

When recorded, mail to:

Chris Ensign
Solstice Homes, LLC
84 Manila Drive
Draper, Utah 84020

JOINT DEVELOPMENT AGREEMENT

THIS JOINT DEVELOPMENT AGREEMENT ("Agreement") made and entered into on this 2nd day of May, 2014, by and between Noel Gill and Beth Gill (hereinafter collectively "Gill") and Solstice Homes, LLC, a Utah limited liability company ("Solstice") and/or assigns; individually a "Party" and collectively the "Parties."

RECITALS

MTD-9390
A. Gill is the owner of the real property located in Davis County, Utah legally described on Exhibit A attached to and incorporated in this Agreement by reference ("Parcel A").

B. Solstice currently holds under contract real property located in Davis County, Utah identified on Exhibit B, and attached to and incorporated in this Agreement by reference ("Parcel B"). Solstice or its assigns plans to develop Parcel B as part of the Farmington Bungalows Subdivision ("Farmington Bungalows") in the form approved by Farmington City, set forth on the approved subdivision plat attached hereto as Exhibit C (the "Final Plat").

C. Solstice is desirous of having Gill include Parcel A in Farmington Bungalows.

D. Gill is willing to include Parcel A in Farmington Bungalows subject to certain terms. Gill desires to own Lot 102 of the approved Farmington Bungalows as set forth on the Final Plat.

E. Accordingly, Gill and Solstice have agreed to certain terms and conditions which would provide for the joint development of Parcel A as part of Farmington Bungalows as more fully set out in this Agreement.

Parcel 08-089-0073

NOW, THEREFORE, in consideration of the mutual covenants and good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Gill and Solstice agree as follows:

1. **DEVELOPMENT OF PARCELS A AND B.** Solstice at its expense shall develop Parcel B into ten (10) residential lots to be retained by Solstice. The development of Parcel A shall be done in conjunction with the development of Parcel B in furtherance of, and as part of, the Farmington Bungalows, and shall be developed in accordance with the terms of this Agreement set out below.

a. **Modification of Lot Sizes.** Gill expressly acknowledges that the lot sizes and dimensions of Lot 102 currently represented by Exhibit C are subject to final approval by the City upon the recording of the Final Plat, which may result in the modification of the dimensions and/or number of lots finally approved and allowed by the City for Parcel B, except the Farmington Bungalows lot 102 shall not to be modified or altered without the consent of Gill. Solstice shall keep Gill notified of any modification during the regulatory process.

b. **Plat.** Gill shall cooperate in executing the Final Plat for the Farmington Bungalows, along with Solstice.

2. **CONSIDERATION.** For the completion of the terms and conditions of this Agreement as set out below, the Parties shall receive the following consideration:

a. **GILL.** Gill shall receive from Solstice free and clear of all liens and encumbrances (other than the lien for real property taxes not yet due and payable), Lot 102 on the Final Plat. This lot shall have underground utilities stubbed to its boundary lines.

b. **SOLSTICE.** Solstice shall receive from Gill free and clear of all liens and encumbrances (other than the lien for real property taxes not yet due and payable), clear title to any portions of Parcel A not included in Lot 102 and not otherwise conveyed under 3a below. Title to such portions of Parcel A shall pass from Gill to Solstice immediately following the recordation of the Final Plat.

3. CONVEYANCE OF REAL PROPERTY.

a. **Parcel A.** Gill shall convey by special warranty deed to Solstice or its nominee, or to Farmington City (per Section 7 below) immediately following the recordation of the Final Plat free and clear title to any portions of Parcel A that are not included in Lot 102, subject to no defects, exceptions, easements, encumbrances, covenants, conditions, restrictions, mining claims, or liens. For the avoidance of ambiguity, Gill is not selling or conveying Parcel A. Rather, the Parties are cooperating to enable Parcel A to be part of the Final Plat and to comprise substantially the resulting Lot 102.

b. **Lot 102.** Solstice shall convey by special warranty deed to Gill immediately to or simultaneously with the recordation of the Final Plat free and clear title to Lot 102, subject to no defects, exceptions, easements, encumbrances, covenants, conditions, restrictions, mining claims, or liens. For the avoidance of ambiguity, the purpose of this special warranty deed is to establish record title in Lot 102 in Gill following the recordation of the Final Plat.

