EAST, A DISTANCE OF 157.00 FEET;
THENCE SOUTH 64°12'58" EAST, A DISTANCE OF 52.97 FEET;
THENCE SOUTH 84°40'45" EAST, A DISTANCE OF 106.79 FEET;
THENCE NORTH 13°32'50" EAST, A DISTANCE OF 68.01 FEET;
THENCE NORTH 38°43'32" EAST, A DISTANCE OF 71.32 FEET;
THENCE NORTH 87°55'13" EAST, A DISTANCE OF 230.16 FEET;
THENCE NORTH 53°24'51" EAST, A DISTANCE OF 87.28 FEET;
THENCE NORTH 89°21'10" EAST, A DISTANCE OF 174.38 FEET;
THENCE NORTH 56°08'18" EAST, A DISTANCE OF 96.73 FEET;
THENCE SOUTH 68°32'34" EAST, A DISTANCE OF 112.66 FEET;
THENCE SOUTH 84°45'59" EAST, A DISTANCE OF 127.39 FEET;
THENCE SOUTH 41°13'30" EAST, A DISTANCE OF 92.74 FEET;
THENCE NORTH 22°52'01" EAST, A DISTANCE OF 42.81 FEET;
THENCE NORTH 46°13'17" EAST, A DISTANCE OF 109.61 FEET;
THENCE NORTH 82°04'23" EAST, A DISTANCE OF 57.35 FEET;
THENCE SOUTH 41°46'28" EAST, A DISTANCE OF 98.06 FEET;
THENCE NORTH 40°23'14" EAST, A DISTANCE OF 55.60 FEET;
THENCE SOUTH 73°39'23" EAST, A DISTANCE OF 125.66 FEET;
THENCE SOUTH 66°06'13" EAST, A DISTANCE OF 131.12 FEET;
THENCE SOUTH 82°07'57" EAST, A DISTANCE OF 477.61 FEET;
THENCE NORTH 88°01'42" EAST, A DISTANCE OF 204.65 FEET;
THENCE SOUTH 81°22'37" EAST, A DISTANCE OF 79.32 FEET;
THENCE SOUTH 16°33'23" EAST, A DISTANCE OF 67.68 FEET;
THENCE SOUTH 84°20'44" EAST, A DISTANCE OF 140.37 FEET;
THENCE SOUTH 67°12'01" EAST, A DISTANCE OF 240.45 FEET;
THENCE SOUTH 79°00'59" EAST, A DISTANCE OF 85.94 FEET;
THENCE SOUTH 77°54'11" EAST, A DISTANCE OF 166.58 FEET;
THENCE SOUTH 56°31'21" EAST, A DISTANCE OF 246.30 FEET;
THENCE SOUTH 24°28'40" EAST, A DISTANCE OF 71.45 FEET;
THENCE SOUTH 26°24'33" WEST, A DISTANCE OF 104.32 FEET;
THENCE SOUTH 09°53'10" WEST, A DISTANCE OF 86.84 FEET;
THENCE SOUTH 02°17'26" EAST, A DISTANCE OF 77.68 FEET;
THENCE SOUTH 30°50'13" EAST, A DISTANCE OF 79.32 FEET;
THENCE SOUTH 04°21'28" EAST, A DISTANCE OF 51.55 FEET;
THENCE SOUTH 21°40'55" EAST, A DISTANCE OF 87.25 FEET;
THENCE SOUTH 47°33'38" EAST, A DISTANCE OF 75.80 FEET;
THENCE SOUTH 43°58'16" EAST, A DISTANCE OF 81.48 FEET;
THENCE SOUTH 08°55'30" EAST, A DISTANCE OF 89.85 FEET;
THENCE SOUTH 00°52'53" WEST, A DISTANCE OF 69.81 FEET;
THENCE SOUTH 07°26'20" EAST, A DISTANCE OF 96.04 FEET;
THENCE SOUTH 39°04'15" EAST, A DISTANCE OF 105.67 FEET;

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LEGAL DESCRIPTION NO. 12

LEASE PURCHASE AGREEMENT

PARCEL D CONTINUED ... SHEET 8 OF 20

THENCE SOUTH 06°37'32" WEST, A DISTANCE OF 55.88 FEET;
THENCE SOUTH 77°12'11" WEST, A DISTANCE OF 218.29 FEET;
THENCE SOUTH 79°15'40" WEST, A DISTANCE OF 252.78 FEET;
THENCE NORTH 83°52'38" WEST, A DISTANCE OF 70.32 FEET;
THENCE SOUTH 75°32'07" WEST, A DISTANCE OF 61.38 FEET;
THENCE SOUTH 82°10'21" WEST, A DISTANCE OF 67.60 FEET;
THENCE SOUTH 69°19'31" WEST, A DISTANCE OF 104.46 FEET;
THENCE SOUTH 84°49'41" WEST, A DISTANCE OF 151.45 FEET;
THENCE NORTH 65°49'42" WEST, A DISTANCE OF 83.24 FEET;
THENCE SOUTH 48°21'20" WEST, A DISTANCE OF 62.07 FEET;
THENCE SOUTH 86°56'46" WEST, A DISTANCE OF 71.17 FEET;
THENCE SOUTH 63°33'48" WEST, A DISTANCE OF 112.87 FEET TO THE POINT OF BEGINNING;

CONTAINING A CALCULATED AREA OF 4,848,457 SQUARE FEET OR 111.305 ACRES, MORE OR LESS;

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCEL:

A PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 4 AND THE NORTH HALF OF SECTION 9, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, AND CONSIDERING THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88°38'53" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;
THENCE NORTH 20°01'49" EAST, A DISTANCE OF 5108.17 FEET TO THE POINT OF BEGINNING;
THENCE NORTH 86°38'35" WEST, A DISTANCE OF 58.98 FEET;
THENCE SOUTH 72°46'32" WEST, A DISTANCE OF 43.49 FEET;
THENCE SOUTH 46°10'36" WEST, A DISTANCE OF 37.60 FEET;
THENCE SOUTH 67°08'56" WEST, A DISTANCE OF 42.49 FEET;
THENCE SOUTH 75°05'11" WEST, A DISTANCE OF 21.02 FEET;
THENCE SOUTH 57°54'37" WEST, A DISTANCE OF 26.49 FEET;
THENCE SOUTH 33°40'26" WEST, A DISTANCE OF 33.91 FEET;
THENCE SOUTH 22°12'44" WEST, A DISTANCE OF 43.97 FEET;
THENCE SOUTH 33°49'06" WEST, A DISTANCE OF 100.58 FEET;
THENCE SOUTH 71°03'11" WEST, A DISTANCE OF 141.99 FEET;
THENCE NORTH 67°22'21" WEST, A DISTANCE OF 29.91 FEET;
THENCE NORTH 76°23'53" WEST, A DISTANCE OF 65.61 FEET;
THENCE NORTH 64°07'32" WEST, A DISTANCE OF 47.27 FEET;
THENCE NORTH 40°20'20" WEST, A DISTANCE OF 25.42 FEET;
THENCE NORTH 18°23'18" WEST, A DISTANCE OF 45.29 FEET;
THENCE NORTH 38°58'59" WEST, A DISTANCE OF 29.01 FEET;
THENCE NORTH 64°53'42" WEST, A DISTANCE OF 102.28 FEET;

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LEGAL DESCRIPTION NO. 12

LEASE PURCHASE AGREEMENT

SHEET 9 OF 20

EXCEPTED PARCEL CONTINUED ...

