When Recorded Return To Ash Creek Special Service District 111 South Main Street

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SEWER EASEMENT AGREEMENT

This SEWER EASEMENT AGREEMENT ("Agreement") is made and executed as of the day of <u>Quast</u>, 2003, by and between Winding River Associates, LLC, a Utah Limited Exability Company ("Winding River"), Washington County Water Conservancy District, a political subdivision of the State of Utah (the "Water District") Ash Creek Special Service District, a Utah Special Service District ("Ash Creek") and Sun Realty Corporation, a Utah Corporation ("Sin Realty/Outlaw Ridge").

Recitals

WHEREAS, Winding River owns certain real property located in Washington County, Utah, that is more particularly described in Exhibit A (hereinafter "Winding River South Property") attached hereto and incorporated herein by reference; and

WHEREAS, Sun Realty Cutlaw Ridge is currently negotiating with Winding River to purchase some or all of the Winding River South Property and to that extent intends to acknowledge and agree to the provisions in this Agreement Sun Realty/Outlaw Ridge contually purchases some or all of the Winding River South Property; and

WHEREAS, the Water District is making certain improvements in Washington County associated with its functions as a water conservancy district including a sewer line from Sand Hollow Reservoir to Ash Creek sewer lagoons that is more particularly described in Exhibit B (the "Sand Hollow Sewer Line") attached hereto and incorporated herein by reference; and

WHEREAS, Winding River and the Water District have been in discussions with representatives of some of the owners of lots within the Dixie Springs development ("Dixie Springs") with the expectation that funding for that development would pay for roadways sewer and other facilities which would have relieved the parties hereto of some or all of the expense associated with construction of the Sand Hollow Sewer Line, and Winding River and the Water District desire to ensure that any such funding or construction by Dixie Springs, if it occurs, should substitute or offset the costs of construction of any sewer lines; and

WHEREAS, the Water District represents its need to proceed with the improvements to the Sand Hollow Sewer Line, or at least with obtaining the easement therefor, from Winding River at this time; and

WHEREAS, in order to provide a sewer line to the Sain Hollow Reservoir that will also serve the Winding River South Property, the Water District requests Winding River grant Ash Creek a sewer line easement on that portion of Winding River South Property described in Exhibit C, attached hereto and incorporated herein by this reference, for the construction and maintenance of the Sand Hollow Sewer Line by the Water District and/or Ash Creek; and

WEEREAS, Winding River asserts that it does not currently need the Sand Hollow Sewer

Line and would prefer such improvements not be made at this time preferring that improvements be installed by Dixie Springs and therefore asserts that such improvements would be of little value to Winding River or the Winding River South Property at this time; and

WHEREAS, Winding River wishes to accommodate the Water District's request for the easement at this time in order to provide sewer facilities from the Sand Hollow Reservoir pending completion of the Dixie Springs Improvements; and

WHEREAS, the parties hereto intend that Winding River assume corresponsibility or liability for the quality of the improvements anticipated herein or for damages or injuries resulting from the improvements anticipated herein; and

WHEREAS, Winding River asserts that the installation of the improvements contemplated in this Agreement should not be the basis for, nor result in my governmental or other obligations to Winding River for which it would not have been subject to had it not granted the Water District's requests herein, including, but not limited to, Winding River's (or the Winding River South Property's) participation in any special improvement district ("SID") or similar funding mechanism for which Winding River does not wish to participate; and

WHEREAS, the parties desire and intend that Winding River shall retain and reserve the right to improve and develop the Winding River South Property, including that property within the easement granted hereby provided that such improvement and development does not unreasonable interfere with Ash Creek's installation, maintenance and repair of its sewer line or lines; and

WHEREAS, the parties acknowledge that the Water District is paying for installation of the Sand Hollow Sewer Line and is entitled to fair reimbursement of the proportionate costs of the line from other entities who may desire to connect their facilities or developments to the line; and

WHEREAS, the parties desire and intend that Winding River shall have the right to connect to and use the Sand Hollow Sewer Line (or other lines installed at a future date by Winding River under the direction of (Ash Creek) for use in developing the Winding River South Property and have a reserved interest in the sewage capacity of said lines relevant to the south west portion of the Winding River South Property that will gravity flow into the Sand Hollow Sewer Line as generally depicted on Exhibit D (referred to hereinanter as the "Winding River South-West Land"), and the Water District is willing to construct the Sand Hollow Sewer Line on the Winding River South Property as detailed in Exhibit B; and

WHEREAS, it is anticipated that the Dixie Springs funding will substitute or offset the cost of installation of the Sand Hollow Sewer Line and whereas Winding River shall grant the easement herein a cost to Ash Creek, Winding there shall not be required to pay emburse any party for the additional cost of increased line size, or otherwise, to serve the Winding River South-West 1 and shall not be required to pay/reimburse any party for any additional costs of increased line size, or otherwise, to serve the Winding River South Property of the extent that Dixie Springs has paid for such costs, recognizing that all decisions regarding operation and maintenance of the line will be made by Ash Creek in accordance with this agreement and its Rules of Operation, and

WHEREAS, Ash Creek agrees that it will reserve and/or guarantee all capacity in and use of the Sand Hollow Sewer Line to the Water District until December 31, 2015, except that capacity

reserved and/or guaranteed to Winding River as set forth in this Agreement; and

WHEREAS, Ash Creek agrees that, with the exception of Winding River's rights as ser forth herein, Ash Creek will not allow any entity to connect to the Sand Hollow Sewer Line unless and until it has received a letter from the Water District stating that it has assigned a specified portion of its capacity to that entity; and

WHEREAS, Ash Creek agrees that it will reserve and/or guarantee capacity in and the use of the Sand Hollow Sewer Line (or other the installed by Winding River) the future under the direction of Ash Creek) to Winding River for service to 406 units (or residential equivalents thereof) on the Winding River South West Land until December 31, 2015, which reservation shall not act to limit the rights of Ash Creek to allow connection to the Sand Hollow Sewer Line or such other lines installed in the future under the direction of Ash Creek for service of any of the Winding River South Property in accordance with the terms of this Agreement, nor shall such service act to reduce the guaranteed capacity in the Sand Hollow Sewer Line for the Winding River South-West Land.

