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ADAM GARDINER
Recorder, Salt Lake County, UT
MERIDIAN TITLE
BY: eCASH, DEPUTY - EF 5 P.

EXHIBIT "B" TO ADDENDUM

When Recorded Mail To:
Builder Name: Holmes Homes
Address: 126 W Segoe Lily Dr. Ste 250
City, UT Zip Code: Sandy, UT 84070
MTC File:

261137

JOINT AGREEMENT TO MAINTAIN VALUE OF PURCHASED PROPERTY
AND SUBDIVISION DEED RESTRICTION

As a material consideration inducing the grantor under the attached deed ("Seller") to sell to the grantee ("Buyer") that certain real property described in this Deed (the "Property"), Buyer has covenanted and represented to Seller Buyer's intent to own the Property for the Limitation Period defined below. Accordingly, this Deed Restriction is attached to, and incorporated into, this deed by virtue of a separate unrecorded agreement (the "Agreement") executed by Buyer and Seller. This deed restriction is to provide constructive notice of such commitments by Buyer, and Seller's remedies upon breach of such commitments. Notwithstanding the foregoing, this Deed Restriction includes certain mortgagee protections which shall be in addition to, and shall not be superseded by, the mortgagee protection in the Agreement.

Consistent with the PARTIES' mutual desire and purpose to maintain values of the BUYER'S home, together with all of the homes in the subdivision, and to provide a stabilized community of owner-occupied homes, the PARTIES mutually desire that homes sold in the subject subdivision be sold only to buyers occupying them as their principal or secondary residence. Therefore, in order to induce SELLER to agree to sell the PROPERTY to BUYER, the PARTIES each for themselves represent and agree as follows:

- 1) Use as Principal or Secondary Residence for One Year. BUYER represents, warrants and covenants to SELLER that BUYER: (i) owns no more than one other home at the time of execution of this AGREEMENT; (ii) is purchasing the PROPERTY for use as BUYER's principal or secondary residence, and except as excused upon the occurrence of a hardship as described in Exhibit "A" to this AGREEMENT, or upon the prior written consent of SELLER; (iii) shall occupy the PROPERTY as BUYER's principal or secondary residence upon the close of escrow; and, (iv) will not assign or in any manner attempt to transfer BUYER's rights under the AGREEMENT nor enter into any agreement for the sale, lease or other transfer of the PROPERTY which would result in BUYER's failure or inability to occupy the PROPERTY as BUYER's principal or secondary residence and hold title thereto in fee simple, for a consecutive period of at least (1) year from the close of escrow of BUYER's purchase of the PROPERTY (the "OCCUPANCY PERIOD"). The provisions of this paragraph and the accuracy and performance of the above representations, warranties, and covenants of BUYER are a condition precedent to SELLER's performance under the AGREEMENT and BUYER acknowledges that without such representations, warranties and covenants, SELLER would not sell PROPERTY to BUYER.
- 2) Transfer Prior to Close of Escrow. Except as approved in advance by SELLER in writing, any assignment by BUYER or attempt to assign BUYER's rights under the AGREEMENT, or any sale, lease, or other transfer of the PROPERTY prior to the close of escrow for the sale of the PROPERTY, shall constitute both (i) a material breach of the AGREEMENT, entitling SELLER, at its sole election, to terminate the AGREEMENT and retain BUYER's deposit pursuant to the terms of the AGREEMENT, and (ii) the failure of a condition precedent to SELLER's obligation to sell PROPERTY to BUYER. Prior to the close of escrow pursuant to the AGREEMENT, this AGREEMENT shall not limit SELLER's remedies should BUYER be in default of the AGREEMENT or this AGREEMENT.
- 3) Transfer Subsequent to Close of Escrow. Except for hardship situations as described in Exhibit "A" to this AGREEMENT, any sale, lease or other transfer by BUYER by which BUYER either fails to occupy the PROPERTY as BUYER's principal or secondary residence for the OCCUPANCY PERIOD or transfers title to the PROPERTY prior to the expiration of the OCCUPANCY PERIOD, shall constitute a material breach of the AGREEMENT and this AGREEMENT. In the event of such breach, BUYER shall pay SELLER or its designee, liquidated damages in the stipulated amount of Twenty Five Thousand Dollars (\$25,000) at or before the close of the subsequent sale.
- 4) Compliance with AGREEMENT. BUYER shall upon forty-eight (48) hours written notice provide SELLER with such information as shall reasonably be requested to verify compliance with the terms of this AGREEMENT, including in SELLER's discretion, but not limited to: (i) documents of title of all other real property owned by BUYER; (ii) evidence of employment in State of Utah; (iii) credit report; and (iv) authorization and release form authorizing SELLER to request and receive BUYER's credit report.