THENCE NORTH 28°36'31" WEST, A DISTANCE OF 31.73 FEET;
THENCE NORTH 06°02'51" WEST, A DISTANCE OF 43.13 FEET;
THENCE NORTH 14°34'12" WEST, A DISTANCE OF 28.26 FEET;
THENCE NORTH 28°32'18" WEST, A DISTANCE OF 23.62 FEET;
THENCE NORTH 64°58'42" WEST, A DISTANCE OF 25.39 FEET;
THENCE SOUTH 70°41'17" WEST, A DISTANCE OF 31.29 FEET;
THENCE NORTH 72°46'04" WEST, A DISTANCE OF 26.87 FEET;
THENCE NORTH 22°36'35" WEST, A DISTANCE OF 40.17 FEET;
THENCE NORTH 19°52'45" WEST, A DISTANCE OF 29.06 FEET;
THENCE NORTH 32°33'41" WEST, A DISTANCE OF 46.08 FEET;
THENCE NORTH 17°20'50" WEST, A DISTANCE OF 63.64 FEET;
THENCE NORTH 10°04'53" WEST, A DISTANCE OF 44.86 FEET;
THENCE NORTH 00°07'52" WEST, A DISTANCE OF 58.85 FEET;
THENCE NORTH 14°38'27" WEST, A DISTANCE OF 23.58 FEET;
THENCE NORTH 30°14'12" WEST, A DISTANCE OF 56.79 FEET;
THENCE NORTH 21°45'07" WEST, A DISTANCE OF 32.76 FEET;
THENCE NORTH 30°19'22" WEST, A DISTANCE OF 90.99 FEET;
THENCE NORTH 28°04'59" WEST, A DISTANCE OF 63.70 FEET;
THENCE NORTH 08°56'26" WEST, A DISTANCE OF 45.60 FEET;
THENCE NORTH 00°33'56" WEST, A DISTANCE OF 65.20 FEET;
THENCE NORTH 00°08'07" WEST, A DISTANCE OF 55.27 FEET;
THENCE NORTH 00°44'36" WEST, A DISTANCE OF 29.16 FEET;
THENCE NORTH 17°01'54" WEST, A DISTANCE OF 28.62 FEET;
THENCE NORTH 21°48'52" WEST, A DISTANCE OF 36.06 FEET;
THENCE NORTH 01°20'59" WEST, A DISTANCE OF 53.53 FEET;
THENCE NORTH 12°18'25" EAST, A DISTANCE OF 83.18 FEET;
THENCE NORTH 16°30'13" EAST, A DISTANCE OF 34.31 FEET;
THENCE NORTH 02°51'41" EAST, A DISTANCE OF 63.32 FEET;
THENCE NORTH 11°00'02" WEST, A DISTANCE OF 46.57 FEET;
THENCE NORTH 25°44'16" WEST, A DISTANCE OF 98.47 FEET;
THENCE NORTH 05°36'56" WEST, A DISTANCE OF 30.39 FEET;
THENCE NORTH 36°24'16" WEST, A DISTANCE OF 52.00 FEET;
THENCE NORTH 36°32'26" WEST, A DISTANCE OF 26.84 FEET;
THENCE NORTH 11°53'56" WEST, A DISTANCE OF 183.27 FEET;
THENCE NORTH 14°25'52" EAST, A DISTANCE OF 52.02 FEET;
THENCE NORTH 29°20'26" EAST, A DISTANCE OF 62.68 FEET;
THENCE NORTH 69°27'19" EAST, A DISTANCE OF 39.30 FEET;
THENCE NORTH 62°30'26" EAST, A DISTANCE OF 59.69 FEET;
THENCE NORTH 80°28'14" EAST, A DISTANCE OF 45.30 FEET;
THENCE NORTH 88°49'59" EAST, A DISTANCE OF 49.02 FEET;
THENCE SOUTH 76°19'15" EAST, A DISTANCE OF 95.86 FEET;

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LEGAL DESCRIPTION NO. 12

LEASE PURCHASE AGREEMENT

SHEET 10 OF 20

EXCEPTED PARCEL CONTINUED ...

THENCE SOUTH 50°44'24" EAST, A DISTANCE OF 34.79 FEET;
THENCE SOUTH 24°59'26" EAST, A DISTANCE OF 37.55 FEET;
THENCE SOUTH 37°11'45" EAST, A DISTANCE OF 106.64 FEET;
THENCE SOUTH 72°24'45" EAST, A DISTANCE OF 41.23 FEET;
THENCE SOUTH 82°42'20" EAST, A DISTANCE OF 55.66 FEET;
THENCE SOUTH 72°07'20" EAST, A DISTANCE OF 98.19 FEET;
THENCE SOUTH 61°53'35" EAST, A DISTANCE OF 66.69 FEET;
THENCE SOUTH 53°49'55" EAST, A DISTANCE OF 50.01 FEET;
THENCE SOUTH 42°34'36" EAST, A DISTANCE OF 37.86 FEET;
THENCE SOUTH 34°30'47" EAST, A DISTANCE OF 28.33 FEET;
THENCE SOUTH 47°23'55" EAST, A DISTANCE OF 147.93 FEET;
THENCE SOUTH 45°48'22" EAST, A DISTANCE OF 48.35 FEET;
THENCE SOUTH 32°09'35" EAST, A DISTANCE OF 76.73 FEET;
THENCE SOUTH 41°26'43" EAST, A DISTANCE OF 48.00 FEET;
THENCE SOUTH 45°12'35" EAST, A DISTANCE OF 61.63 FEET;
THENCE SOUTH 36°20'51" EAST, A DISTANCE OF 70.53 FEET;
THENCE SOUTH 46°15'19" EAST, A DISTANCE OF 61.48 FEET;
THENCE SOUTH 53°40'48" EAST, A DISTANCE OF 62.84 FEET;
THENCE SOUTH 02°31'08" EAST, A DISTANCE OF 54.11 FEET;
THENCE SOUTH 15°16'49" EAST, A DISTANCE OF 78.97 FEET;
THENCE SOUTH 18°12'50" EAST, A DISTANCE OF 112.80 FEET;
THENCE SOUTH 12°10'47" EAST, A DISTANCE OF 100.50 FEET;
THENCE SOUTH 06°29'41" EAST, A DISTANCE OF 129.73 FEET;
THENCE SOUTH 16°49'46" WEST, A DISTANCE OF 87.50 FEET;
THENCE SOUTH 01°11'55" WEST, A DISTANCE OF 154.65 FEET;
THENCE SOUTH 18°35'11" WEST, A DISTANCE OF 43.36 FEET;
THENCE SOUTH 09°35'21" WEST, A DISTANCE OF 85.95 FEET;
THENCE SOUTH 55°07'08" WEST, A DISTANCE OF 29.42 FEET TO THE POINT OF BEGINNING;

