

FIRST AMENDMENT
TO
ANNEXATION AND DEVELOPMENT AGREEMENT
SILVER RIDGE TOWNHOMES

THIS Amendment is to that Annexation and Development Agreement by and between the Town of Granby, a Colorado municipal corporation (Town) and Silver Ridge Rocky Mountain, LLC (Developer), which was recorded December 7, 2004 at Reception Number 2004-0144408 of the records of the Grand County Clerk and Recorder (the Agreement).

Whereas, section H.2 of the Agreement provided, in part:

The Developer has not paid water quality fees to Grand County and payment of such fees in the amount established by the Town Code will be required; payment thereof may be secured with a deed of trust that provides that the fee per unit will be due and payable upon any transfer thereof;

Whereas, at the time of county approval of the original subdivision, Developer had provided Grand County with a Water Quality/Wastewater Agreement recorded January 2, 2001 at Reception Number 2001-000029 of the records of the Grand County Clerk and Recorder, and a Promissory Note secured by a deed of trust in payment of the county water quality fee of \$500 per unit, which deed of trust was recorded January 2, 2001 at Reception Number 2001-000030 of such records; and

Whereas, it was the expectation of both the Town and the Developer that Grand County would release its deed of trust or transfer same to the Town upon completion of the annexation, and the Town would have released same and collected its own fees had the transfer occurred; and

Whereas, contrary to expectations Grand County adamantly refused to release or transfer the note and deed of trust and has insisted that its water quality fee in the amount of \$500.00 per unit remains payable to Grand County upon the terms therein provided notwithstanding the annexation of the Silver Ridge Townhomes project to the Town; and

Whereas, the parties would not have agreed to the portion of section H.2, quoted above, had they known that Grand County would take the position described in the preceding paragraph;

Now, therefore, the parties agree that the portion of section H.2 of the Agreement quoted above is hereby amended in its entirety to read as follows:

The Developer has paid water quality fees to Grand County in the form of a note secured by a deed of trust and payment of such fees in the amount established by the Town Code will be not required, provided that Developer pay the water quality fee of \$500.00 per unit to Grand County as set forth in the Water Quality/Wastewater Agreement recorded January 2, 2001 at Reception Number 2001-000029 of the records of the Grand County Clerk and Recorder, and in the Promissory Note secured by a deed of trust, which deed of trust was recorded January 2, 2001 at Reception Number 2001-000030 of such records. Nothing contained herein will prevent the Town from attempting to negotiate with Grand County to receive the Town water quality fee from the county in conjunction with the payment of the fee by Developer to Grand County and Developer agrees not to oppose any such attempt and to cooperate therewith. In the event Grand County releases Developer from these obligations then the Town may collect its water quality fee from Developer.

[There is no additional text on this page.]

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

ATTEST:

TOWN OF GRANBY

Deborah K. Hess
Deborah K. Hess
Town Clerk

By: Edward Wang
Edward Wang
Mayor



STATE OF COLORADO

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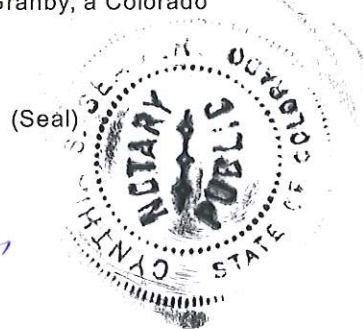
COUNTY OF GRAND

The foregoing instrument was acknowledged before me this 5th day of April, 2006, by Edward Wang, as Mayor, and Deborah K. Hess, as Town Clerk, of the Town of Granby, a Colorado municipal corporation .

Witness my hand and official seal.

My commission expires: 8/22/07

Cynthia Steader
Notary Public



Developer:
SILVER RIDGE ROCKY MOUNTAIN, LLC

By: Steven S. Bromberg
Steven S. Bromberg

STATE OF COLORADO

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COUNTY OF GRAND

The foregoing instrument was acknowledged before me this 29th day of March, 2006, by Steven S. Bromberg , as Manager of Silver Ridge Rocky Mountain, LLC.

Witness my hand and official seal.

My commission expires: 5/23/06

Cheryl A. Chesson
Notary Public

