

Perpetual Easement and Equitable Servitude Agreement

This Perpetual Easement and Equitable Servitude Agreement (this "Agreement") is entered into this 3rd day of May, 2007 by and between HOLE NO. 4 L.L.C., a Utah limited liability company ("Hole No. 4")(the "Grantor"), and HOMESTEAD, INC. and THE HOMESTEAD GOLF CLUB, INC. ("The Homestead"), whose address is 700 N. Homestead Drive, Midway, Utah 84049 regarding that certain property (the "Property") consisting of approximately 0.109 Acres of Homestead Golf Course property, as more particularly described in Exhibit "A" attached hereto.

Recitals:

A. WHEREAS, the parties desire to set forth in writing and to record of record for public disclosure the covenants, terms and conditions of this Agreement.

NOW THEREFORE, in consideration of the foregoing recitals and the mutual covenants set forth herein, it is hereby agreed between the parties as follows:

1. Grant of Perpetual Easement and Equitable Servitude. Hole No. 4, Hole 4 LLC. hereby irrevocably grants to The Homestead, its successors and assigns, a perpetual easement and equitable servitude with respect to the Property to allow The Homestead or its successors or assigns to continue to use and operate the Property as a golf course, which shall be the exclusive use of the Property. The parties hereto acknowledge and agree that the property is subject to that certain Homestead Golf Course master Agreement (the "Master Agreement") recorded on February 19, 1988, with respect to the property. In connection therewith Hole No. 4, as the owner of the fee simple interest in the Property, shall cast its votes regarding the Management Agreement pertaining to the Property as directed by The Homestead. This perpetual easement and equitable servitude shall constitute a covenant running with the land and will be binding upon the successors and assigns of Hole No. 4, and The Homestead. This Agreement shall be enforceable by injunction or specific performance.

2. Reconveyance of Property to the Homestead. It is acknowledged that Hole No. 4 has purchased the property to support the density requirements for its development of improvements on adjacent property owned by Hole No. 4. In the event that it should no longer be necessary for Hole No. 4, or its successors or assigns to own the property to comply with such density requirements, then the property may be reconveyed to The Homestead, at its option, for \$10.00 per acre Hole No. 4 shall disclose the terms of this agreement in all of its sales contracts with respect to any sales of property adjacent to the property.

3. Homestead and the Club agree to maintain adequate blanket public liability insurance consistent with the insurance it currently maintains on the Golf Course, and will maintain a minimum of \$1,000,000.

4. Homestead and the Club will defend, indemnify, and hold harmless, Hole No. 4 and Turnberry, its successors and assigns, against any liability, loss tax liability, cost, and expenses, including reasonable attorney's fees arising out of the creation of this easement and Homestead and the Club's use of the Easement Property.

5. Termination. In the event the Property should cease to be used or operated as a golf course for more than two (2) year (excluding any temporary suspension of use related to the maintenance, reconfiguration or improvement of the golf course), the perpetual easement and equitable servitude created by this Agreement shall automatically terminate. In addition, in such event the right of The Homestead to repurchase the property if the property is no longer needed to meet open space requirements, the reconveyance shall be cancelled and title shall remain with Hole No. 4. or its successors.

6. Taxes and Maintenance. So long as this Agreement is in effect, The Homestead shall be responsible to pay all property taxes with respect to the Property, and to continue to water with water rights which have been dedicated by Hole No. 4. to Midway City in perpetuity and maintain the Property pursuant to the Master Agreement and under the current operational standards.

7. Utility and Construction Easements. Hole No. 4. agrees that any improvements located upon utility or construction easements located on the Property will be subject to the prior written consent and approval of The Homestead and will be constructed in a manner not to hinder or impede the operation of the golf course. Any such easements shall be maintained and repaired at the sole expense of Hole 4 LLC.

8. Boundary Improvements. Hole No. 4. agrees that no improvements, landscaping or fencing shall be made with respect to the boundary of the Property without the prior written consent of The Homestead, which consent may be withheld in The Homestead's sole discretion, except that The Homestead consents to the construction of an open rail fencing or other mutually acceptable barriers, which may be installed in Hole No. 4's discretion.

9. Interpretation. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Utah. The section headings contained in this Agreement are for purposes of reference only and shall not limit, expand, or otherwise affect the construction of any provisions of this Agreement. This Agreement shall bind and inure to the benefit of the parties hereto and their respective successors and assigns. 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. Exhibit A attached hereto is by this reference incorporated herein and made a part hereof.