CONTAINING A CALCULATED AREA OF 1,453,921 SQUARE FEET OR 33.377 ACRES, MORE OR LESS;

THE NET AREA OF PARCEL D AFTER EXCEPTION IS 3,394,536 SQUARE FEET OR 77.928 ACRES, MORE OR LESS.

I, JAMES M. ROAKE, A SURVEYOR LICENSED IN THE STATE OF COLORADO, DO HEREBY CERTIFY THAT THE ABOVE LEGAL DESCRIPTION AND ATTACHED EXHIBIT WERE PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND CHECKING.

JAMES M. ROAKE, P.L.S. No. 37898
FOR AND ON BEHALF OF
CARROLL & LANGE, INC.

1-7-13
DATE

COLORADO REGISTERED PROFESSIONAL LAND SURVEYOR
JAMES MARTIN ROAKE
37898
1-7-13

CARROLL & LANGE-MANHARD
A MANHARD CONSULTING COMPANY

Professional Engineers & Land Surveyors
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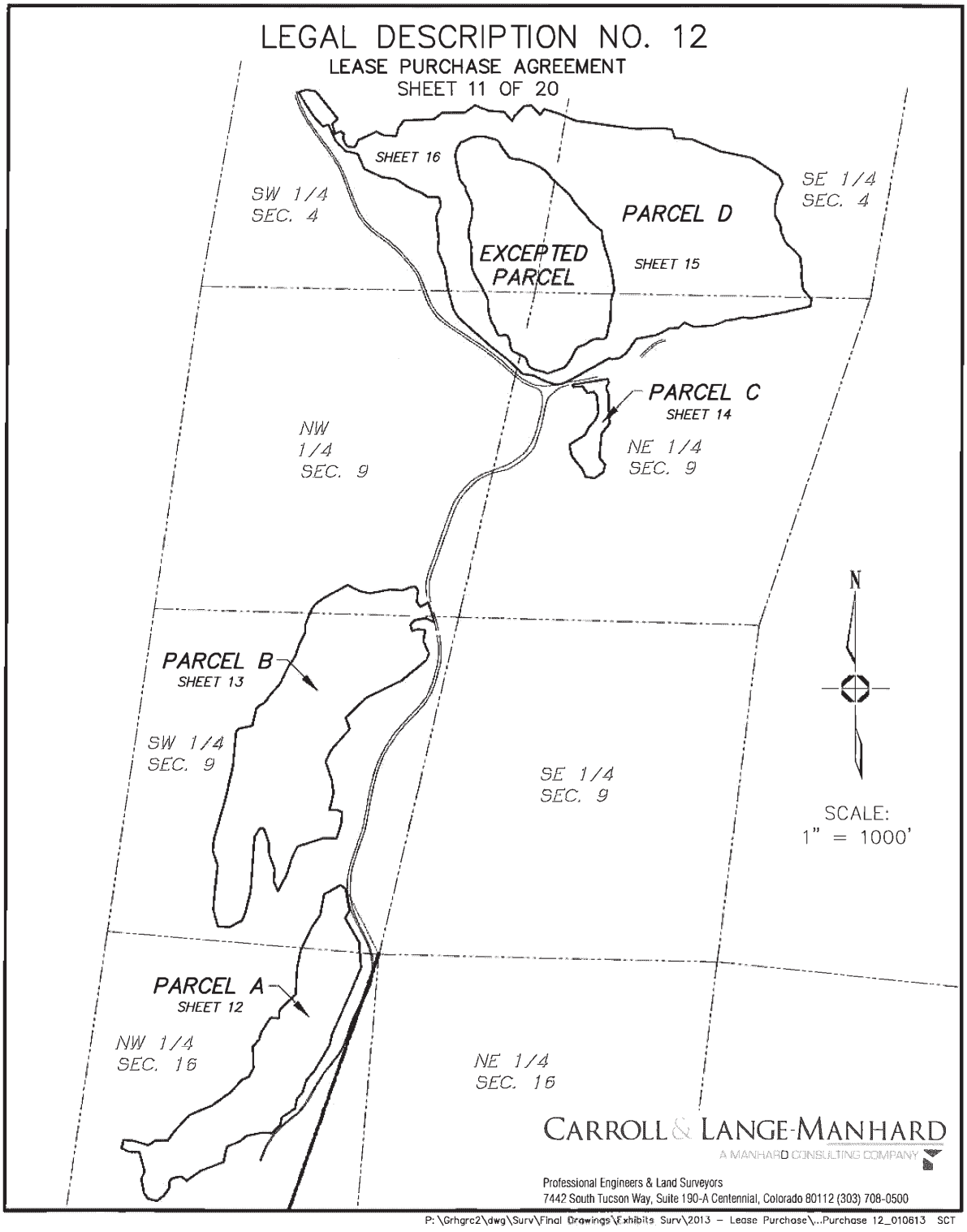
LEGAL DESCRIPTION NO. 12
LEASE PURCHASE AGREEMENT
SHEET 11 OF 20
SHEET 16
SW 1/4
SEC. 4
SE 1/4
SEC. 4
PARCEL D
EXCEPTED
PARCEL
SHEET 15
PARCEL C
SHEET 14
NW
1/4
SEC. 9
NE 1/4
SEC. 9
N
PARCEL B
SHEET 13
SW 1/4
SEC. 9
SE 1/4
SEC. 9
SCALE:
1" = 1000'
PARCEL A
SHEET 12
NW 1/4
SEC. 16
NE 1/4
SEC. 16
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EXHIBIT M