Agreement

NOW, THEREFORE, in consideration of the mutual agreements herein contained, the parties covenant and agree for themselves and their heirs, successors and assigns as follows:

- 1. Sewer Utility Easement. Subject to the provisions of paragraph 7 hereafter, Winding River does hereby quitclaim and grant to Ash Creek a non-exclusive, perpetual easement to erect, construct, install hay and thereafter access, use operate, inspect, repair, maintain replace and remove a sewer line within the tract of land described on Exhibit C, (the "Sand Hollow Sewer Line Easement"). Capacity in the line shall be managed and allocated as directed by Ash Creek, which shall do so in accordance with the provisions of this agreement.
- Compensation. Ash Creek shall not be required to pay Winning River for the easement granted herein. Winding River shall not be required to pay reimburse the Water District or any other party for the additional cost of increased line size, installation of the Sand Hollow Sewer Line, or otherwise, to serve the Winding River South West Land. Furthermore, to the extent that Dixie Springs pays for the cost of increased capacity, Winding River shall not be required to pay/reimburse the Water District for that portion of the cost to serve the Winding River South Property.
- 3. Non-assumption of Future Obligations. Winding River retains ownership of the land described on Exhibit C. The parties hereto intend that Winding River assume no responsibility or liability for the quality of the improvements anticipated herein. The parties acknowledge Winding River's assertion that the installation of the improvements contemplated in this Agreement should not be the basis for, nor result in, any governmental or other obligations to winding River for which it would not have been subject to had it not granted the Water District's requests herein, including but not limited to, Winding River's (or the Winding River South Property's) participation in any SID or similar funding the chanism for which Winding River does not wish to participate.

4. Abandonment of Easements. In the event that construction and installation of the

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improvements described in Exhibit B have not been substantially completed within twelve (12) months of the date of this Agreement, Ash Creek shall, upon written request of Winding River, reconvey the easement granted herein to Winding River. Upon such reconveyance, all responsibility and liability of Ash Creek under this Agreement shall terminate.

- 5. Sand Hollow Sewer Line. The Water District shall install the Sand Hollow Sewer Line in accordance with Exhibit B, unless otherwise agreed to between the Water District, Ash Creek and Winding River. If Dixie Springs has need for and is ready to install the Sand Hollow Sewer Line before Winding River or the Water District, the parties shall expect Dixie Springs to pay the entire cost of installation of a sewer line of sufficient capacity to provide the capacity needed by Winding River and the Water District in addition to the capacity needed by Dixie Springs.
- agree that the reservation and guaranty of capacity by Ash Creek. The parties acknowledge and agree that the reservation and guaranty of capacity in the Sand Hollow Sewer Line (or other lines to be added at a future date under the direction of Ash Creek) to accommodate future development by Winding River and the Water District is an essential element of this Agreement. Accordingly, from the date of execution of this Agreement until December 31, 2015, Ash Creek shall reserve and/or guarantee capacity in the Sand Hollow Sewer Line (or other lines) for future development by Winding River and the Water District as follows:
 - Water District: Ash Creek reserves and or guarantees all capacity in and the of the Sand Hollow Sewer Line to the Water District until December 31, 2015, except the capacity and use which is reserved and/or guaranteed to Winding River in paragraph b, below. Ash Creek agrees that, with the exception of Winding River's rights as set forth in paragraph b, Ash Creek will not allow any entity to connect to the Sand Hollow Sewer Line unless and until it has received a letter from the Water District stating that it has assigned a specified portion of its capacity to that entity. The Water District shall be entitled to recover from any such entity a proportionate share of the cost of the line, which shall be determined and agreed to be and between the District and Ash Creek after construction of the line is complete based upon the total number of units the line is expected to serve, the actual cost of the line, assuming amortization of the costs by December 31, 2015, at any annual rate of five percent (5%). Provided, however, that the Water District and Winding River expect that Dixie Springs shall be required to pay an amount necessary to compensate for rights-of-way as well as the additional costs of increased line size and related facilities to serve the Winding River South Property and that any such payments shall offset all or a portion of any recovery the District might otherwise be entitled to from Winding River.
 - b. Winding River Ash Creek reserves and/or guarantees capacity in and the use of the Sand Hollow Sewer Line to Winding River for service of 406 units (or residential equivalents thereof) on the Winding River South-West Land until December 37, 2015. This reservation shall not act to limit the rights of Ash Creek to allow connection to the Sand Hollow Sewer Line for service of any of the Winding River South Property, in accordance with the terms of this Agreement and with Ash Creek's Rules of Operation, provided that such service shall not act to reduce or offset the guaranteed capacity in the Sand Hollow Sewer Line (or other lines installed in the future under the direction of Ash

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Creek) for the Winding River South-West Land.

