

WHEN RECORDED RETURN TO:

WCWCD
533 East Waterworks Dr.
St. George, Utah 84770

Space Above This Line for Recorder's Use

Serial No. SG-6-3-13-337 SG - 6 - 3 - 13 - 33431 *AM*

WATER CONSERVATION EASEMENT

THIS GRANT DEED OF WATER CONSERVATION EASEMENT is made this
7 day of February 2014, by Corinne Schmalz, Manager of Faction, LLC.
("Grantor"), in favor of the WASHINGTON COUNTY WATER CONSERVANCY DISTRICT,
a political subdivision of the State of Utah, ("Grantee"), Grantor and Grantee hereinafter jointly
referred to as the "Parties."

WITNESSETH

WHEREAS, Grantor is the owner in fee simple of certain real property more particularly
described in Exhibit "A" attached hereto and incorporated by this reference (the "Property"), and
intends to develop the Property into a residential subdivision to be known as Riverstone, Phase 3,
containing 12 lots ; and

WHEREAS, Grantee has established a water impact fee (Water Availability Fee,
"WAF") which is required to be paid prior to issuance of a building permit; and

WHEREAS, Grantor desires to limit the use of water for outside irrigation on the
Property and thereby avoid payment of the WAF for areas over 5,000 square feet per lot on the
Property; and

WHEREAS, Grantee is willing to waive a portion of the WAF that would otherwise be
owed on each lot on the Property and limit the amount paid per lot to the amount applicable to
one equivalent residential unit as set forth in the Grantee's Capital Facilities Plan ("CFP"),
subject to the conditions set forth herein; and

WHEREAS, Grantor intends, as owner of the Property, to convey to Grantee the right to
ensure that water used for outside irrigation is limited as set forth herein or, if such water use is
not limited, to collect the WAF which would otherwise have been owed.

NOW THEREFORE, in consideration of TEN DOLLARS (\$10.00) and other good and valuable consideration, receipt of which is hereby acknowledged, including the mutual covenants, terms, conditions, and restrictions contained herein, the Grantor does hereby voluntarily grant and convey to Grantee a water conservation easement in perpetuity over the Property of the nature and character and to the extent hereinafter set forth ("Easement").

1. Purpose. The purposes of this Easement are to ensure that water used for outside irrigation on the Property is limited as set forth herein or, if such water use is not limited, to allow the Grantee to collect the WAF which would otherwise have been owed. Grantor intends that this Easement will confine the use of the Property to such activities as are consistent with this Easement and the provisions of this Easement. The Grantor executes this Easement to be recorded and which shall be an encumbrance upon the Property.

2. Rights of Grantee. To accomplish the purpose of this Easement the following rights are conveyed to Grantee by this Easement:

(a) To enter upon the Property at reasonable times in order to monitor Grantor's compliance with and otherwise enforce the terms of this Easement, provided that such entry shall be upon prior reasonable notice to Grantor and Grantee shall not unreasonably interfere with Grantors' use and quiet enjoyment of the Property;

(b) To remedy any violation of this Easement as set forth below.

3. City Ordinances. The Grantor agrees to comply with any ordinance passed by the City which applies to the Property restricting outside irrigation or imposing water conservation rates, even if subsequently passed.

4. Prohibited Uses. Any activity which increase the total area of landscaping requiring irrigation on the Property to more than five thousand (5,000) square feet per lot is prohibited.

5. Reserved Rights. Grantor reserves to itself, and to its representatives, heirs, successors, and assigns, all rights accruing from its ownership of the Property, including the right to engage in or permit or invite others to engage in all uses of the Property that are not expressly prohibited herein.

6. General Provisions.

(a) Duration of Easement. This easement shall continue in perpetuity.

(b) Successors. The covenants, terms, conditions, and restrictions of this Easement shall be binding upon, and inure to the benefit of, the parties hereto and their respective personal representatives, heirs, successors, and assigns and shall continue as a servitude running in perpetuity with the Property.