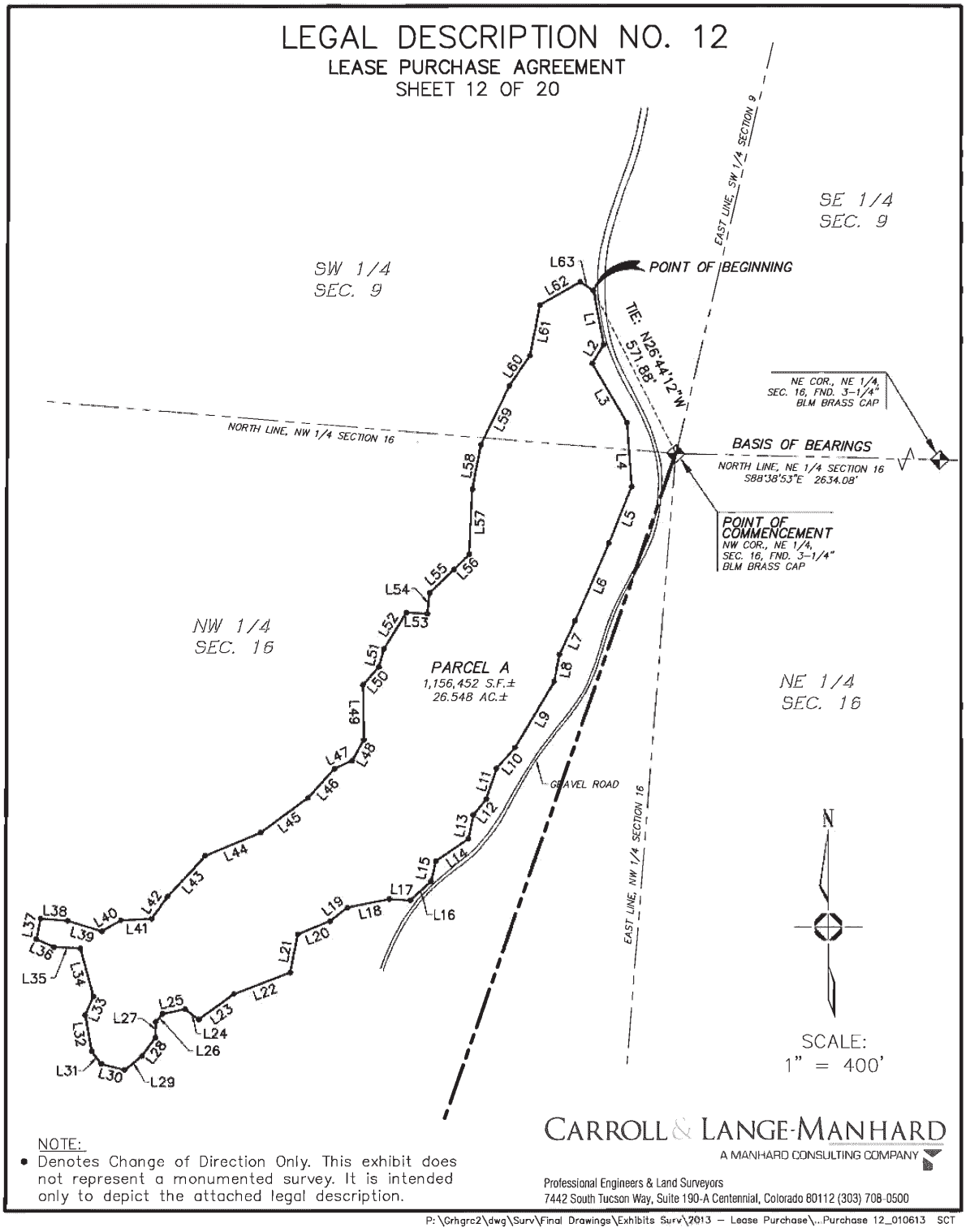
LEGAL DESCRIPTION NO. 12
LEASE PURCHASE AGREEMENT
SHEET 12 OF 20
SW 1/4
SEC. 9
SE 1/4
SEC. 9
NW 1/4
SEC. 16
NE 1/4
SEC. 16
EAST LINE, SW 1/4 SECTION 9
NORTH LINE, NW 1/4 SECTION 16
EAST LINE, NW 1/4 SECTION 16
POINT OF BEGINNING
TIE: N26°44'12"W 571.88'
NE COR., NE 1/4, SEC. 16, FND. 3-1/4" BLM BRASS CAP
BASIS OF BEARINGS
NORTH LINE, NE 1/4 SECTION 16
S88°38'53"E 2634.08'
POINT OF COMMENCEMENT
NW COR., NE 1/4, SEC. 16, FND. 3-1/4" BLM BRASS CAP
PARCEL A
1,156,452 S.F.±
26.548 AC.±
GRAVEL ROAD
N
SCALE:
1" = 400'
NOTE:
• Denotes Change of Direction Only. This exhibit does not represent a monumented survey. It is intended only to depict the attached legal description.
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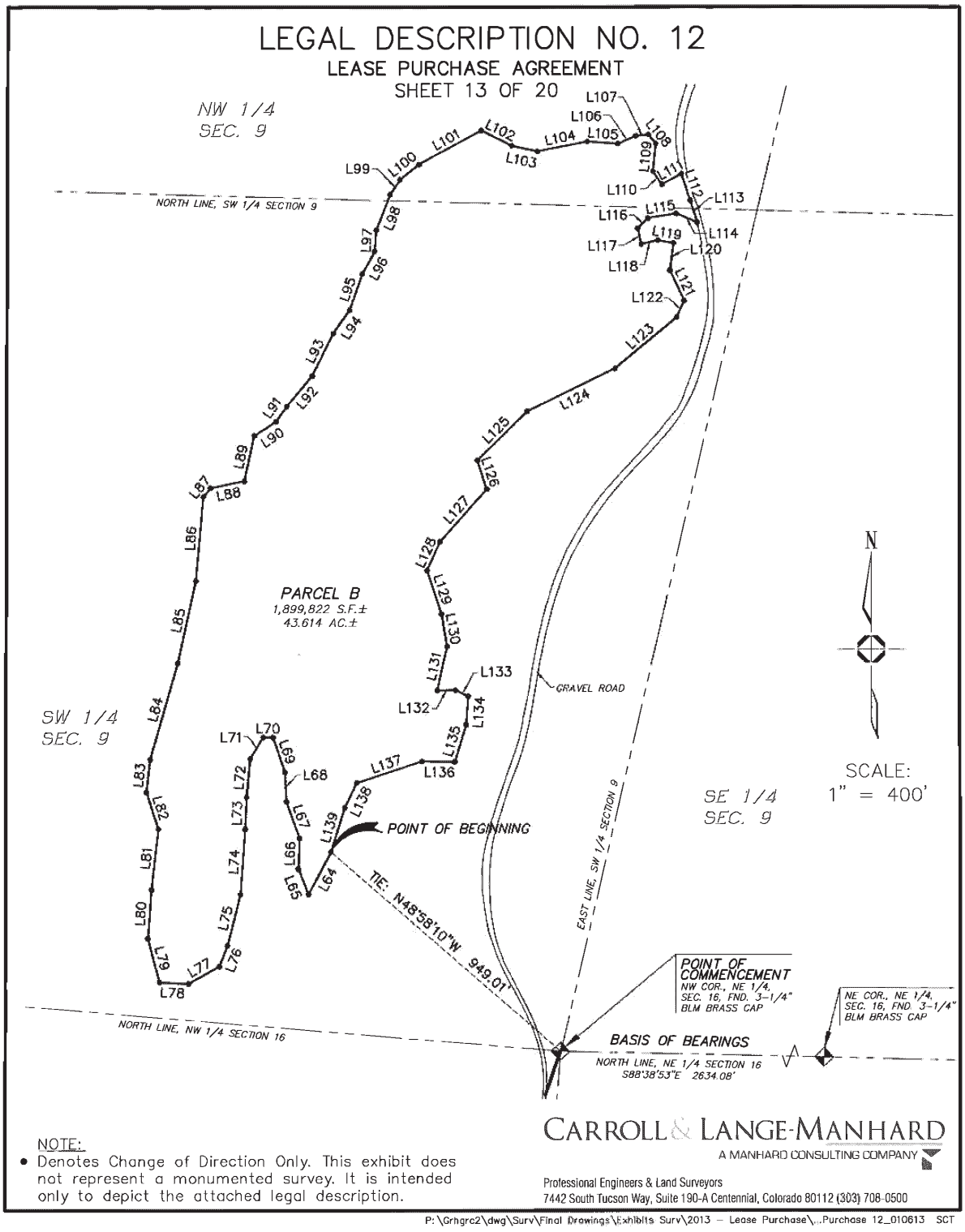
EXHIBIT M