4. ENCUMBRANCES OF PARCEL A.

a. Gill expressly states that they are the fee title owner of Parcel A and that there are no liens, security interests, encumbrances, debt, or claims of record against Parcel A, recorded or unrecorded, except for property taxes accrued but not yet due.

Gill fully expressly understands the prohibition that Gill shall be precluded from encumbering, securing, or allowing any debt or claim to attach to Parcel A from the date of this Agreement until subsequent to the recording of the Final Plat. Gill expressly acknowledges that if Parcel A is encumbered, that the completion of Farmington Bungalows by Solstice will require the consent and written permission of any security holder on Parcel A, and may result in the Final Plat to be signed by any existing security holder on Parcel A, all of which could delay, stop, hinder or cause financial damage in the development of the Farmington Bungalows resulting in significant expense to Solstice. Gill further acknowledges that in the event that any encumbrance, claim or security interest claimed or filed against Parcel A as a result of actions of Gill, that Gill shall hold Solstice harmless and indemnify Solstice for any and all damages that result from such encumbrance, debt, claim or security interest against Parcel A.

b. Solstice expressly states that it will become the fee title owner of Parcel B through a development loan. Parcel B may become encumbered by additional liens, claims, or security interests prior to the recording of the Final Plat. Notwithstanding these interests, Solstice will convey free and clear title to Lot 102 to Gill as set forth in Section 3.

5. REGULATORY APPROVAL. Solstice at its expense shall, in connection with the development of its real property referred to as Farmington Bungalows, undertake to obtain regulatory approvals from the City and to pay all fees as are required for Final Plat approval and recordation.

6. **DEVELOPMENT COSTS.** Solstice shall furnish at its expense in connection with the development of Farmington Bungalows all of the development costs for the completion of Parcel A and B, including the following:

- a. All bonding and inspection fees with City;
- b. All engineering fees incurred in the design, construction and inspection in connection with the completion of the development of the lots, adjacent roadways and utilities to said lots;
- c. Construction of the roadway identified as Clark Circle on the Final Plat that fronts on all lots in Parcel B with curb, gutter, sidewalks and park strips as are required by Farmington City;
- d. Installation of underground utilities together with all utilities stubbed to the property line of the lots in Parcel B; and
- e. Installation and completion of all other infrastructure and off-site improvements for the Farmington Bungalows as may be required by Farmington City.

7. **ROADWAY.** Gill shall be required to convey and/or dedicate that portion of the real property in Parcel A for the completion of the roadway identified as Clark Circle on the Final Plat in such dimensions as are required by Farmington City.

8. **PROPERTY TAXES.** Real property taxes and all green belt taxes that pertain to Parcel A shall be paid by Gill. Solstice shall pay all relevant real property taxes and green belt taxes for Parcel B, and shall pay all relevant real property taxes and green belt taxes for Parcel A once title is conveyed by Gill pursuant to this agreement.

9. **MAINTENANCE AND LIABILITY OF PARCEL A.**

- a. **Prior to transfer of Parcel A from Gill as provided herein,** Gill shall maintain and have all liability for the entire Parcel A except for loss, injury or damage caused by agents or officers of Solstice.
- b. Solstice shall maintain and have all liability for the entire Parcel B except for loss, injury or damage caused by agents or officers of Gill. All structures, trees, vegetation, fences, clearing and grading of Parcel B shall be the responsibility and the expense of Solstice.

10. **IMPACT FEES.** All Farmington City impact fees assessed by Farmington City against the lots contained in the Farmington Bungalows shall be paid by Solstice and Solstice shall indemnify and hold harmless Gill from any liability for the same.

11. **HOMEOWNERS ASSOCIATION.** It is not the intent of Solstice to establish or require a homeowners association ("HOA") for Farmington Bungalows. However, in the event that one is included for whatever reason, Parcel A shall be included within the HOA and be subject to its bylaws, terms and conditions, as may be approved and established by Solstice, Farmington City, or the homeowners of Farmington Bungalows.

12. **DEFAULT.** The Parties each agree that should they default in any of the covenants or agreements contained herein, the defaulting Party shall pay all costs and expenses, including a reasonable attorney's fee which may accrue from the enforcement of this Agreement, or in pursuing any remedy provided by statute or the laws in the State of Utah, whether such remedy is pursued by the filing of suit or otherwise and whether or not such costs or expenses are incurred with or without suit or before or after judgment.