- Assignment of Capacity/Reservation of Ash Creek's Administration Onti December 31, 2015 Winding River and the Water District each shall have the right upon ten (10) days written notice to Ash Creek, to assign all or a portion of their respective capacity rights to third parties. At all times, Ash Creek shall have the right to allow connection by third parties to the Sand Hollow Sewer Line (or other lines) in accordance with the terms of this Agreement and its Rules of Operation, subject only to the reservation/guarantee of capagity winding River and the Water District and the obligation to require a letter from the District before connection to the Sand Hollow Sewers line hereunder, as well as maintaining all other administration rights pursuant to its Rules of Operation.
- Use of Easements. The easement granted herein is intended for the initial installation of one sewer pipe as described in Exhibit Bas well as additional line(s) to be added at a future date under the direction of Ash Creek. Winding River may grant other easements or rights of way upon over, across, through or under the Sand Hollow Sewer Line Easement for any purposes which do not unreasonably interfere with Ash Creek's easement with hereunder only upon written consent of Ash Creek, which consent shall not be unreasonably withheld. Winding River shall not install or construct permanent buildings or structures on the Sand Hollow Sewer Time Easement, without written consent of Ash Creek. Winding River shall not install, plant or maintain trees, shrubs or other plants or install fences, walls toadways or paths, which unreasonably interfere with Ash Creek's easement rights the eunder. Winding River shall be responsible to Ash Creek for any damage to the Sand Hollow Sewer Line, or future sewer lines within the easement, resulting from such improvements by Winding River on the easement. Ash Creek shall have the right to require Winding River to maintain any of Winding River's improvements that may be placed on the Sand Hollow Sewer Line Easement in a manner necessary for the sale exercise of Ash Creek's rights hereunder. (It is understood by the parties hereto that the development of the Winding River Property, including the property within the Easement, will require certain reasonable installations of landscaping, roadways and paths, and other similar improvements (not permanent buildings or houses), and that ASH Creek and Winding River will cooperate reasonably in Winding River's development needs on and around the easement property.)
- Winding River's Right to Relocate. Upon request by Winding River, Ash Creek will cooperate with Winding River to relocate the easement granted hereunder, provided that Ash Creek shall not be responsible for the cost of such relocation. Any such relocated easement shall be designed to be substantially equivalent to the present easements so as not to impair those that rely upon and have a right to use of the easements. Upon the grant of a substitute easement and relocation of improvements satisfactory to Ash Creek, Ash Creek anall abandon or appropriately convey its interest in the easement granted herein to Winding River.
- Duration of Easements. Except as provided herein, the easements granted berein shall continue until such time as Ash Creek abandons or reconveys the same.
 - Covenants Run With Land. Each right and obligation in this Agreement (whether 10.

affirmative or negative in nature) (a) shall constitute a covenant running with the land; (b) shall benefit and bind every person having any fee, leasehold or other interest in any portion of the easements to the extent that such portion is affected or bound by the easement, dedication, covenant or restriction in question, or to the extent that such easement, dedication, covenant or restriction is to be performed on such portion; and (c) shall benefit and be binding upon any person whose title is acquired by judicial foreclosure, trustee's sale, deed in lieu of foreclosure or otherwise.

11. Rules of Operation. The parties hereto specifically acknowledge and agree that except as provided herein, all aspects relating to collection and disposal of sewage materials generated by the use of property within the Ash Creek Special Service District shall be governed by the Rules of Operation and Construction Standards of said District.

12. Miscellaneous

- a. Should any party default in any of the covenants or agreements herein contained, that defaulting party shall pay all costs and expenses which may arise or accrue from enforcing this Agreement or in pursuing any remedy provided hereunder or by applicable law, whether such remedy is pursued by filing suit or otherwise. This obligation of the defaulting party to pay costs and expenses includes, without himitation, all costs and expenses includes and in bankruptcy proceedings.
- b. Each party agrees to indemnify, save harmes, and release the other party and all its officers, agents, volunteers, and employees from and against any and all loss, damages, injury liability, suits, and proceedings arising out of the performance of this contract which are caused in whole or in part by the negligence of the that party's officers, agents, volunteers, or employees, but not for claims arising from the other party's sole negligence. Such indemnification shall include, but not be limited to, mechanic's liens, environmental claims, and other claims associated with the and Sand Hollow Sewer Line improvements or the use by the public thereof.
- Agreement shall survive any legal act, plat recording, closing or conveyance required under this Agreement. The provisions of this Agreement shall be construed both as covenants and conditions in the same manner as though the words importing such covenants and conditions were used in each separate provision hereof
- d. The section and other headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.
- e. This Agreement, including the exhibits attached hereto, constitutes the entire agreement between the parties hereto relative to the subject matter hereof. Any prior negotiations, correspondence, or understandings relative to the subject matter hereof shall be deemed to be merged in this Agreement and shall be of no force or effect. This Agreement may not be amended or modified except in writing executed by all parties hereto.
- f. This Agreement shall be governed by and construed in accordance with the laws of the State of Utah.
 - g. This Agreement shall bind and inure to the benefit of all the parties hereto

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and their respective successors and assigns. IN WITNESS WHEREOF, the parties have executed this Sewer Easement Agreement on the day and year first above written. WINDING RIVER ASSOCIATES, LLC WATER CONSERVANCY DISTRICT WASHINGTON COUNTY Ronald W. Thompson, Manager SH CREEK SPECIAL SERVICE DISTRICT By: Chalyn Humphrize, Chairman of the Administrative Control Board Acknowledgment and Consent to be bound by Sewer Easement Agreement: SUN REALTY CORPORATION Henry "Hank" Isaksen, Jr., Presiden COMMONWEALTH OF PENNSYLVA COUNTY OF ALLEGHENY 2003, before me personally appeared TIMOTHY M. INCLAS whose On this 944 day of, identity is personally known to or proved to me on the basis of satisfactory evidence, and who, being by me duly sworn (or affirmed), did say that he is a manager of WINDING RIVER ASSOCIATES, LLC, and that

the foregoing document was signed by him on behalf of that company by authority of its declaration of

