

TABLE SETTING

**FIRST AMENDMENT
TO
ANNEXATION AND DEVELOPMENT AGREEMENT
SOLVISTA PROPERTY
(now known as Granby Ranch)**

THIS FIRST AMENDMENT is made and entered into as of April 14, 2009.

WHEREAS, the Town of Granby, a Colorado municipal corporation (the "Town") and SolVista Corp., a Colorado corporation ("SolVista") are parties (together, the "Parties") to an Annexation and Development Agreement dated March 5, 2003 (the "Agreement") recorded in the real property records of Grand County, Colorado on March 26, 2003, at Reception No. 2003-002997; and

WHEREAS, the Parties wish to reflect the transfer of the SolVista Property, now known as Granby Ranch, to Granby Realty Holdings LLC ("GRH") and the consent of the Town to the assignment of the Agreement by SolVista to GRH; and

WHEREAS, the Parties wish to reflect their mutual agreement to extend the duration of vested property rights and to extend the period within which sales and use tax revenues are shared;

NOW, THEREFORE, the Parties agree as follows:

1. **Assignment.** The Town consents to the assignment by SolVista to GRH of the rights and duties of SolVista under the Agreement as of June 1, 2005, the date the SolVista Property was conveyed to GRH.

2. **Term of Agreement.** The first sentence of Section 5 of the Agreement is replaced and amended to read as follows:

"5. TERM OF AGREEMENT

The term of this Agreement shall be forty (40) years from the effective date of this Agreement as provided in Section 2.c."

3. **Vested Rights.** Section 6 f. of the Agreement is replaced and amended as follows:

"f. The Town finds the forty (40) years duration of such vested property rights to be warranted in light of all relevant circumstances, including, but

not limited to, the substantial size of the Property, the scale and phasing of the Development, economic cycles and market conditions.”

4. Tax Revenue Sharing. Sections 12(d) and 12(e) of the Agreement are hereby replaced and amended as follows:

“12. TAX REVENUE SHARING

. . .

“d. The parties agree that during each of the first twenty (20) years from the effective date of this Agreement, after the cost of providing police protection to the Property is first deducted and paid to the Town:

- 1) The Town shall receive and retain sixty percent (60%) of all use tax generated from the development of and activities within the Property and the remaining forty percent (40%) of such funds will be paid by the Town to District No. 1 or such other public entity as the Town and the Developer agree such payments shall be made to (“the Infrastructure Provider”).
- 2) The Town shall receive and retain forty percent (40%) of all sales tax from commercial sales within the Property and the remaining sixty percent (60%) of such funds will be paid by the Town to the Infrastructure Provider.

“e. The parties agree that during each of the second twenty (20) years from the effective date of this Agreement, after the costs of providing police protection to the Property is first deducted and paid to the Town: fifty percent (50%) of all use tax generated from the development of and activities within the Property and fifty (50%) of all sales tax from commercial sales within the Property shall be retained by the Town, and the remaining fifty percent (50%) of such funds will be paid by the Town to the Infrastructure Provider.

Notwithstanding the foregoing, the tax revenue sharing between the parties shall terminate on the earliest of the following dates:

- (1) The date on which ninety percent (95%) of the entitled residential units have been constructed. As used in this subsection (1), “entitled residential units” shall refer to the total number of residential units identified in Section 1.01 of the Planned Development Overlay District Preliminary Plan for SolVista Golf & Ski Ranch, as that number may be amended from time to time. As used in this subsection (1), a residential unit shall be deemed to have been constructed once a certificate of occupancy has been issued.
- (2) The date on which the infrastructure associated with the final subdivision within the SolVista Planned Development Overlay District, now known as the


Granby Ranch Planned Development Overlay District, has been substantially completed and paid for. As used in this subsection (2), the term "infrastructure" shall refer to the water and sewer mains constructed to provide service to the subdivision. As used in this subsection (2), the term "final subdivision" shall refer to the last parcel of property to be developed within the Property.

(3) March 5, 2043.

5. **Full Force and Effect.** Except as specifically provided herein, the Agreement is not hereby altered or amended and shall remain, together with all rights and duties of the parties, in full force and effect as amended hereby.

IN WITNESS WHEREOF, the parties have hereunto subscribed their signatures.

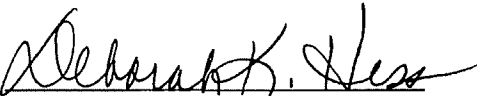
TOWN OF GRANBY,
a Colorado municipal corporation

By: 
Jynnifer Pierro, Mayor

SOLVISTA CORP.,
a Colorado corporation

By: _____
Marise Cipriani, President

ATTEST:


Town Clerk

GRANBY REALTY HOLDINGS LLC,
a Colorado limited liability company

By: _____
Gerald E. Engle, Manager



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a Colorado municipal corporation

By: _____
Jynifer Pierro, Mayor

ATTEST:

Town Clerk

SOLVISTA CORP.,
a Colorado corporation

By: _____
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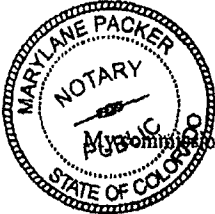
GRANBY REALTY HOLDINGS LLC,
a Colorado limited liability company

By: _____
Gerald E. Engle, Manager

STATE OF COLORADO)
) ss.
COUNTY OF GRANO)

The foregoing instrument was acknowledged before me this 15th day of April,
2009, by Marisa Cipriani, as President of SolVista Corp., a Colorado corporation.

Witness my hand and official seal.



[Signature]
Notary Public)

My commission expires: 8/13/11

STATE OF COLORADO)
) ss.
COUNTY OF Eagle)

The foregoing instrument was acknowledged before me this 27 day of April,
2009, by Gerald E. Engle, as Manager of Granby Realty Holdings LLC, a Colorado
limited liability company.

Witness my hand and official seal.

[Signature]
Notary Public)

My commission expires: 12/23/09

HOLLY W. BOUCHARD
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 12/23/09