

FIRST AMENDMENT TO MEMORANDUM OF UNDERSTANDING
CONCERNING DEVELOPMENT AND CONSTRUCTION

THIS FIRST AMENDMENT TO MEMORANDUM OF UNDERSTANDING ("Memorandum") is made as of March 21, 2001, by and between STONEGATE VILLAGE METROPOLITAN DISTRICT ("Village"), and LINCOLN PARK METROPOLITAN DISTRICT (formerly known as STONEGATE CENTER METROPOLITAN DISTRICT) (whether known by either name, hereinafter referred to as "Lincoln"), both quasi-municipal corporations and political subdivisions of the State of Colorado (collectively hereinafter referred to as the "Districts").

RECITALS

WHEREAS, the purposes for which each of the Districts were formed are provision of water, sanitation, street, transportation and parks and recreation facilities and services; and

WHEREAS, pursuant to 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 for the sharing of costs, the imposition of taxes, and the incurring of debt; and

WHEREAS, the Districts entered into a MEMORANDUM OF UNDERSTANDING in 1998, ("MOU") which sets forth certain agreements regarding the relationship of the two parties, the development of the property within the two parties and the exchange of revenues resulting from such development; and

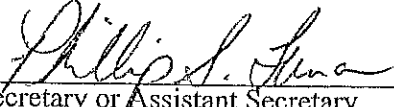
WHEREAS, one of the agreements contained in the MOU states that certain tax revenues are to be shared; and

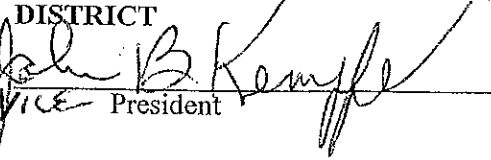
WHEREAS, said agreement is an impediment to the issuance by Lincoln of its general obligation bonds, and thus an impediment to the development of property within Lincoln and the collection of tap fee revenues for the benefit of both Districts;

NOW, THEREFORE, the Districts find to be in their best interests to agree, and do hereby agree that the MOU shall be and is hereby amended to delete, in their entirety, paragraphs B.3.b and B.3.c. No other amendments are contemplated hereby and, except as amended herein, the MOU shall otherwise remain in full force and effect.

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

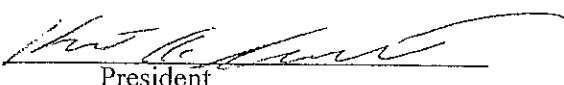
ATTEST:


Secretary or Assistant Secretary

LINCOLN PARK METROPOLITAN DISTRICT

VICE President

ATTEST:


Secretary or Assistant Secretary

STONEGATE VILLAGE METROPOLITAN DISTRICT

President