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Ethelyn Humphries whose dentity is personally known to or proved to me on the basis of satisfactors evidence, and who, being by me duly sworn (or affirmed), did say that she is the Chairman of the Administrative Control Board of Ash Creek Special Service District, a Utah Special Service District, and that the foregoing document was signed by her on behalf of Ash Creek Special Service District by appropriate authority and he acknowledged before me that Ash Creek Special Service District executed the document and the document was the act of Ash Creek Special Service District for its stated purpose. NOTARY PUBLIC NOTARY PUBLIC
DARREL C. HUMPHRIES
692 NORTH 150 WEST
HURRICANE. UT 647397
MY COMMISSION EXPIRES
MAYOZ 2006
STATE OF UTAH

EXHIBIT A

PARCEL:

A portion of Section 6, Township 42 South, Range 13 West, Salt Lake Base and Meridian, and Section 31, Township 41 South, Range 13 West, Salt Lake Base and Meridian more particularly described as follows:

Beginning at the Southwest Corner of said Section 6, Township 42 South, Range 13 West, Salt Lake Base and Meridian; thence North 00°12'46" East along the Section line 2634.89 feet to the West Quarter (W½) Corner of said Section 6; thence North 00°15'07" East 2043.21 feet to a point in the Southerly right-of-way line of Highway SR-9; thence North 73°41'15" East 341.73 feet to a Highway right-of-way Marker; thence North 73°40'11" East 3268.39 feet to a point on the Center Section Line of said Section 31; thence North 01°11'00" East 51.49 feet to a right-of-way marker; thence North 73°39'25" East 214.52 feet to a right-of-way marker; thence North 16°36'56" West 36.32 feet to a right-of-way marker; thence North 84°57'08" East 254.78 feet to a right-of-way marker;

Thence North 75°41'01" East 283.52 feet to a right-of-way marker; thence North 51°40'55" East 174.13 feet to a right-of-way marker; thence North 87°28'38" East 687.67 feet to a right-of-way marker; thence North 89°03'46" East 384.16 feet to a right-of-way marker; thence South 89°56'12" East 163.49 feet to a right-of-way marker; thence North 84°49'25" East 220.84 feet to a point on the East line of the Southeast Quarter (SE'4) of said Section 31; thence leaving said Highway right-of-way line and running South 00°17'34" West along the Section line 756.86 feet to the Southeast Corner of said Section 31; thence South 89°58'42" West 50.03 feet to the Northeast Corner of said Section 6; thence South 89°55'25" West 1298.32 feet to the Northeast Corner of Sectional Lot 2 of said Section 6; thence South 00°06'25" West 1688.51 feet, thence North 79°31'35" West 977.00 feet; thence South 31°22'25" West 1412.00 feet; thence South 07°16'25" West 2240.00 feet; thence South 495.70 feet, more or less, to a point on the South line of said Section 6; thence South 89°57'21" West 662.22 feet to the Southwest Corner of Sectional Lot 14, said Section 6; thence South 89°57'21" West 2138.30 feet to the Point of Beginning.

LESS AND EXCEPTING, the following:

Beginning at a point South 0°03'46" West 1396.00 feet from the Northwest Corner of said Section 7, and running thence South 89°56'14" East 1400.00 feet; thence South 0°03'46" West 1617.00 feet; thence North 0°03'46" East 1617.00 feet to the Point of Beginning.

Exhibit A

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PARCEL 2:

A portion of Sectional Lots 2, 3, 4, 5, 8 and 9 of Section 7, Township 42 South, Range 13 West, Salt Lake Base and Meridian, more particularly described as follows:

Beginning at the Northwest Corner of said Section 7, Township 42 South, Range 13 West, Sait Lake Base and Meridian, thence North 89°5721" East along the Section line 2138.30 feet, to the Northeast Corner of Sectional Lot 2 said Section 7; thence South 00°00'11" West along the East line of Lots 2 and 3 of said Section 7, a distance of 2642.71 feet to the Southeast Corner of Lot 5 said Section 7;

Thence South 00°00'59 West 1319.81 feet to the Southeast Corner of Lot 8 said Section 7:

Thence South 89°51'10" West along the South line of Lots 8 and 9, 214.37 feet, to the Southwest Corner of said Lot 9; thence North 00°02'11" East along the West line of said Lot 9, 953.37 feet to the Southwest Corner of that parcel shown on Book 432, Page 838 of Official Washington County Records;

Thence South 89°56'09" East along the South line of said Parcel 1399.60 feet to the Southeast Comer of said Parcel; thence North 00°03'51" East 1617.00 feet; thence North 89°56'09" West 1400.00 feet to a point on the West line of Lot 4 said Section 7; thence North 00°03'51" East along the West line of Lots 3 and 4 of said Section 7, 1396.00 feet to the Point of Beginning.