13. LAWS, VENUE AND JURISDICTION. The Parties agree that in the event this matter should result in litigation, the laws of the State of Utah shall be controlling, and that the courts in the Second Judicial District of the State of Utah shall be the appropriate forum for such litigation.

14. ENTIRE AGREEMENT. Except for a Promissory Note made by Solstice in favor of Gill executed and entered into at the time of this Agreement and except those certain agreements to be entered into by Solstice and Gill for construction of a residential home on Lot 102, this Agreement and exhibits attached hereto together with those agreements listed below and their attached exhibits constitute the entire agreement of the parties with respect to the subject matter hereof and supersede any prior promises, representations, warranties, agreements or understandings between the Parties pertaining to the subject matter of this Agreement.

15. HEADINGS. The headings contained in this Agreement are intended for convenience only and are not intended to be used to construe or limit the text herein.

16. ASSIGNMENT. The Parties shall be entitled to freely assign the rights and obligations under this Agreement and this Agreement shall be binding upon and inure to the benefit of Solstice and Gill and their respective successors and assigns.

17. BINDING EFFECT. This Agreement shall be binding upon the parties and their respective officers, agents, employees, successors and assigns. The covenants contained herein shall be deemed to run with the real property.

18. NO WAIVER. Any Party's failure to enforce any provision of this Agreement shall not constitute a waiver of the right to enforce such provisions.

19. SEVERABILITY. If any portion of this Agreement is held to be unenforceable for any reason, the remaining provisions shall continue in full force and effect.

20. **RELATIONSHIPS.** Nothing in this Agreement shall be construed to create any partnership, joint venture or fiduciary relationship between the Parties.


21. **AMENDMENT.** This Agreement shall be amended only in writing signed by the Parties to this Agreement.

22. **FURTHER ASSURANCES.** Solstice and Gill shall do such further acts and shall execute and deliver such additional documents as may be necessary or desirable to carry out the intent of this Agreement.

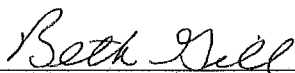
23. **COUNTERPARTS.** The Parties agree that this Agreement may be executed in counterparts, each of which shall be deemed an original and all such counterparts shall be deemed one and the same instrument.

THE PARTIES TO THIS AGREEMENT have executed this Agreement by and through their respective and duly authorized representatives as of the day and the year first-written above.

GILL:




Noel Gill



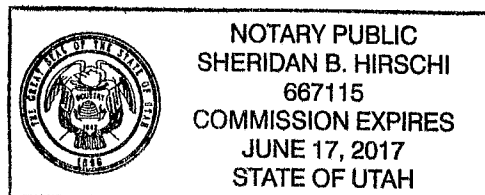
Beth Gill

STATE OF UTAH)
 : ss
COUNTY OF Davis)

The foregoing instrument was acknowledged before me this 2 day of May, 2014,
by Noel Gill and Beth Gill



Notary Public



SOLSTICE:

SOLSTICE HOMES, LLC,
A Utah limited liability company

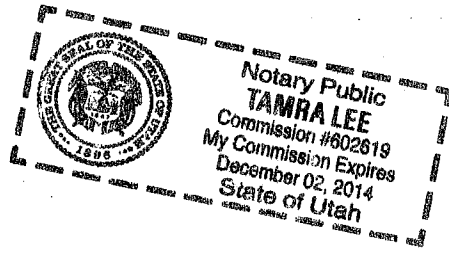
By: [Signature]

Name: Chris Ensign

Title: Partner-Manager-Member

STATE OF UTAH)
) : ss
COUNTY OF Salt Lake

The foregoing instrument was acknowledged before me this 5th day of May, 2014, by Chris Ensign, as manager of Solstice Homes, LLC.



[Signature]
Notary Public

File No. MTO-9390DAV

EXHIBIT "A"

Beginning North 57.76 feet, more or less, from the Southeast corner of Lot 6, Block 6, Plat A, Farmington Town Site Survey, said point being on the North line of property conveyed in Warranty Deed recorded 11/13/2009, as Entry No 2493202 in Book 4901 at Page 653, thence along said line North 89° 35' 30" West 123.75 feet, thence North 79.24 feet, thence East 7 1/2 rods, thence South 79.24 feet to the point of beginning. Situate in the Southeast quarter of Section 24, Township 3N, Range 1W Salt lake Base and Meridian.