7. Violations and Remedies. Grantee may enforce the terms and conditions of this Easement as follows:

(a) Remedies. If Grantee believes that Grantor is in violation of the terms of this easement or that a violation is threatened, Grantee shall give written notice to Grantor of the alleged violation and request corrective action. Grantor and Grantee agree to endeavor in good faith to resolve any dispute regarding any alleged violation of the easement. If Grantor and Grantee are unable to resolve a dispute regarding an alleged violation within 45 days from Grantor's receipt of written notice, Grantor shall pay to Grantee the WAF owed in that year for every square foot in excess of 10,000 (for example, if the lot is 12,000 sf, the impact fee would be owed for an additional 2,000 sf).

(b) Costs of Enforcement. The parties shall bear their own costs, including attorney's fees, in any action brought with respect to this easement.

(c) Waiver. The waiver by any party to this Agreement of a breach of any provision of this Agreement shall not be deemed to be a continuing waiver or a waiver of any subsequent breach, whether of the same or any other provision of this Agreement.

TO HAVE AND TO HOLD unto Grantee, its successors, and assigns forever.

IN WITNESS WHEREOF, Grantor has set his/her hand on the day and year first above written.

Signatures on succeeding page

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GRANTOR

By: Corinne Schmalz

Name: Corinne Schmalz

Title: Manager of Faction, LLC.

STATE OF UTAH)
COUNTY OF WASHINGTON)
) ss.

On the 7 day of February, 2014, personally appeared before me, Corinne Schmalz, personally known to me or proved to me on the basis of satisfactory evidence to be a Manager of Faction, LLC. and being empowered and authorized by the Faction, LLC. operating agreement signed the foregoing document and acknowledged before me that (s)he signed it voluntarily for its stated purpose.