10. Attorney's Fees. In the event it should become necessary for either party to enforce the provisions of this Agreement, the prevailing party shall be entitled to recover from the other party its costs and expenses, including reasonable attorney's fees, incurred in connection therewith.

[Signatures on following page]

4. This agreement shall bind and inure to the benefit of the parties and their heirs or successors.
Ent 319764 Bk 0939 Pg 1000

IN WITNESS WHEREOF, the parties have signed this Agreement as of the date first above set forth.

HOLE NO. 4 L.L.C.

By: North American Partners II LLC

Its: Manager

By:

Its: Manager

HOMESTEAD GOLF CLUB, INC.

By:

Britt Mathwich, President

Turnberry Woods HOA

BY:

Its: President

HOMESTEAD, INC.

By:

President

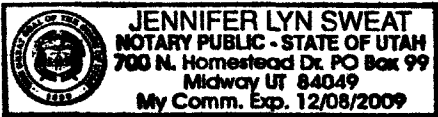
STATE OF UTAH)

: ss.

COUNTY OF ~~UTAH~~

Wasatch

The within instrument was acknowledged before me this 3 day of May, 2007, by David Dawie, in the capacity indicated.



Jennifer Lyn Sweat
NOTARY PUBLIC

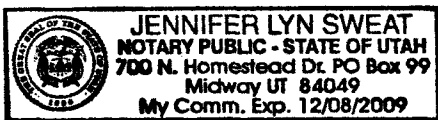
STATE OF UTAH)

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Jennifer Lyn Sweat
NOTARY PUBLIC

STATE OF UTAH)

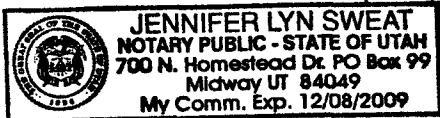
Ent 319764 Bk 0939 Pg 1001

COUNTY OF ~~UTAH~~)

: ss.

Wasatch

The within instrument was acknowledged before me this 3 day of May, 2007, by Britt Mathwich, in the capacity indicated.



Jennifer Lyn Sweat
NOTARY PUBLIC

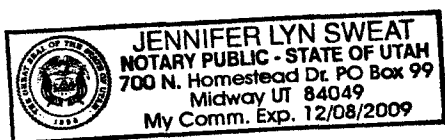
STATE OF UTAH)

: ss.

COUNTY OF ~~UTAH~~)

Wasatch

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Jennifer Lyn Sweat
NOTARY PUBLIC

EXHIBIT A

Legal Description

The real property is situated in Wasatch County, State of Utah, and is more particularly described as follows:

BEGINNING NORTH 704.21 AND WEST 573.83 FROM THE WASATCH COUNTY SURVEY MONUMENT FOR THE EAST ONE-QUARTER CORNER FOR SECTION 28, TOWNSHIP 3 SOUTH, RANGE 4 EAST, SALT LAKE BASE AND MERIDIAN (BASIS OF BEARINGS: UTAH COORDINATE SYSTEM 1983 CENTRAL ZONE BEARINGS);

AND RUNNING THENCE NORTH $08^{\circ}27'41''$ WEST 72.06 FEET; THENCE SOUTH $88^{\circ}09'12''$ WEST 23.06 FEET; THENCE NORTH $82^{\circ}33'29''$ EAST 34.05 FEET TO THE BEGINNING OF A TANGENT CURVE TO THE RIGHT AND CONCAVE SOUTHERLY WITH A RADIUS OF 51.00 FEET AND FROM WHICH A RADIAL LINE BEARS SOUTH $07^{\circ}26'31''$ EAST; THENCE EASTERLY 43.15 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF $48^{\circ}28'35''$ (CHORD BEARS SOUTH $73^{\circ}12'13''$ EAST 41.87 FEET); THENCE SOUTH $48^{\circ}57'56''$ EAST 23.73 FEET; THENCE SOUTH $45^{\circ}56'13''$ EAST 48.13 FEET; THENCE SOUTH $81^{\circ}32'19''$ WEST 93.71 FEET TO THE POINT OF BEGINNING.

CONTAINING 4734.39 SQUARE FEET OR 0.109 ACRES.

OMI

0197-B-028-034

Brent E. Christensen, PLS
Department of Land Surveying
Summit Engineering Group, Inc.
55 W Center Street - PO Box 176
Heber City, UT 84032
435-654-9229
(Fax) 435-654-9231

SUBJECT TO all restrictions, reservations and other conditions of record as may be disclosed by a record examination of the title.

