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RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Jordan Valley Water
Conservancy District
Attn: Property Manager
8215 South 1300 West
West Jordan, Utah 84088

13129675
11/21/2019 01:38 PM \$0.00
Book - 10863 Pg - 577-589
RASHELLE HOBBS
RECORDER, SALT LAKE COUNTY, UTAH
JORDAN VALLEY WATER
CONSERVANCY DISTRICT
8215 S 1300 W
WEST JORDAN UT 84088
BY: CBA, DEPUTY - WI 13 P.

Tax Parcel No(s): 26-13-126-001,
26-13-126-002,
26-13-126-003,
26-13-126-004,
26-13-100-012,
26-13-101-013

PIPELINE AGREEMENT

This Pipeline Agreement (this "Agreement") is made this 11 day of November, 2019 (the "Effective Date"), by and between VP Daybreak Operations LLC, a Delaware limited liability company ("Grantor"), and the Jordan Valley Water Conservancy District, a local district organized under the laws of the State of Utah ("Grantee").

RECITALS:

- A. Grantee is authorized by law to obtain easements and right-of-ways and to construct water works facilities and pipelines within them;
- B. Grantee intends to install water pipeline(s) and associated water system equipment and facilities (collectively referred to as "Pipelines") within certain property of Grantor, as more particularly described herein; and,

C. Grantee desires to obtain from Grantor and Grantor is willing to grant to Grantee a perpetual underground Pipelines easement together with a right-of-way in, on, over, under, across and through certain property of Grantor, consistent with the terms set forth in this Agreement.

TERMS:

The parties agree as follows:

1. Grantor hereby grants to Grantee a permanent easement in, on, under, across and through certain property of Grantor for the conveyance of water to and from adjacent property and for the construction, installation, operation, maintenance, repair, inspection, removal and replacement of Pipelines to and from adjacent property. The easement is described in attached Exhibit 1 and is referred to as the "Easement Property".

2. Grantor hereby grants to Grantee a permanent right-of-way in, on, over, across and through the Easement Property for vehicular and pedestrian access, ingress and egress to and from adjacent property, and for use of existing roads to access the Easement Property and the right-of-way. The description of the right-of-way is identical to the description of the Easement Property.

3. Grantee may place underground in the Easement Property such air vents, water vents, valves and other structures it deems necessary for the normal operation and maintenance of the Pipelines.

4. (a) Grantor hereby grants to Grantee a temporary construction easement for access, ingress and egress to and from adjacent property, and for the construction, installation and placement of the Pipelines. The temporary easement is described in attached Exhibit 2 and is referred to as the "Temporary Construction Easement."

(b) The term of the Temporary Construction Easement shall expire without further notice or condition upon the first to occur of the following: (i) completion of the construction and installation of the Pipelines; or (ii) December 31, 2020.

5. During initial construction and installation of the Pipelines, Grantee shall segregate all top soil material from other landfill material removed or disturbed within the Easement Property. Within thirty (30) days from the date of completion of Grantee's successful, final testing of the Pipelines, Grantee, at its sole expense, shall refill all excavations made by Grantee, grade and replace soil, reseed the area within the Easement Property with native grass seed and otherwise restore the property as near as reasonably possible to its pre-construction condition.

6. Any damage caused by Grantee to Grantor's property resulting from the reconstruction, operation, repair, replacement and maintenance of Grantee's Pipelines shall be promptly repaired as near as reasonably possible to its pre-construction condition.

7. Grantee shall be required, at its sole expense, to repair and/or replace, as near as reasonably possible to its pre-construction condition, any and all fencing belonging to Grantor which is damaged as a result of construction and installation of Grantee's Pipelines. All such work shall be completed by Grantee within thirty (30) days from the date of completion of Grantee's successful, final testing of the Pipelines.

8. (a) Grantor shall have and maintain the right to occupy and use the surface of the Easement Property, except as conditioned below.

(b) Grantor shall not build, install, allow or otherwise place upon the Easement Property (i) any permanent structure, including but not limited to buildings or masonry fences, or (ii) any structure which interferes with, or renders more difficult or

expensive, Grantee's use of the right-of-way and/or easement and/or Temporary Construction Easement granted under this Agreement or otherwise violates the terms of this Agreement. Upon demand of Grantee, any prohibited structure shall be removed immediately by Grantor, at its sole expense, from the Easement Property or from the Temporary Construction Easement.

(c) Grantor shall not plant or allow trees or shrubs within the Easement Property.

(d) Following construction of the Pipelines, Grantor shall not remove cover or materials from, or place fill or materials within, the Easement Property without the prior written consent of Grantee.