LEGAL DESCRIPTION NO. 12
LEASE PURCHASE AGREEMENT
SHEET 13 OF 20
NW 1/4
SEC. 9
NORTH LINE, SW 1/4 SECTION 9
PARCEL B
1,899,822 S.F.±
43.614 AC.±
GRAVEL ROAD
SW 1/4
SEC. 9
SE 1/4
SEC. 9
EAST LINE, SW 1/4 SECTION 9
POINT OF BEGINNING
TIE: N48°58'10"W 949.01'
POINT OF COMMENCEMENT
NW COR., NE 1/4, SEC. 16, FND. 3-1/4" BLM BRASS CAP
NE COR., NE 1/4, SEC. 16, FND. 3-1/4" BLM BRASS CAP
NORTH LINE, NW 1/4 SECTION 16
BASIS OF BEARINGS
NORTH LINE, NE 1/4 SECTION 16
S88°38'53"E 2634.08'
N
SCALE:
1" = 400'
NOTE:
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LEGAL DESCRIPTION NO. 12

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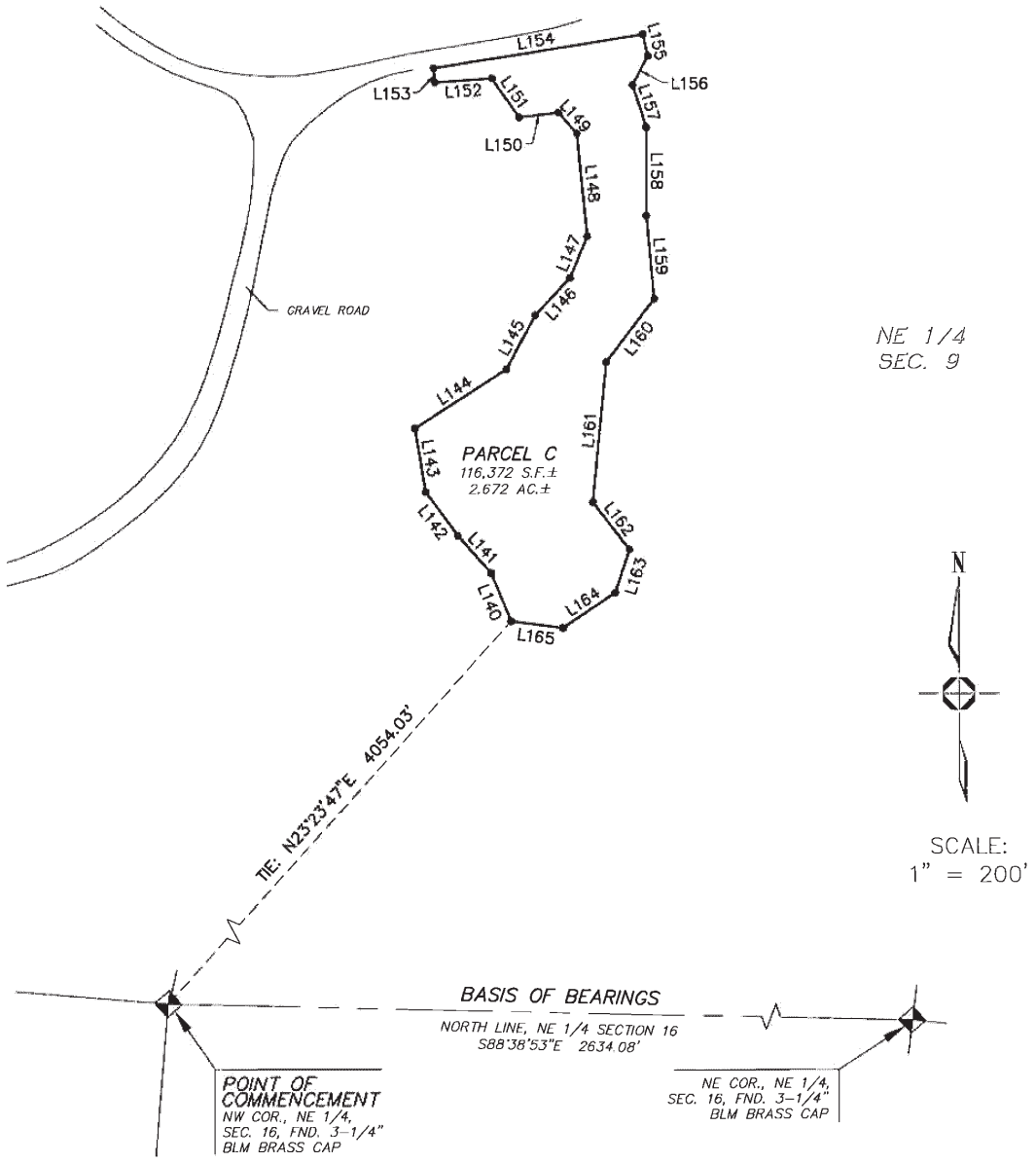
SHEET 14 OF 20