Lacey Anne McIntyre
NOTARY PUBLIC

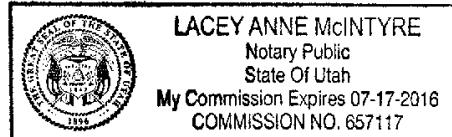


EXHIBIT A

RIVERSTONE PHASE 3 BOUNDARY DESCRIPTION

BEGINNING AT A POINT NORTH $88^{\circ}50'30''$ WEST 2061.62 FEET ALONG THE SECTION LINE AND NORTH $1^{\circ}09'30''$ EAST 179.50 FEET FROM THE SOUTH QUARTER OF SECTION 13, TOWNSHIP 43 SOUTH, RANGE 16 WEST, SALT LAKE BASE AND MERIDIAN, SAID POINT OF BEGINNING ALSO BEING THE NORTHWEST BOUNDARY CORNER OF "RIVERSTONE PHASE 1 SUBDIVISION" RECORDED AND ON FILE AT WASHINGTON COUNTY RECORDERS OFFICE; AND RUNNING THENCE NORTH $1^{\circ}04'11''$ EAST 99.93 FEET TO A SOUTHEAST BOUNDARY CORNER OF "RIVERSTONE PHASE 2 SUBDIVISION", RECORDED AND ON FILE AT WASHINGTON COUNTY RECORDERS OFFICE; THENCE ALONG THE SOUTHEASTERLY BOUNDARY OF SAID RIVERSTONE PHASE 2 THE FOLLOWING (11) ELEVEN COURSES: (1) NORTH $1^{\circ}09'30''$ EAST 104.00 FEET; (2) SOUTH $88^{\circ}50'30''$ EAST 159.97 FEET TO THE POINT OF CURVE OF A 127.50 FOOT RADIUS NON-TANGENT CURVE TO THE RIGHT, WITH A RADIUS POINT WHICH BEARS SOUTH $01^{\circ}03'38''$ WEST; (3) SOUTHEASTERLY 15.08 FEET ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF $6^{\circ}46'40''$; (4) SOUTH $82^{\circ}09'42''$ EAST 105.37 FEET TO THE POINT OF CURVE ON A 172.50 FOOT RADIUS CURVE TO THE LEFT; (5) EASTERLY 23.60 FEET ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF $7^{\circ}50'19''$; (6) EAST 35.27 FEET TO THE POINT OF CURVE OF A 50.00 FOOT RADIUS CURVE TO THE RIGHT; (7) SOUTHEASTERLY 22.24 FEET ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF $25^{\circ}29'07''$ TO THE POINT OF CURVE OF A 50.00 FOOT RADIUS REVERSE CURVE TO THE LEFT; (8) NORTHEASTERLY 105.39 FEET ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF $120^{\circ}46'17''$ TO THE POINT OF CURVE OF A 50.00 FOOT RADIUS REVERSE CURVE TO THE RIGHT; (9) NORTHEASTERLY 22.24 FEET ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF $25^{\circ}29'07''$; (10) NORTH $20^{\circ}11'59''$ EAST 25.44 FEET TO THE POINT OF CURVE OF A 207.50 FOOT RADIUS CURVE TO THE LEFT; AND (11) NORTHEASTERLY 10.28 FEET ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF $2^{\circ}50'15''$ TO A POINT ON THE SOUTHERLY BOUNDARY OF "LAS COLINAS PHASE 2 SUBDIVISION", RECORDED AND ON FILE AT WASHINGTON COUNTY RECORDERS OFFICE; THENCE ALONG SAID BOUNDARY THE FOLLOWING (2) TWO COURSES: (1) SOUTH $72^{\circ}38'16''$ EAST 90.30 FEET; AND (2) NORTH $10^{\circ}45'01''$ EAST 29.94 FEET TO THE SOUTHWEST CORNER OF LOT 104, "LAS COLINAS PHASE 1 SUBDIVISION", RECORDED AND ON FILE AT WASHINGTON COUNTY RECORDERS OFFICE; THENCE ALONG THE SOUTHERLY BOUNDARY OF SAID SUBDIVISION THE FOLLOWING (3) THREE COURSES: (1) SOUTH $75^{\circ}39'33''$ EAST 139.75 FEET TO A POINT ON A 210.00 FOOT RADIUS NON-TANGENT CURVE TO THE LEFT, WITH A RADIUS POINT WHICH BEARS NORTH $75^{\circ}39'33''$ WEST; (2) NORTHEASTERLY 36.22 FEET ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF $9^{\circ}53'00''$; AND (3) SOUTH $74^{\circ}18'01''$ EAST 117.86 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF "PIONEER ROAD" AND THE ARC OF A 1210.00 FOOT RADIUS NON-TANGENT CURVE TO THE RIGHT, WITH A RADIUS POINT WHICH BEARS NORTH $68^{\circ}25'10''$ WEST; THENCE ALONG SAID RIGHT-OF-WAY LINE THE FOLLOWING (2) TWO COURSES: (1) SOUTHWESTERLY

64.60 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 3°03'32"; AND (2) SOUTH 24°35'16" WEST 91.56 FEET TO THE NORTHEAST BOUNDARY CORNER OF SAID "RIVERSTONE PHASE 1 SUBDIVISION"; THENCE ALONG THE NORTHERLY BOUNDARY OF SAID SUBDIVISION THE FOLLOWING (10)TEN COURSES: (1) NORTH 66°50'48" WEST 150.85 FEET; (2) SOUTH 23°09'12" WEST 67.47 FEET; (3) NORTH 66°50'48" WEST 88.57 FEET; (4) SOUTH 24°01'02" WEST 29.71 FEET; (5) THENCE SOUTH 33°35'15" WEST 27.13 FEET; (6) NORTH 88°50'41" WEST 54.11 FEET; (7) SOUTH 87°29'40" WEST 88.27 FEET; (8) NORTH 88°00'04" WEST 80.01 FEET (9) SOUTH 01°09'30" WEST 100.00 FEET; AND (10) NORTH 88°50'30" WEST 235.00 FEET TO THE POINT OF BEGINNING.

CONTAINS: 2.568 ACRES