(e) Grantor may cross or cover the Easement Property with sidewalks, curbs and gutters, asphalt roadways, driveways, or other similar non-permanent improvements, but only upon the prior written consent of Grantee, which consent shall not be unreasonably withheld or delayed.

9. Neither Grantor nor Grantee shall grant additional easements, licenses or right-of-ways within the Easement Property without the prior written consent of the other. If Grantee consents to the placement by third parties of utilities within the Easement Property, Grantee shall have the right to modify alignments and depths of those utilities in order to maintain a corridor practical for Grantee's Pipelines and to ensure protection of the Pipelines following construction.

10. Within forty-five (45) days from the Effective Date, Grantee shall pay the sum of Forty-Nine Thousand Five Hundred Dollars (\$49,500.00) to Grantor as consideration for this Agreement.

11. Grantee may assign this Agreement, any of its rights under this Agreement, and the right-of-way and/or easements granted it by this Agreement upon the prior written consent of Grantor, which consent shall not be unreasonably withheld or delayed.

12. Grantor warrants there are no unrecorded liens, encumbrances, contracts or leases which burden, claim an interest in, are secured by, or otherwise affect the interests and/or rights granted by this Agreement to Grantee in the Easement Property and/or in the Temporary Construction Easement.

13. This Agreement anticipates use of the Easement Property by Grantee for its Pipelines. Grantee hereby is given the right to use the Easement Property for utility lines, communications lines, or for similar uses or services it deems appropriate.

14. Grantee shall defend, indemnify, and hold Grantor and its respective successors, assigns, corporate parents, affiliates and subsidiaries, and their respective officers, directors, shareholders, representatives, contractors, agents and employees harmless from and against any action, cause of action, suit, proceeding, claim or demand of any kind asserted by or against the Grantor (collectively, "Claims"), and any and all liabilities, regardless of whether such liabilities are based upon contract, warranty, tort, (including negligence of any nature), violation of laws, damages, losses, obligations, costs and expenses of every kind, including, without limitation, reasonable attorneys' fees, expert witness fees, and other costs and expenses (collectively, "Liabilities"), for injuries to or the death of any person, loss of or damage to the property of any person or the assertion of Claims or Liabilities by any person caused by the acts or omissions of Grantee or its agents in exercising its right under this Agreement.

15. This Agreement may be amended only by written instrument executed by all parties.

16. All of the grants, covenants, terms, provisions and conditions in this Agreement shall run with the land and shall be binding upon and inure to the benefit of the successors, assigns, heirs, executors and administrators of the parties.

17. This Agreement, including exhibits, constitutes the entire agreement of the parties and supersedes all prior understandings, representations or agreements of the parties regarding the subject matter in this document.

18. Each individual executing this Agreement does thereby represent and warrant that he or she has been duly authorized to sign this Agreement in the capacity and for the entity identified.

19. The parties shall perform those acts and/or sign all documents required by this Agreement and which may be reasonably necessary to effectuate the terms of this Agreement.

20. Any party may record this Agreement.

[Signatures on Following Pages]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

"Grantor":

VP Daybreak Operations LLC,
a Delaware limited liability company

By: Daybreak Communities LLC,
a Delaware limited liability company
Its: Project Manager

By: 
Ty McCutcheon its President & CEO

"Grantee":

Jordan Valley Water Conservancy District,
a local district organized under the laws of
the State of Utah

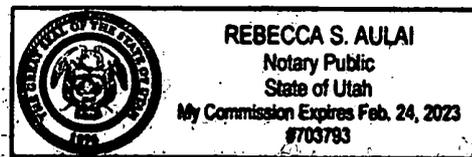
By: 
Richard P. Bay
Its General Manager/CEO

[Acknowledgments on Following Page]

STATE OF UTAH)
 :SS.
COUNTY OF Salt Lake)

The foregoing instrument was acknowledged before me this 11th day of 2019, by Ty McCutcheon, the President and CEO of Daybreak Communities LLC, a Delaware limited liability company, the Project Manager of VP DAYBREAK OPERATIONS LLC, a Delaware limited liability company, personally known or proved to me to be the person whose name is subscribed to the above instrument who acknowledged to me that he executed the above instrument on behalf of VP DAYBREAK OPERATIONS LLC, a Delaware limited liability company.

Rebecca S. Aulai
Notary Public



STATE OF UTAH)
 :SS.
COUNTY OF SALT LAKE)

The foregoing instrument was acknowledged before me this 21st day of November 2019, by Richard P. Bay as General Manager/CEO of the Jordan Valley Water Conservancy District.