PARCEL 3:

A portion of the West One-Half (W½) of Section 18, Township 42 South, Range 13 West, Salt Lake Base and Meridian, more particularly described as follows:

Commencing at the Northwest Corner of said Section 18, Township 42 South, Range 13 West, Salt Lake Base and Meridian, thence North 89°48'13" East along the Section line 636.75 feet to the Point of Beginning; thence North 89°48'13" East 1505.08 feet to the Northeast Corner of Sectional Lot 2 said Section 18; thence South 60°09'57" East along the East line of Sectional Lots 2 and 5, 2647.63 feet to the Southeast Corner of Sectional Lot 5; thence South 60°13'17" East along the East line of Sectional Lots 8 and 11 2643.84 feet to the Southeast Corner of Sectional Lot 11; thence South 89°51'44" West along the Section line 1840.24 feet to the boundary line of Dixie Spring Project as shown on the Official Washington County Records; thence following the boundary of said Dixie Springs project the following (9) nine courses as follows: North 00°08'16" West 352.39 feet; thence North 89°51'44" East 33.00 feet; thence North 00°08'16" West 660.00 feet; thence North 89°51'44" East 330.00 feet; thence North 00°08'16" West 660.00 feet; thence North 89°51'44" East 330.00 feet; thence North 00°08'16" West 2640.00 feet; thence South 89°51'44" West 660.00 feet; thence North 00°08'16" West 977.53 feet to the Point of Beginning.

Exhibit A

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PARCEL 4:

A portion of Section 1, Township 42 South, Range 14 West, Salt Lake Base and Meridian, more particularly described as follows:

Beginning at the Southwest Corner of said Section 1, Township 42 South Range 14 West, Salt Lake Base and Meridian, thence North 00°12'57" East 2643.92 feet to the West Quarter (W1/4) Corner of said Section thence North 00°25'33" East 317.49 feet along the Section line to a point on the Southerly right of way line of Highway SR-9, said point being on a 2775.00 foot radius curve to the right, the radius point of which bears (South 36°33'27" East); thence Northeasterly along the arc of said curve 964.11 feet to the point of tangency; thence North 73°20'56" East 493.02 feet to a point on the East line of Sectional Lot 5 of said Section 1; thence leaving said Highway right-of-way line and running South 00°20'44" West 898.15 feet to the Southeast Corner of said Sectional Lot 5; thence South 89°34'39" East 1327.03 feet to the Center Section Corner of said Section 1; thence North 00°15'03" East 1350.84 feet to a point on the Southerly. right-of-way line of said Highway SR-9 said point being a Highway right-of-way marker; thence South 89°46'06" East 345.51 feet; thence North 73°43'59" East 844.39 feet to a Highway-Right-of-Way marker; thence North 73°41'15" East 1122.76 feet; thence leaving said Highway-Right-of-Way line and running South 00°15'07" West 200:00 feet; thence North 73°41'15" East 435.60 feet to a point the East line of said Section 1; thence South 00°15'07" West along the Section line 1843.21 feet the East Quarter (E1/4) Corner of said Section 1; thence South 00°12'46" West 2634'89 feet to the Southeast Comer of said Section 1; thence North 89°39'47" West 2651.15 feet; thence North 89°41'13". West 2651.73 feet to the Point of Beginning.

PARCEL 5A:

A portion of the Southwest Quarter (SW4) of Section 2, Township 42 South, Range 14 West, Salt Lake Base and Meridian, more particularly described as follows:

Beginning at the South Quarter (S¼) Comer of said Section 2, Township 42 South, Range 14 West, Salt Lake Base and Meridian, thence South 89°37′54″ West 1939.60 feet, more or less, to the Easterly edge of the Virgin River; thence following along the meander of said Easterly edge of the Virgin River as follows: North 44°18′44″ East 378.40 feet; thence North 13°38′11″ West 235.86 feet; thence North 14°26′01″ East 181.87; thence North 34°01′58″ East 231.63 feet; thence North 33°53′06″ East 527.20 feet; thence North 46°59′10″ East 1016.05 feet; thence North 38°22′37″ East 476.90 feet to a point on the Southerly Boundary of Highway SR-9, said point being a Highway right-of-way marker; thence leaving said Easterly edge of said river and running South 52°17′20″ East 265.76 feet to a Highway right-of-way marker, said point being on a 1532.39 foot radius curve to the left, the radius point of which bears (North 36°22′39″ East); thence Southerly along the arc of said curve 38.40 feet to a point on the Center Section line of said Section 2; thence leaving said Southerly right-of-way line and running South 00°29′14″ West 2175.37 feet to the Point of Beginning.

Exhibit A

Page 3 of 6

PARCEL 5B:

A portion of the Northeast Quarter (NE¼) of Section 2, Township 42 South, Range 14 West, Salt Lake Base and Meridian, more particularly described as follows:

Beginning at the East Quarter (E½) Corner of said Section 2, Township 42 South, Range 14 West, Salt Lake Base and Meridian, thence South 89°50′15" West along the Center Section Line 366.22 feet to a point on the Southerly right-of-way line of Highway SR-9; thence North 47°16′54" East along said Highway right-of-way 189.07 feet to the point of curvature of a 2775.00 foot radius curve to the right, said point being a Highway right-of-way marker; thence Northeastedy along the arc of said curve 298.39 feet to a point on the East line of the Northeast Quarter (NE½) of said Section 2; thence South 00°25'33" East 317.49 feet to the Point of Beginning.