Also:

Beginning at the Northeast corner of the South 1/2 of Lot 6, Block 6, Plat A, Farmington Town Site Survey, said point being also North 89° 53' 30" East 50.85 feet along the Section line & North 0° 30' East 121.07 feet along the centerline of 200 West Street to a Monument & North 89° 35' 30" West 601.75 feet along the centerline of State Street & South 0° 24' 30" West 294.50 feet along the centerline of 300 West Street as established from the improvements & North 89° 35' 30" West 49.50 feet from the East quarter corner of Section 24, Township 3N, Range 1W, Salt Lake Base and Meridian, & running thence South 89° 35' 30" East 19.00 feet, thence Southerly & parallel 11.50 feet West of the curb & gutter on said 300 West Street in the following two courses: South 0° 24' 30" West 79.24 feet, more or less, to a point on the North line of property conveyed in Warranty Deed recorded 11/13/2009 as Entry No 2493202 in Book 4901 at Page 653, thence along said line North 89° 35' 30" West 13.51 feet, more or less, to a point South 0° 24' 30" West from the point of beginning, thence North 0° 24' 30" East 79.24 feet along the East line of Block 6, Plat A Farmington Town Site Survey to the point of beginning.

Tax Parcel No. 08-089-0073

Date: 9/24/2014

Abstract

Land Serial Number: 08-089-0073

Tax Name & Address for Tax Year 2014

GILL, NOEL C & ELIZABETH WATKINS
10589 SOUTH HWY 185
PARADISE, UT 84328-0000

Tax District: 24 FARMINGTON ABHL

Exempt:
Parcel Dates: 6/9/2011 to Present
Acres: 0.255

BEG N 57.76 FT, M/L, FR THE SE COR OF LOT 6, BLK 6, PLAT A, FARMINGTON TS SURVEY; SD PT BEING ON THE N LINE OF PPTY CONV IN WARRANTY DEED RECORDED 11/13/2009, AS E# 2493202 BK 4901 PG 653; TH ALG SD LINE N 89°35'30" W 123.75 FT; TH N 79.24 FT; TH E 7 1/2 RODS; TH S 79.24 FT TO THE POB. SIT IN THE SE 1/4 OF SEC 24-T3N-R1W, S1M, CONT. 0.22 ACRES. ALSO: BEG AT THE NE COR OF THE S 1/2 OF LOT 6, BLK 6, PLAT A, FARMINGTON TS SURVEY; SD PT BEING ALSO N 89°53'30" E 50.85 FT ALG THE SEC LINE & N 0°30' E 121.07 FT ALG THE CENTERLINE OF 200 WEST STR TO A MONU & N 89°55'30" W 691.75 FT ALG THE CENTERLINE OF STATE STR & S 0°24'30" W 294.50 FT ALG THE CENTERLINE OF 300 WEST STR AS ESTABLISHED FR THE IMPROVEMENTS & N 89°35'30" W 49.50 FT FR THE E 1/4 COR OF SEC 24-T3N-R1W, S1B&M, & RUN TH S 89°35'30" E 19.00 FT; TH SLY & PARALLEL 11.50 FT W OF THE CURB & GUTTER ON SD 300 WEST STR IN THE FOLLOWING TWO COURSES: S 0°24'30" W 79.24 FT, M/L, TO A PT ON THE N LINE OF PPTY CONV IN WARRANTY DEED RECORDED 11/13/2009 AS E# 2493202 BK 4901 PG 653; TH ALG SD LINE N 89°35'30" W 13.51 FT, M/L, TO A PT S 0°24'30" W FR THE POB; TH N 0°24'30" E 79.24 FT ALG THE E LINE OF BLK 6, PLAT A, FARMINGTON TS SURVEY TO THE POB. CONT. 0.035 ACRES. TOTAL ACREAGE CONT. 0.255 ACRES. (NOTE: THIS REMAINING LEGAL WAS WRITTEN IN THE DAVIS COUNTY RECORDERS OFFICE FOR I.D. PURPOSES. IT DOES NOT REFLECT A SURVEY OF THE PROPERTY.)

Exhibit A

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