Beverly M Parry
Notary Public

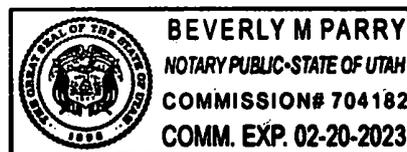


EXHIBIT 1

DESCRIPTION OF THE EASEMENT PROPERTY

A PART OF THE NORTHWEST QUARTER OF SECTION 13, TOWNSHIP 3 SOUTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN U.S. SURVEY AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH IS SOUTH 00°22'19" WEST 7.06 FEET AND SOUTH 89°37'41" EAST 75.00 FEET FROM THE NORTHWEST CORNER OF SAID SECTION 13;

RUNNING THENCE THE FOLLOWING SEVEN (7) COURSES AND DISTANCES; (1) SOUTH 45°53'23" EAST 34.89 FEET; (2) SOUTH 89°21'58" EAST 535.98 FEET; (3) SOUTH 89°45'19" EAST 1,231.46 FEET; (4) NORTH 00°16'53" EAST 13.80 FEET; (5) SOUTH 89°43'07" EAST 50.01 FEET; (6) SOUTH 00°14'41" WEST 13.77 FEET; (7) SOUTH 89°45'19" EAST 530.98 FEET TO A POINT ON THE NORTH RIGHT-OF-WAY LINE OF BINGHAM RIM ROAD SAID POINT ALSO BEING A POINT OF NON-CURVATURE WITH A 528.50 FOOT RADIUS CURVE TO THE LEFT; THENCE 59.56 FEET ALONG THE ARC OF SAID CURVE AND SAID RIGHT-OF-WAY LINE THROUGH A CENTRAL ANGLE OF 06°27'25" (CHORD BEARS SOUTH 59°58'24" WEST 59.53 FEET); THENCE THE FOLLOWING THREE (3) COURSES AND DISTANCES; (1) NORTH 89°45'19" WEST 1,761.16 FEET; (2) NORTH 89°21'58" WEST 548.04 FEET; (3) NORTH 45°53'23" WEST 27.05 FEET TO A POINT OF NON-TANGENCY WITH A 140.00 FOOT RADIUS CURVE TO THE LEFT; THENCE 36.05 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 14°45'18" (CHORD BEARS NORTH 10°41'14" EAST 35.95 FEET) TO THE POINT OF BEGINNING.

CONTAINS 71,441 SQ. FT. OR 1.640 ACRES MORE OR LESS.

EXHIBIT 2

DESCRIPTION OF THE TEMPORARY CONSTRUCTION EASEMENT

A PART OF THE NORTHWEST QUARTER OF SECTION 13, TOWNSHIP 3 SOUTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN U.S. SURVEY AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH IS SOUTH 00°22'19" WEST 42.50 FEET AND SOUTH 89°37'41" EAST 68.63 FEET FROM THE NORTHWEST CORNER OF SAID SECTION 13; RUNNING THENCE THE FOLLOWING THREE (3) COURSES AND DISTANCES; (1) SOUTH 45°53'23" EAST 27.05 FEET; (2) SOUTH 89°21'58" EAST 548.05 FEET; (3) SOUTH 89°45'19" EAST 1,761.16 FEET TO THE NORTH RIGHT-OF-WAY LINE OF BINGHAM RIM ROAD, SAID POINT ALSO BEING A POINT OF NON-CURVATURE WITH A 1,892.03 FOOT RADIUS CURVE TO THE LEFT; THENCE 52.07 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 01°34'37" (CHORD BEARS SOUTH 55°03'26" WEST 52.07 FEET); THENCE THE FOLLOWING FOUR (4) COURSES AND DISTANCES; (1) NORTH 89°45'19" WEST 574.56 FEET; (2) SOUTH 00°19'29" WEST 20.01 FEET; (3) NORTH 89°45'19" WEST 1,144.18 FEET; (4) NORTH 89°21'58" WEST 607.14 FEET TO A POINT OF NON-TANGENCY WITH A 125.00 FOOT RADIUS CURVE TO THE RIGHT; THENCE 26.78 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 12°16'21" (CHORD BEARS NORTH 33°30'18" EAST 26.72 FEET) TO A POINT OF REVERSE CURVATURE WITH A 140.00 FOOT RADIUS CURVE TO THE LEFT; THENCE 52.72 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 21°34'36" (CHORD BEARS NORTH 28°51'11" EAST 52.41 FEET) TO THE POINT OF BEGINNING.

CONTAINS 104,891 SQ. FT. OR 2.408 ACRES MORE OR LESS.