PARCEL\5C:

A portion of the Southeast Quarter (SEX) of Section 2, Township 42 South, Range 14 West, Salt Lake Base and Meridian, more particularly described as follows:

Beginning at the Southeast Corner of said Section 2, Township 42 South, Range 14 West, Salt Lake Base and Meridian; thence North 89°59'50" West along the Section line 2657.12 feet to the South Quarter (S¼) Corner of said Section 2; thence North 00°29'14" East along the Center Section line 2175'37 feet, to a point on the Southerly right-of-way line of Highway SR-9, said point being on a 1532.39 foot radius curve to the left, the radius point of which bears (North 34°56'31" East); thence along the arc of said curve 2077.05 feet to a Highway right-of-way marker; thence North 47°16'54" East 496.97 feet to a point on the Center Section line of said Section 2; thence North 89°50'15" East 366.22 feet to the East Quarter (E¼) Corner of said Section 2; thence South 00°12'57" West 2643.92 feet to the Point of Beginning.

Less and excepting that parcel as described by Book 281, page 872-874 Official Washington County Records, for lesse between 5M corporation and Ash-Creek Special Service District, dated June 23, 1981.

PARCEL 5D:

A portion of the Southwest Quarter (SW%) of Section 2, Township 42 South, Range 14 West, Salt Lake Base and Meridian, more particularly described as follows:

Beginning at the West Quarter (W¼) Corner of said Section 2, Township 42 South, Range 14 West, Salt Lake Base and Meridian, thence North 89°50'53" East 2035.32 feet to a point in the Westerly right-of-way line of Highway SR-9; thence South 35°15'46" East 49.87 feet to a Highway Right-of-way marker; thence South 40°30'50" East along said Highway right-of-way 282.13 feet to the Westerly edge of the Virgin River; thence following along the meander of the West edge of said River as follows: South 41°34'55" West 378.90 feet; thence South 46°59'10" West 1033.27 feet; thence South 33°53'06" West 544.43 feet; thence South 22°08'03" West 270.60 feet; thence South 14°26'01" West 206.87 feet; thence South 13'38'11" East 205.48 feet; thence South 44°18'44" West 421.92 feet, more or less, to the South Boundary line of said Section 2; thence leaving said Westerly edge of the Virgin River and running South 89°37'54"

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West along the Section line 557.68 feet to the Southwest Corner of said Section 2; thence North 00°26'48" East 2646.31 feet to the Point of Beginning.

PARCEL 7B:

A portion of the East One-Half (E½) of Section 11, Township 42 South, Range 14 West, Salt Lake Base and Meridian, more particularly described as follows:

Beginning at the Northeast Corner of said Section 11, Township 42 South, Range 14 West, Sait Lake Base and Meridian, thence South 00°00′50″ East along the Section line 2642.14 feet to the East Quarter (E½) Corner of said Section 11, said point being an existing BLM Brass Cap; thence South 00°05′00″ East 2643.23 feet, to the Southeast Corner of said Section 11; thence South 89°48′52″ West along the Section line 1327.34 feet, to the Southwest Corner of the Southeast Quarter of the Southeast Quarter (SE½SE¼), said Section 11; thence North 00°05′16″ West 1321.22 feet; thence South 89°47′45″ West 1327.78 feet, to the Southwest Corner of the Northwest Quarter of the Southeast Quarter (NW¼SE¼), said Section 11; thence North 00°05′21″ West 1320.55 feet to the Center Quarter (⅙) Corner of said Section 11; thence North 89°46′09″ East 1327.80 feet to the Northeast Corner, said Northwest Quarter of the Southeast Quarter (NW¼SE¼), said point being an existing Ballard and Campbell rebar and cap; thence North 00°02′08″ West 856.97 feet, thence North 89°53′11″ East 467.32 feet; thence North 00°06′49″ West 466.69 feet; thence South 89°53′11″ West 128.34 feet; thence North 00°02′08″ West 661.27 feet; thence South 89°57′52″ West 338.35 feet; thence North 00°02′08″ West 661.95 feet to the Northwest Corner of the Northeast Quarter of the Northeast Quarter (NE½NE¼), said Section 11; thence South 89°59′50″ East 1328.56 feet along the Section line to the Point of Beginning.

PARCEL 8:

A portion of Section 12, Township 42 South, Range 14 West, Salt Lake Base and Meridian, more particularly described as follows:

Beginning at the Northwest Corner of said Section 12, Township 42 South, Range 14 West, Salt Lake Base and Meridian, said point being a Washington County Monument; thence South 89°41'13" East 2651.73 feet to the North Quarter (N1/4) Corner of said Section 12, said point being an existing BLM Brass Cap; thence South 89°39'47" East 2651.15 feet, to the Northeast Corner of said Section 12, said point being an existing BLM Brass Cap; thence South 00°03'51" West 322.01 feet to the Northeast Corper of the Southeast Quarter of the Northeast Quarter (SE'/NE'/), said Section 12, said point being the Northeast Corner of that parcel shown on Book 1004, Page 455, Official Washington County Records; thence North 89°39,44° West 1324.79 feet to the Northwest Corner of the Southeast Quarter of the Northeast Quarter (SEANE'A), said Section 12, said point being the Northwest Corner of said Parcel shown on Book 1004, Page 455; thence South 00°01'50 West 661.18 feet; thence South 89°39'15" East 622.26 feet; thence South 00°02'33" West 330.63 feet, to the Southwest Corner of that parcel shown on Book 748, Page 366, Official Washington County Records; thence South 89°38'59" East 702.19 feet to a point on the East line of the Northeast Quarter (NE1/4), said Section 12; thence South 00°03'16" West 330.68 feet to the East Quarter (E1/4) Corner of said Section 12; thence South 00°02'11" West 2643.28 feet to the Southeast Corner of said Section 12, said point being an existing BLM Brass Cap; thence North 89°37'51" West 1323.10 feet, thence North 89°39'02" West 1323.77 feet to the South Quarter (S%) Corner of said Section (12) said point being an existing BEM Brass Cap; thence North 89°39'03" Exhibit A

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West 2647.13 feet; thence North 00°05'00" West 2643.23 feet to the West Quarter (W14) Corner of said Section 12; thence North 00°00'50" West 2642.14 feet to the Point of Beginning.