NOTE:

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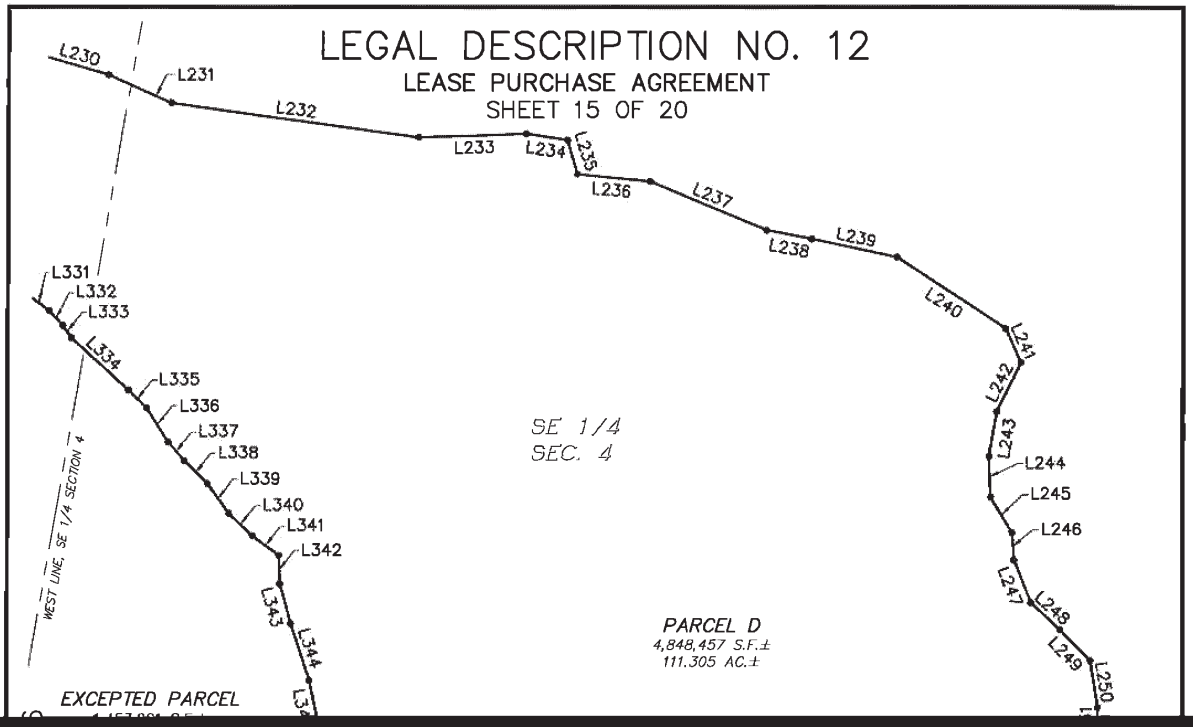

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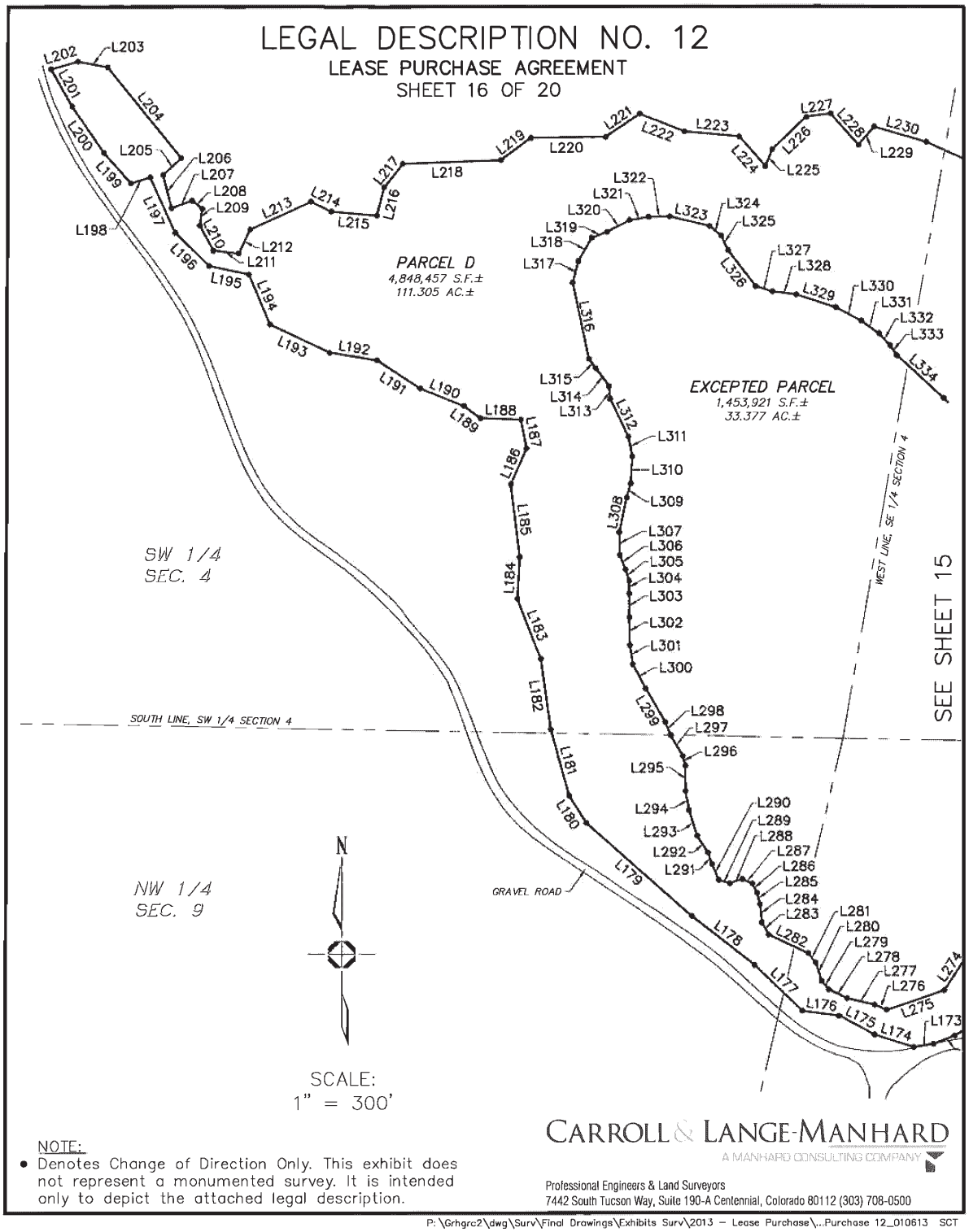
LEGAL DESCRIPTION NO. 12
LEASE PURCHASE AGREEMENT
SHEET 16 OF 20
PARCEL D
4,848,457 S.F.±
111.305 AC.±
EXCEPTED PARCEL
1,453,921 S.F.±
33.377 AC.±
SW 1/4
SEC. 4
NW 1/4
SEC. 9
SOUTH LINE, SW 1/4 SECTION 4
WEST LINE, SE 1/4 SECTION 4
GRAVEL ROAD
SEE SHEET 15
N
SCALE:
1" = 300'
NOTE:
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EXHIBIT M