TOGETHER WITH:

A PART OF THE NORTHWEST QUARTER OF SECTION 13, TOWNSHIP 3 SOUTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN U.S. SURVEY AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH IS SOUTH 00°22'19" WEST 19.93 FEET AND SOUTH 89°40'26" EAST 88.38 FEET FROM THE NORTHWEST CORNER OF SAID SECTION 13; RUNNING THENCE SOUTH 89°43'07" EAST 98.73 FEET; THENCE SOUTH 00°16'53" WEST 11.83 FEET; THENCE NORTH 89°21'58" WEST 86.96 FEET; THENCE NORTH 45°53'23" WEST 16.31 FEET TO THE POINT OF BEGINNING.

CONTAINS 1,072 SQ. FT. OR 0.025 ACRES MORE OR LESS.

TOGETHER WITH:

A PART OF THE NORTHWEST QUARTER OF SECTION 13, TOWNSHIP 3 SOUTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN U.S. SURVEY AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PIPELINE AGREEMENT_VP DAYBREAK OPERATIONS LLC_EXECUTION COPY (191108).DOC

BEGINNING AT A POINT ON THE NORTH RIGHT-OF-WAY LINE OF BINGHAM RIM ROAD WHICH IS NORTH 89°43'57" WEST 223.03 FEET AND SOUTH 20.01 FEET FROM THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF SECTION 13 SAID POINT ALSO BEING ON THE ARC OF A 528.50 FOOT RADIUS CURVE TO THE LEFT;
RUNNING THENCE 31.33 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 03°23'47" (CHORD BEARS SOUTH 64°53'59" WEST 31.33 FEET); THENCE NORTH 89°45'19" WEST 43.53 FEET; THENCE NORTH 00°16'53" EAST 13.45 FEET; THENCE SOUTH 89°43'07" EAST 71.83 FEET TO THE POINT OF BEGINNING.

CONTAINS 770 SQ. FT. OR 0.018 ACRES MORE OR LESS.

LENDER'S CONSENT AND SUBORDINATION

PIPELINE AGREEMENT

PARCEL I.D. # 26-13-126-001, 26-13-126-002, 26-13-126-003,
26-13-126-004, 26-13-100-012, 26-13-101-013
(JORDAN VALLEY WATER CONSERVANCY DISTRICT)

THE UNDERSIGNED, THE BENEFICIARY UNDER THAT CERTAIN DEED OF TRUST, DATED DECEMBER 19, 2016, ENCUMBERING THE HEREIN DESCRIBED REAL PROPERTY (THE "DEED OF TRUST"), HEREBY EXPRESSLY CONSENTS TO AND JOINS IN THE EXECUTION AND RECORDING OF THAT CERTAIN PIPELINE AGREEMENT, DATED AS OF NOVEMBER 11, 2019, FROM VP DAYBREAK OPERATIONS LLC, A DELAWARE LIMITED LIABILITY COMPANY, TO JORDAN VALLEY WATER CONSERVANCY DISTRICT, A LOCAL DISTRICT ORGANIZED UNDER THE LAWS OF THE STATE OF UTAH (THE "PIPELINE AGREEMENT"), TO WHICH THIS LENDER'S CONSENT AND SUBORDINATION IS ATTACHED.

THE UNDERSIGNED LENDER HEREBY CONSENTS TO THE PIPELINE AGREEMENT AND MAKES THE LIEN OF THE DEED OF TRUST SUBORDINATE THERETO. THIS LENDER'S CONSENT AND SUBORDINATION SHALL NOT OTHERWISE AFFECT THE PRIORITY OF MORTGAGES AND/OR LIENS AGAINST THE REAL PROPERTY DESCRIBED HEREIN, BUT SHALL SOLELY EVIDENCE THE LENDER'S INTENT TO SUBORDINATE ITS LIEN OF THE DEED OF TRUST TO THE PIPELINE AGREEMENT. THE UNDERSIGNED REPRESENTS THAT HE OR SHE HAS FULL POWER AND AUTHORITY TO EXECUTE THIS LENDER'S CONSENT AND SUBORDINATION ON BEHALF OF THE LENDER.

U.S. BANK NATIONAL ASSOCIATION
d/b/a Housing Capital Company

By: 

Name: CARL F. SWANSON

Title: SVP

[SIGNATURE MUST BE NOTARIZED]
[Notary acknowledgement on following page]

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF Fresno

On 11/15/2019 before me, Lori Beckman, Notary Public,
(here insert name of the officer)

personally appeared Carl F. Swanson who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Lori Beck (Seal)

