

**WHEN RECORDED MAIL TO:**  
Office of Economic Development  
Attention: Linda Henderson  
201 W. Colfax Ave., Dept. 204  
Denver, CO 80202

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE

**FIRST AMENDMENT AND MODIFICATION AGREEMENT**

**THIS FIRST AMENDMENT AND MODIFICATION AGREEMENT** (this "Amendment") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2010 by and among the **CITY AND COUNTY OF DENVER**, a municipal corporation of the State of Colorado ("City"), **GREAT DIVIDE BREWING COMPANY**, a Colorado corporation, whose address is 2201 Arapahoe Street, Denver, Colorado 80205 ("Borrower"), and **BRIAN DUNN**, an individual whose address is 5501 Montview Boulevard, Denver, Colorado 80207 ("Guarantor") (together, the "Parties").

08-071-A

**WITNESSETH:**

**WHEREAS**, the Parties entered into that certain Loan Agreement dated January 22, 2008 relating to a loan of \$175,000 to a selected business entity within a designated target area (the "Loan Agreement"); and

**WHEREAS**, Borrower executed a promissory note dated February 20, 2008 (the "Note"); and

**WHEREAS**, the Parties again wish to modify the Loan Agreement, Note, and all other documents evidencing or securing the City's loan (the "Loan Documents") to enable additional financing for Borrower's business and to revise Borrower's repayment obligation;

1. The Note is hereby amended as follows:

a. As of March 1, 2010, the current outstanding principal balance of the Note is One Hundred Sixty-One Thousand and No/100 Dollars (\$161,000.00). This amount is hereby increased by the amount of One Hundred Seventy-Five Thousand and No/100 Dollars (\$175,000.00), for a total outstanding principal balance of Three Hundred Thirty-Six Thousand and No/100 Dollars (\$336,000.00) (the "Current Loan Balance").

b. The Current Loan Balance shall be repaid, together with interest at the rate of three percent (3%) per annum in monthly installments of Two Thousand Three Hundred Twenty and 35/100 Dollars (\$2,320.35) (the "New Monthly Payment").

c. The New Monthly Payment shall be deferred from June 1, 2010 through December 1, 2010. Interest shall resume accruing on December 1, 2010, and payment of the New Monthly Payment amount shall commence on January 1, 2011 and shall continue to be due upon the first day of each month thereafter.

d. The entire unpaid balance shall be due and payable on or before the first day of the one hundred twenty-first (121st) month following the month of execution of the Note.

2. Paragraph 2 of the Loan Agreement is hereby deleted in its entirety and replaced with the following: **SECURITY FOR REPAYMENT**: As security for this loan, the Borrower agrees to grant and properly perfect a security interest in all of its assets, including accounts, goods, inventory, machinery, equipment, furniture, fixtures, contract rights, and general intangibles, now owned or hereafter acquired, and wherever located, but including those located at 2201 Arapahoe Street, Denver, Colorado (the "Property"), and the proceeds thereof. The City's security interest shall be documented as required by the City, and those documents are referred to herein as the "UCC Security Documents". In addition, this loan will be secured by a deed of trust, in form satisfactory to City (the "Deed of Trust"), as follows: (i) a deed of trust on the Property, subject to prior encumbrances not exceeding \$1,200,000.00 in principal amount. Repayment shall be personally guaranteed in form satisfactory to City, by Guarantor.

3. The Director of OED, or his or her designee, is hereby authorized to release the Deed of Trust if no default exists under this Loan Agreement and Borrower has made the New Monthly Payment consecutively for two and one-half (2.5) years.

4. The additional One Hundred Seventy-Five Thousand and No/100 Dollars (\$175,000.00) in funds will be disbursed upon receipt of documentation in a form satisfactory to the fiscal department of OED in accordance with the following budget:

Equipment Purchases	\$175,000
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5. Paragraph 5 of the Loan Agreement entitled **JOB CREATION AND RETENTION**: is hereby amended by adding an additional five (5) full-time jobs (the "Additional Jobs") to be created with the funds received by Borrower, making the total jobs created equal ten (10). The Additional Jobs shall be subject to the same requirements set forth in Paragraph 5 of the Loan Agreement and shall be created within twenty-four (24) months from the date of this Amendment.

6. The Loan Documents are hereby modified to reflect the amended terms of the Note.

7. Except as modified herein, the Loan Documents remain unmodified and are hereby ratified and reaffirmed.

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IN WITNESS WHEREOF, the Parties have caused this Amendment to be executed as of the day and year first above written.

ATTEST:

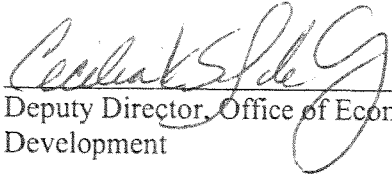
CITY AND COUNTY OF DENVER

\_\_\_\_\_  
STEPHANIE Y. O'MALLEY,  
Clerk and Recorder, Ex-Officio Clerk  
of the City and County of Denver

By: \_\_\_\_\_  
Mayor

RECOMMENDED AND APPROVED:

APPROVED AS TO FORM:  
DAVID R. FINE, City Attorney for the  
City and County of Denver

By:   
Deputy Director, Office of Economic  
Development

By: \_\_\_\_\_  
Assistant City Attorney

REGISTERED AND COUNTERSIGNED:

By: \_\_\_\_\_  
Manager of Finance  
Contract Control No. GE76024-1

By: \_\_\_\_\_  
Auditor

“CITY”

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GREAT DIVIDE BREWING  
COMPANY, a  
Colorado corporation  
IRS No. 84-1238726

By: [Signature]

Name: Brian Dunn  
(please print)

Title: President

“BORROWER”

STATE OF COLORADO )

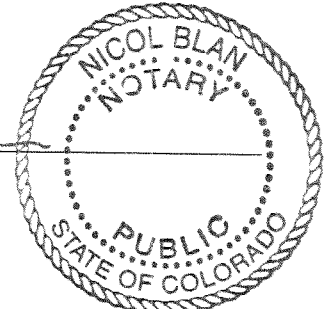
COUNTY OF Denver )ss

Acknowledged before me this 27<sup>th</sup> day of April, 2010, by Brian Dunn as President of GREAT DIVIDE BREWING COMPANY, a Colorado corporation.

Witness my hand and official seal.

My commission expires: 5.8.10

[Signature]  
Notary Public



[Signature] My Commission Expires 05/08/2010

BRIAN DUNN

“GUARANTOR”

STATE OF COLORADO )

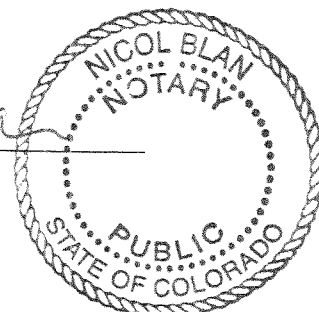
COUNTY OF Denver )ss

The foregoing Amendment was acknowledged before me this 27<sup>th</sup> day of April, 2010 by BRIAN DUNN.

Witness my hand and official seal.

My commission expires: 5.8.10

[Signature]  
Notary Public



My Commission Expires 05/08/2010