

FIRST AMENDMENT TO ESCROW AGREEMENT

THIS FIRST AMENDMENT TO ESCROW AGREEMENT (this “**Amendment**”) is made effective as of the _____ day of _____, 2018 by and among TOFINO DEVELOPMENT COMPANY, a Washington corporation (“**Tofino**”) as successor to Pradera Partners 160, LLC, HINTON AMBER MEADOWS, LLP, an Arizona limited liability partnership (“**Hinton**”), CITRUS & LOWER BUCKEYE, LLC, an Arizona limited liability company (“**Citrus**”), MELCOR DEVELOPMENTS ARIZONA, INC., an Arizona corporation (“**Melcor**”), LAS VENTANAS I, LLC, an Arizona limited liability company (“**Ventanas**”), CITY OF GOODYEAR, an Arizona municipal corporation (“**City**”), and FIRST AMERICAN TITLE INSURANCE COMPANY (“**Escrow Agent**”). Escrow Agent, Tofino, Hinton, Citrus, Melcor, Ventanas, and City are sometimes hereinafter referred to collectively as the Parties and individually as a Party

RECITALS

A. Pradera Partners 160, LLC, Hinton, Citrus, Melcor, Ventanas, the City and Escrow Agent entered into that certain Escrow Agreement dated May 25, 2017 (the “**Agreement**”) as contemplated by and in connection with the Development Agreement for West Goodyear Sewer and Water Infrastructure dated May 15, 2017 (the “**Development Agreement**”). All capitalized terms used but not defined in this Amendment shall have the same meaning given to them under the Agreement.

B. By Assignment and Assumption of Escrow Agreement dated April 27, 2018, Pradera Partners 160, LLC, assigned all of its interest in the Agreement to Tofino and Tofino assumed all rights and obligations of Pradera Partners 160, LLC under and pursuant to the Agreement.

C. The Parties now desire to amend the Agreement in certain respects, as more particularly set forth below.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby expressly acknowledged, the parties hereto agree as follows:

1. Incorporation of Recitals. The recitals set forth above are incorporated herein and made a part of this Amendment to the same extent as if set forth herein in their entirety.
2. Completion of Construction. The first sentence of Section 8.1.3 of the Agreement is deleted in its entirety and replaced with the following:

If Owners fail to complete construction of the Regional Lines and the Durango Lines by the date that is twenty-four (24) months following the date that all Escrow Funds have been deposited into Escrow (as same may

be extended on account of any delays resulting from the occurrence of an Event of Force Majeure) and Escrow Agent has sent written notice to all other Parties of such full funding (each, a “**Construction Failure**”), then the City shall have the right, but not the obligation, to take over the construction of the Regional Lines and Durango Lines.

3. Ratified and Confirmed. The Agreement, except as amended by this Amendment, is hereby ratified and confirmed and shall remain in full force and effect in accordance with its original terms and provisions. In the event of any conflict between the terms of this Amendment and the Agreement, this Amendment shall control.

4. Counterparts. This Amendment shall be executed simultaneously or in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. The parties agree that they may reflect and confirm their agreement to be bound hereby, and their execution and delivery of this Amendment, by transmitting a signed copy hereof, by facsimile or by emailing a Portable Document Format (PDF) file, to the other party hereto or to Escrow Agent. Any of the parties hereto or Escrow Agent are authorized to remove the signature pages from duplicate identical counterpart versions of this Amendment and to attach such pages to a single version of this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Amendment effective as of the date first set forth above.

OWNERS:

TOFINO DEVELOPMENT COMPANY,
a Washington corporation

By: 

Its : Authorized Signer

HINTON AMBER MEADOWS, LLP,
an Arizona limited liability partnership

By: Hinton Financial Services, Inc.,
a Colorado corporation,
its General Partner

By: Brad Clough
Brad Clough, President

CITRUS & LOWER BUCKEYE, LLC,
an Arizona limited liability company

By: Hinton Financial Services, Inc.,
a Colorado corporation,
its General Partner

By: Brad Clough
Brad Clough, President

MELCOR DEVELOPMENTS ARIZONA, INC.,
an Arizona corporation

By: _____
Name: _____
Its: _____

LAS VENTANAS I, LLC,
an Arizona limited liability company

By: Two T & W, LLC,
an Arizona limited liability company,
its Manager

By: _____
Tom Tait, Sr., Manager

HINTON AMBER MEADOWS, LLP,
an Arizona limited liability partnership

By: Hinton Financial Services, Inc.,
a Colorado corporation,
its General Partner


By: _____
Brad Clough, President

CITRUS & LOWER BUCKEYE, LLC,
an Arizona limited liability company

By: Hinton Financial Services, Inc.,
a Colorado corporation,
its General Partner

By: _____
Brad Clough, President

MELCOR DEVELOPMENTS ARIZONA, INC.,
an Arizona corporation

By:  _____
Name: 
Its: Karen Albarda Naomi Stofus
Vice President Secretary Treasurer

LAS VENTANAS I, LLC,
an Arizona limited liability company

By: Two T & W, LLC,
an Arizona limited liability company,
its Manager

By: _____
Tom Tait, Sr., Manager

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an Arizona limited liability company,
its Manager

By: Tom Tait
Tom Tait, Sr., Manager