- 5) No Unreasonable Restraint BUYER acknowledges that the purpose of this AGREEMENT is to : (a) comply with the PARTIES' intention and desire to maintain the value of BUYER's home as well as all of the homes in the subdivision; (b) create a stabilized community of owner-occupied homes; and (c) prevent a shortage of available homes for permanent residents. BUYER agrees the provisions and restrictions set forth in this AGREEMENT do not constitute an unreasonable restraint upon alienation of the property.

- 6) Survival; Severability. All of the covenants herein shall survive the delivery and recordation of the deed conveying the PROPERTY from SELLER to BUYER. The provisions of this AGREEMENT shall be independent and severable, and determination of invalidity or partial invalidity or enforceability of any one provision or portion hereof shall not affect the validity or enforceability of any other provision of this AGREEMENT of the AGREEMENT.

- 7) Recordation. BUYER's signature below shall be notarized, and this AGREEMENT may, in SELLER's sole discretion, be recorded upon close of the escrow with the Salt Lake County Recorder against the title to PROPERTY purchased by BUYER pursuant to the terms of the AGREEMENT. This recorded AGREEMENT shall not constitute a lien, but shall provide actual and constructive notice of the terms of this AGREEMENT.

- 8) Subordination. The PARTIES hereby acknowledge and agree that a violation of this AGREEMENT by either party shall not defeat or render invalid the lien of any first mortgage or deed of trust made in good faith find for value, and the covenants and provisions of this AGREEMENT shall be inferior and subordinate to the lien of any such first Mortgage or deed of trust recorded concurrently with the deed conveying the PROPERTY to BUYER.

- 9) Interest and Attorney's Fees. In addition to the damages and relief either Party may be entitled to hereunder or otherwise at law and equity arising from the breach by the other of this AGREEMENT, the AGREEMENT, or any of the terms or conditions thereof, the prevailing party in any action brought to enforce or interpret any of the terms of this AGREEMENT and the AGREEMENT as it relates to this AGREEMENT, whether such action culminates in suit, arbitration, mediation or negotiation, shall be entitled to interest on the judgment amount of twelve percent (12%) per annum, compounded annually from the date of breach through payment in full, together with all costs and attorney's fees reasonably incurred.

- 10) Disclosure. Notwithstanding anything herein to the contrary, SELLER makes no representation that any other homes in the subdivision will be (or are) occupied by owners or renters and SELLER shall have no obligation to sell any other homes in the subdivision to people who intend to occupy the home as their primary or secondary residence. SELLER makes no representation or warranty to BUYER that SELLER will enter into, or enforce, this AGREEMENT with any other BUYER of a home in the subdivision. SELLER makes no representation or warranty regarding the number or percentage of homes in the subdivision that will be sold to people who intend to occupy the home as their primary or secondary residence. SELLER expressly reserves the right, in its sole and absolute discretion, to sell any, or even all, of the homes in the subdivision to investors (i.e., non-owner occupied) or people who intend to occupy the homes as owner-occupied or otherwise. SELLER advises BUYER that other homes in the subdivision may be owner occupied, renter occupied, or not occupied at all. With the exception of SELLER's designee specifically identified in writing to SELLER, there is no third-party beneficiary to this AGREEMENT.