LEGAL DESCRIPTION NO. 12

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SHEET 17 OF 20

LINE TABLE – PARCEL A		
LINE	LENGTH	BEARING
L1	171.78'	S10°49'06"E
L2	69.43'	S31°11'51"W
L3	215.08'	S30°16'00"E
L4	200.36'	S04°11'05"E
L5	190.31'	S22°03'30"W
L6	264.41'	S23°39'38"W
L7	115.00'	S24°58'22"W
L8	86.25'	S10°51'59"W
L9	238.89'	S30°43'41"W
L10	87.33'	S41°30'36"W
L11	99.73'	S18°22'17"W
L12	65.32'	S39°28'33"W
L13	75.79'	S11°27'17"W
L14	123.34'	S55°40'15"W
L15	64.58'	S13°38'01"W
L16	87.81'	S47°16'02"W
L17	65.54'	N86°35'47"W
L18	131.94'	S78°18'36"W
L19	67.58'	S51°51'24"W
L20	109.15'	S67°51'37"W
L21	122.16'	S11°11'42"W
L22	188.52'	S69°13'13"W
L23	134.87'	S54°18'35"W
L24	52.62'	N52°47'23"W
L25	71.47'	S78°05'00"W
L26	32.64'	S41°40'33"W
L27	49.50'	S00°36'21"W
L28	71.00'	S36°08'18"W
L29	68.71'	S51°14'10"W
L30	75.76'	N76°12'40"W
L31	49.72'	N36°58'35"W
L32	114.91'	N10°19'49"W
L33	63.10'	N24°05'05"E
L34	155.34'	N15°11'40"W
L35	83.10'	N87°04'56"W
L36	60.38'	N65°31'18"W
L37	65.27'	N11°40'03"E
L38	85.07'	S85°25'56"E
L39	111.59'	S72°57'12"E
L40	67.87'	N59°41'08"E
L41	96.77'	N87°25'31"E
L42	85.17'	N35°17'22"E
L43	173.28'	N42°20'14"E
L44	187.78'	N67°27'08"E
L45	183.67'	N53°50'25"E

LINE TABLE – PARCEL A		
LINE	LENGTH	BEARING
L46	122.32'	N42°27'46"E
L47	60.50'	N64°40'04"E
L48	74.31'	N28°59'59"E
L49	170.85'	N01°00'12"W
L50	74.77'	N41°17'24"E
L51	57.99'	N15°21'08"E
L52	133.53'	N31°53'32"E
L53	65.21'	S86°38'08"E
L54	64.88'	N06°10'55"E
L55	106.06'	N46°20'47"E
L56	67.03'	N44°41'02"E
L57	203.27'	N02°52'47"E
L58	141.19'	N10°49'47"E
L59	204.17'	N25°50'54"E
L60	113.87'	N33°56'56"E
L61	161.91'	N11°18'19"E
L62	145.06'	N59°56'47"E
L63	49.98'	S56°47'03"E

LINE TABLE – PARCEL B		
LINE	LENGTH	BEARING
L64	149.56'	S27°39'05"W
L65	85.31'	N21°49'51"W
L66	95.73'	N02°16'58"E
L67	122.30'	N19°40'54"W
L68	91.94'	N02°50'12"W
L69	114.67'	N18°59'59"W
L70	31.02'	N90°00'00"W
L71	78.31'	S31°07'32"W
L72	120.20'	S05°20'45"W
L73	100.38'	S02°26'45"W
L74	204.18'	S04°02'51"W
L75	164.88'	S14°20'29"W
L76	70.29'	S21°12'57"W
L77	110.15'	S60°57'36"W
L78	90.06'	N87°13'39"W
L79	141.96'	N15°02'55"W
L80	152.32'	N04°12'38"E
L81	190.62'	N06°26'21"E
L82	121.68'	N17°54'52"W
L83	102.49'	N06°21'04"E
L84	313.13'	N15°56'21"E
L85	262.38'	N12°24'16"E
L86	264.05'	N04°53'46"E
L87	35.47'	N39°38'10"E

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SHEET 18 OF 20

LINE TABLE – PARCEL B		
LINE	LENGTH	BEARING
L88	108.22'	N78°38'27"E
L89	144.88'	N12°11'54"E
L90	81.13'	N57°01'32"E
L91	58.37'	N35°24'11"E
L92	125.13'	N39°59'50"E
L93	148.00'	N25°56'46"E
L94	89.86'	N34°59'42"E
L95	120.37'	N18°57'13"E
L96	79.61'	N28°31'37"E
L97	66.36'	N04°37'14"E
L98	119.34'	N20°45'26"E
L99	57.73'	N34°01'38"E
L100	75.61'	N51°45'22"E
L101	222.24'	N61°34'35"E
L102	106.62'	S63°32'41"E
L103	81.80'	S77°22'29"E
L104	160.26'	N78°50'24"E
L105	96.95'	S86°01'42"E
L106	60.50'	N67°15'54"E
L107	39.98'	N82°24'59"E
L108	36.16'	S39°09'53"E
L109	88.47'	S05°49'59"W
L110	49.09'	S35°11'24"E
L111	68.56'	N62°06'13"E
L112	86.80'	S18°17'35"E
L113	73.19'	S16°56'59"E
L114	70.79'	N66°29'56"W
L115	89.18'	S81°00'13"W
L116	45.06'	S44°58'52"W
L117	51.01'	S12°28'45"E
L118	52.93'	N76°57'53"E
L119	49.58'	S79°49'58"E
L120	86.53'	S07°39'34"W
L121	104.72'	S24°56'04"E
L122	57.42'	S23°49'54"W
L123	249.87'	S50°21'02"W
L124	307.77'	S64°05'45"W
L125	217.70'	S45°21'15"W
L126	94.51'	S17°45'31"E
L127	218.66'	S41°28'07"W
L128	98.87'	S24°48'52"W
L129	144.24'	S18°35'35"E
L130	102.50'	S09°37'22"E
L131	140.40'	S12°47'12"W
L132	57.18'	N89°19'22"E