PARCEL 9:

A portion of the North One-Half (N½) of Section 13, Township 42 South Range 14 West, Salt Lake Base and Meridian, more particularly described as follows:

Beginning at the Northwest Corner of said Section 13, Township 42 South, Range 14 West, Sait Lake Base and Meridian, said point being an existing BLM Brass Cap; thence South 89°39'03" East 2647.13 feet to the North Quarter (NW) Corner of said Section 13, said point being an existing BLM Brass Cap; thence South 89°39'02" East 1323.77 feet to the East 1/16 Corner between Sections 12 and 13, said point being an existing BLM Brass Cap; thence South 89°37'51" East 1315.65 feet; thence South 00°05'09" West 321.49 feet, to a point on the Boundary of Dixie Springs project, as shown on Official Washington County Records; thence following along the boundary of said Dixie Springs project the following (9) Nine courses as follows: North 89°54'51" West 1320.00 feet; thence South 00°05'09" West 660.00 feet; thence North 89°54'51" West 1320.20 feet; thence South 00°05'09" West 1320.00 feet; thence North 89°54'51" West 660.00 feet; thence North 00°05'09" East 336.00 feet; thence North 89°32'37" West 1326.95 feet to a point on the West line of the Northwest Quarter (NW'4), said Section 13; thence leaving said boundary of Dixie Springs project and running North 00°01'19" West along the Section line 667.67 feet to the Point of Beginning.

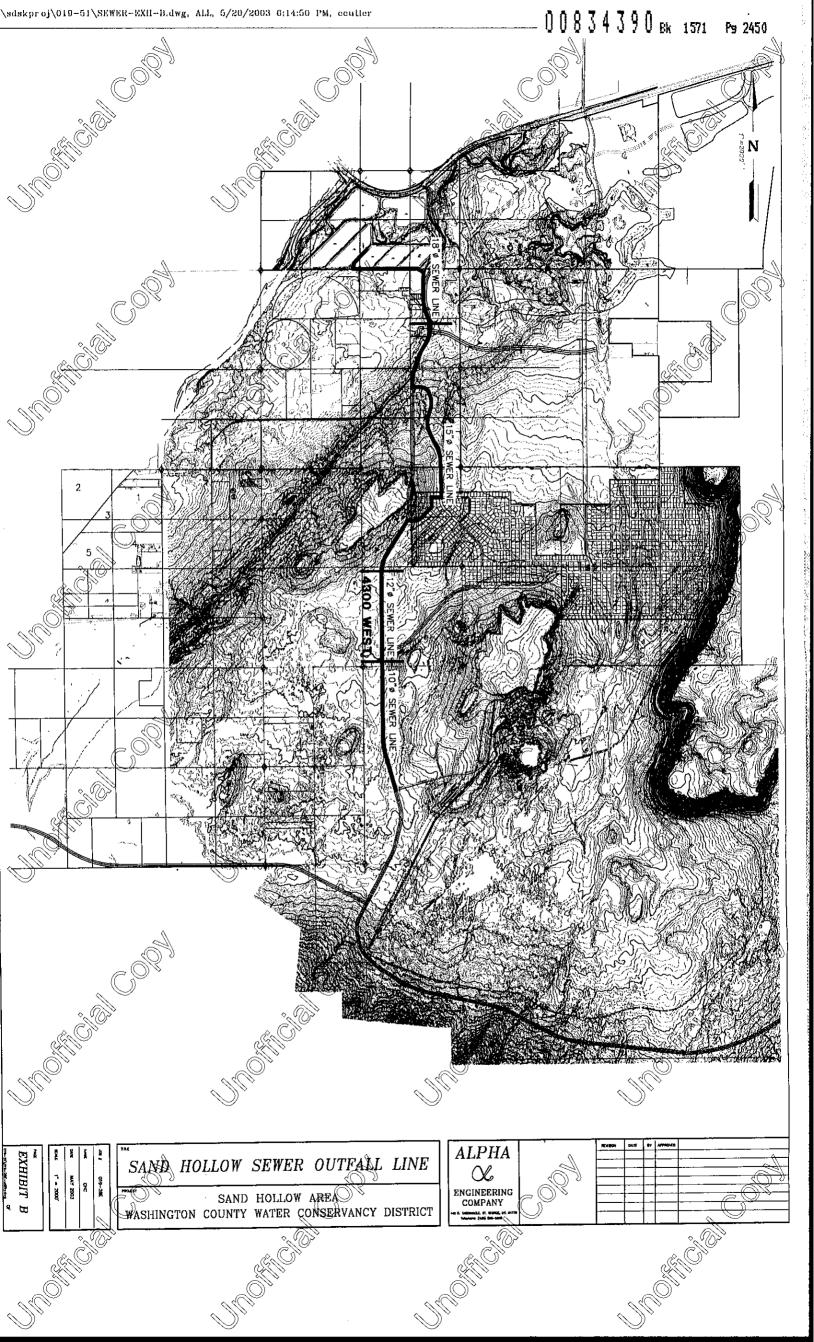
PARCEL 10:

The North 20.2 acres of the Northeast Quarter of the Northeast Quarter (NE'ANE'A), Section 14, Township & South, Range 14 West, Salt Lake Base and Meridian, described as follows:

Beginning at the Northeast Corner of said Section 14, Township 42 South, Range 14 West, Salt Lake Base and Meridian, said point being an existing BLM Brass Cap; thence South 00°01'18. East 662.91 feet; thence South 89°48'52" West 1327.40 feet; thence North 00°00'59" West 662.91 feet to the Northwest Corner of the Northeast Quarter of the Northeast Quarter (NE½NE½), said Section 14, said point being an existing BLM Brass Cap; thence North 89°48'52" East 1327.34 feet, to the Point of Beginning.