- 11) Survival. The PARTIES agree that the terms of this AGREEMENT shall survive the closing of escrow on the PROPERTY, and shall insure to the benefit of SELLER and its designees upon closing and completion of the subject subdivision.

BUYER acknowledges, BUYER (a) has read the provisions of this AGREEMENT, (b) understands the provisions of this AGREEMENT and agrees they are reasonable, and (c) acknowledges no representation, warranty, or other promise not contained in this AGREEMENT has been made to BUYER by any employee, sales agent or representative of SELLER upon which BUYER is relying in connection with BUYER's purchase of the PROPERTY and execution of this AGREEMENT. BUYER is advised to consult with legal council of BUYER's choice before signing this AGREEMENT.

Agreed and acknowledged:

Buyer:

Buyer:

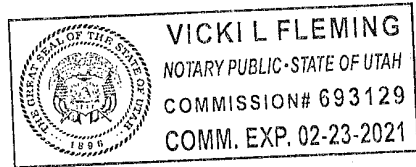
Seller
Holmes Homes, Inc.
Daron Smith

State of Utah }
County of Salt Lake } ss

On this 21st day of May, 2018, before me, a Notary Public in and for the said state, personally appeared Joshua Kudrna known or identified to me to be the person whose name is subscribed to the written instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year first above written.

[Signature]
Notary Public for the State of Utah



State of Utah }
County of Salt Lake } ss

On this 21st day of May, 2018, before me, a Notary Public in and for the said state, personally appeared Daron Smith, Secretary of Holmes Homes, Inc., known or identified to me to be the person whose name is subscribed to the written instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year first above written.

[Signature]
Notary Public for the State of Utah

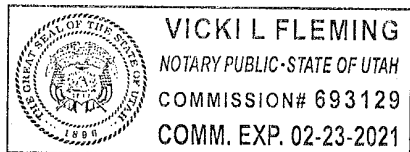


EXHIBIT "A" TO AGREEMENT

The following events shall be deemed to constitute "hardship" situations under which BUYER may transfer, sell, assign, convey or lease (collectively, a "TRANSFER") its rights, title and interest in the PROPERTY prior to occupying and holding title to the PROPERTY for the OCCUPANCY PERIOD.

7. A TRANSFER resulting from the death of BUYER;
8. A TRANSFER by BUYER where the spouse of BUYER becomes the only co-owner of the PROPERTY with BUYER;
9. A TRANSFER resulting from a decree of dissolution of marriage or legal separation or from a property settlement agreement incident to such decree;
10. A TRANSFER by BUYER into a revocable inter vivos trust in which BUYER is a beneficiary;
11. A TRANSFER, conveyance, pledge, assignment or other hypothecation of the PROPERTY to secure the performance of an obligation, which TRANSFER, conveyance, pledge, assignment or hypothecation will be released or reconveyed upon the completion of such performance;
12. A TRANSFER because permanent (more than 6 months) employment related relocation of BUYER or BUYER's spouse (where BUYER is not self-employed) necessary to accommodate a mandatory job transfer required by BUYER's employer to at least 60 miles from the Property location;
7. A TRANSFER necessitated by a medical financial emergency, proof of which emergency has been delivered to SELLER, and has been approved by SELLER in its reasonable discretion;
9. A TRANSFER which, in the reasonable judgment of SELLER, constitutes a "hardship" situation consistent with the intentions of this AGREEMENT and Exhibit.

MTC File No. 261137

Exhibit "A"

Lot 401, Kennecott Daybreak Village 5 Multi Family #1 Subdivision Amending Lot V3 and T3 of the Kennecott Master Subdivision #1 Amended, according to the plat thereof as recorded in the office of the Salt Lake County Recorder.

Tax ID: 26-13-327-013