LINE TABLE – PARCEL B		
LINE	LENGTH	BEARING
L133	43.57'	S65°15'57"E
L134	90.43'	S04°34'27"W
L135	120.22'	S16°53'14"W
L136	102.69'	N89°17'49"W
L137	214.86'	S71°44'29"W
L138	86.57'	S25°49'26"W
L139	143.89'	S17°12'32"W
LINE TABLE – PARCEL C		
LINE	LENGTH	BEARING
L140	67.33'	N22°32'13"W
L141	65.72'	N41°45'40"W
L142	70.46'	N36°12'35"W
L143	83.86'	N09°47'35"W
L144	142.17'	N57°14'35"E
L145	79.96'	N28°15'10"E
L146	66.46'	N42°41'22"E
L147	58.81'	N22°46'58"E
L148	135.05'	N05°42'12"W
L149	36.09'	N41°20'11"W
L150	51.56'	S83°42'01"W
L151	61.74'	N35°04'28"W
L152	74.59'	S86°15'56"W
L153	18.59'	N05°59'49"W
L154	277.05'	N80°55'02"E
L155	28.80'	S13°11'14"E
L156	43.04'	S27°32'14"W
L157	57.88'	S17°59'41"E
L158	115.67'	S00°00'42"E
L159	109.22'	S05°21'27"E
L160	103.69'	S37°30'03"W
L161	183.33'	S05°33'23"W
L162	77.94'	S37°55'57"E
L163	59.33'	S18°18'43"W
L164	82.46'	S56°19'33"W
L165	68.14'	N82°20'58"W
LINE TABLE – PARCEL D		
LINE	LENGTH	BEARING
L166	163.25'	S78°47'25"W
L167	132.49'	S35°19'21"W
L168	66.16'	S51°31'58"W
L169	60.79'	S83°14'12"W
L170	21.21'	N68°06'15"W
L171	368.49'	S60°38'26"W

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LINE TABLE – PARCEL D		
LINE	LENGTH	BEARING
L172	53.15'	S68°38'33"W
L173	47.32'	S80°51'55"W
L174	94.40'	N72°12'48"W
L175	93.32'	N61°57'12"W
L176	87.35'	N82°07'24"W
L177	154.87'	N46°25'18"W
L178	185.44'	N51°57'32"W
L179	328.84'	N48°24'52"W
L180	75.47'	N31°30'02"W
L181	160.03'	N15°27'13"W
L182	166.48'	N07°52'52"W
L183	150.38'	N21°22'23"W
L184	97.67'	N03°34'44"E
L185	171.36'	N06°59'38"W
L186	91.96'	N23°20'48"E
L187	68.56'	N11°13'40"W
L188	94.29'	N87°51'51"W
L189	48.62'	N53°30'47"W
L190	110.80'	N68°08'50"W
L191	120.36'	N56°44'29"W
L192	111.84'	N80°58'26"W
L193	155.45'	N64°44'06"W
L194	127.41'	N22°53'02"W
L195	94.54'	N77°51'20"W
L196	111.50'	N45°39'52"W
L197	142.31'	N24°18'34"W
L198	47.42'	S72°51'35"W
L199	95.69'	N42°05'34"W
L200	133.02'	N34°41'33"W
L201	99.21'	N29°21'22"W
L202	65.16'	N73°48'33"E
L203	71.29'	S79°13'24"E
L204	274.27'	S39°13'10"E
L205	57.64'	S46°58'23"W
L206	80.36'	S14°19'09"E
L207	51.23'	N70°21'39"E
L208	30.29'	S51°56'34"E
L209	39.78'	S08°37'05"W
L210	67.19'	S28°14'50"E
L211	59.79'	S83°51'03"E
L212	62.15'	N25°27'50"E
L213	157.00'	N65°27'49"E
L214	52.97'	S64°12'58"E
L215	106.79'	S84°40'45"E
L216	68.01'	N13°32'50"E

LINE TABLE – PARCEL D		
LINE	LENGTH	BEARING
L217	71.32'	N38°43'32"E
L218	230.16'	N87°55'13"E
L219	87.28'	N53°24'51"E
L220	174.38'	N89°21'10"E
L221	96.73'	N56°08'18"E
L222	112.66'	S68°32'34"E
L223	127.39'	S84°45'59"E
L224	92.74'	S41°13'30"E
L225	42.81'	N22°52'01"E
L226	109.61'	N46°13'17"E
L227	57.35'	N82°04'23"E
L228	98.06'	S41°46'28"E
L229	55.60'	N40°23'14"E
L230	125.66'	S73°39'23"E
L231	131.12'	S66°06'13"E
L232	477.61'	S82°07'57"E
L233	204.65'	N88°01'42"E
L234	79.32'	S81°22'37"E
L235	67.68'	S16°33'23"E
L236	140.37'	S84°20'44"E
L237	240.45'	S67°12'01"E
L238	85.94'	S79°00'59"E
L239	166.58'	S77°54'11"E
L240	246.30'	S56°31'21"E
L241	71.45'	S24°28'40"E
L242	104.32'	S26°24'33"W
L243	86.84'	S09°53'10"W
L244	77.68'	S02°17'26"E
L245	79.32'	S30°50'13"E
L246	51.55'	S04°21'28"E
L247	87.25'	S21°40'55"E
L248	75.80'	S47°33'38"E
L249	81.48'	S43°58'16"E
L250	89.85'	S08°55'30"E
L251	69.81'	S00°52'53"W
L252	96.04'	S07°26'20"E
L253	105.67'	S39°04'15"E
L254	55.88'	S06°37'32"W
L255	218.29'	S77°12'11"W
L256	252.78'	S79°15'40"W
L257	70.32'	N83°52'38"W
L258	61.38'	S75°32'07"W
L259	67.60'	S82°10'21"W
L260	104.46'	S69°19'31"W
L261	151.45'	S84°49'41"W

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