

Joint Notice of Compliance Time Extension

This shall serve as notice to ESCROW AGENT that, in accordance with Subsection 4.3.1 of the EFFLUENT WATER AUCTION ESCROW AGREEMENT (November 19, 2007), TOWN and BUYER thereunder have mutually agreed to extend the compliance time for BUYER to provide ESCROW AGENT certain documents and OPTION DOWN PAYMENT required in said Subsection 4.3.1 (as more fully set forth below). Any term used but not defined in this Joint Notice shall have the meaning given such term in the EFFLUENT WATER AUCTION AGREEMENT (November 19, 2007).

Section 6 of the EFFLUENT WATER AUCTION AGREEMENT and Subsection 4.3 of the EFFLUENT WATER AUCTION ESCROW AGREEMENT give BUYER until 11:59 p.m. Mountain Standard Time on the Option Closing Date (5 years from the date of BUYER's receipt of ADWR's annual accounting sheet listing Annual Effluent Additions that ADWR recognizes as available to be recovered and pledged to a CAWS or Alternative Use) to exercise its option to purchase Annual Effluent Additions Interests recognized therein for the Exercise Price.

On December 15, 2008, BUYER received ADWR's annual accounting sheet listing 56.50 acre feet of Annual Effluent Additions that ADWR recognized at the end of 2007 as available to be recovered and pledged to a CAWS or Alternative Use. As a result, the Option Closing Date for these Annual Effluent Additions was December 15, 2013. On February 18, 2010, BUYER received ADWR's annual accounting sheet listing 124 acre feet of Annual Effluent Additions that ADWR recognized at the end of 2008 as available to be recovered and pledged to a CAWS or Alternative Use. As a result, the Option Closing Date for these Annual Effluent Additions was February 18, 2015.

At the request of BUYER, and in consideration of unanticipated delays in permitting the planned TOWN effluent recharge facility from which Annual Effluent Additions are expected in the future, TOWN and BUYER have mutually agreed to extend the compliance time for BUYER to provide certain documents and the OPTION DOWN PAYMENT required for the **56.50 acre feet** of Annual Effluent Additions to **December 15, 2015**, and for the **124 acre feet** of Annual Effluent Additions to **February 18, 2017**.

Reference: Effluent Water Auction Agreement between Town of Prescott Valley, Arizona, as Seller, and Water Property Investors, L.L.C. as Buyer

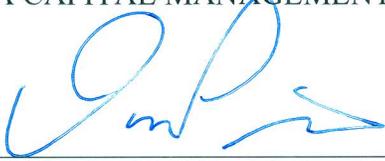
Escrow File Nos. 07333963-07333966/Wendy Howell

TOWN (Town of Prescott Valley, Arizona)

Authorized signature for TOWN

DATE

APPROVED
AQUA CAPITAL MANAGEMENT, L.P.



11/8/12

Authorized signature for AQUA CAPITAL

DATE

CEO

Title

STATE OF Nebraska)

) ss.

COUNTY OF Douglas)

SUBSCRIBED AND SWORN TO before me on this 8 day of November 2012,
by David Penrice



Notary Public

My Commission Expires: Sep 26, 2014