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ALPHA ENGINEERING COMPANY

148 East Tabernacle, St. George, UT 84770 • (435) 628-6500 • Fax: (435) 628-6553

EXHIBIT C LEGAL DESCRIPTION 25 FOOD SEWER LINE EASEMENT ACROSS WINDING RIVER LAND

March 14, 2003 (Revised March 17, 2003) (Revised March 24, 2003)

A 25.00 foot wide perpetual easement and a 50.00 foot construction easement located in Sections 11 and 14, Township 42 South, Range 14 West, Salt Lake Base and Meridian, said perpetual easement being 12.50 feet on each side, and the construction easement being 25.00 feet on each side of the following described centerline:

Commencing at the Northeast Corner of Section 14, Township 42 South, Range 14 West, Salt Lake Base and Meridian; thence South 00°01'18" East, 661.15 feet to a point on the north line of Dixie Springs Amendment & Extension, Plat A, Record Number 601291, Washington County Official Records;

Thence South 89°48'41" West, 528.29 feet along said north line to the TRUE POINT OF BEGINNING;

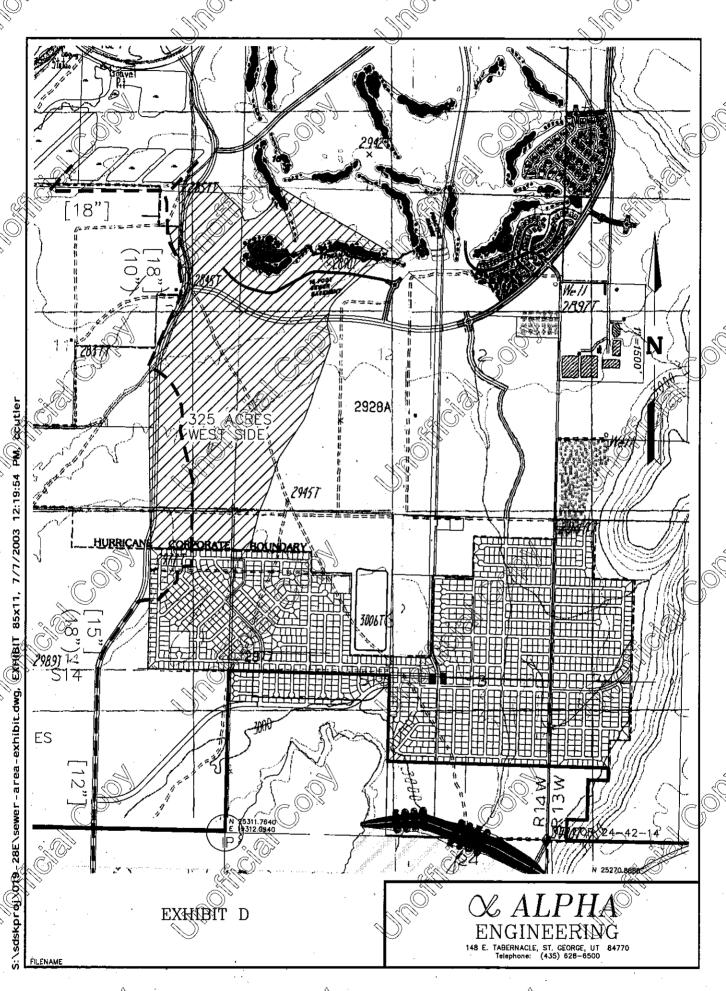
Thence North 00°11'19" West, 237.00 feet: Thence North 01°45'35" West, 400.00 feet. Thence North 01°46'30" West, 300.00 feet; Thence North 17°45'11" West, 240,00 feet; Thence North 26°29'40" West 300.00 feet; Thence North 22°52'14" West, 150.00 feet; Thence North 09°24'58" West, 150.00 feet; Thence North 04°35'36" East, 150.00 feet; Thence North 16°04'50" East, 350.00 feet; Thence North 02°04'44" West, 200.00 feet: Thence North 19°28'34" West, 200.00 feet Thence North 47°51'33" West, 140.00 feet; Thence North 79°53'49" West, 150.00 feet; Thence South 89°54'44" West, 189.29 feet; Thence North 03°38'04" East, 241.03 feet; Thence North 10°38'15" East, 250.00 feet; Thence North 19°54'48 East, 400.00 feet; Thence North 30°27'10" East, 400.00 feet; Thence North 18°42'07" East, 280.00 feet; Thence North 00°51'02" East, 210.16 feet;

Thence North 21°07'12" West, 400.00 feet)

Thence North 07°42'47" West 300.00 feet to a point 12.50 feet east of a parcel of land as recorded in Book 169, Page 325, Official Washington County Records,

Thence North 00°02'08" West, 130.03 feet along a line 1250 feet east and parallel to the east line of said parcel to a point on the south line of a parcel of land heretofore conveyed to Ash Creek SSD to the POINT OF TERMINIUS.

Perpetual easement contains 3.37 acres more or less. Length = \$867.48 feet.



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