

WHEN RECORDED RETURN TO:

Paxton R. Guymon, Esq.
YORK HOWELL & GUYMON
10610 South Jordan Gateway #200
South Jordan, Utah 84095

Affects Davis County Parcels 12-105-0048 and 12-105-0153

Space above for Recorder's use only

IMPROVEMENT AND COST-SHARING AGREEMENT

This Improvement and Cost-Sharing Agreement (this "Agreement") is made and entered into on November 20, 2019, by and between **Castle Creek Homes, LLC**, a Utah limited liability company ("CCH") and **Monterey Properties, LLC**, a Utah limited liability company ("Monterey"). CCH and Monterey are collectively referred to herein as the "Parties."

RECITALS

WHEREAS, Monterey has obtained entitlements to develop approximately 12.5 acres into a residential subdivision known as the Edgewater Subdivision located at approximately 2950 South Bluff Road, Syracuse City, Davis County, Utah (the "Edgewater Project").

WHEREAS, CCH owns approximately 19 acres adjacent to the west side of the Edgewater Project. The land owned by CCH is identified as Davis County Tax Parcel Numbers 12-105-0048 and 12-105-0153 (the "CCH Land"). CCH intends to develop the CCH Land into a residential project at some point in the next few years.

WHEREAS, in order for both the Edgewater Project and the CCH Land to be developed, both projects require sewer and storm drain outfall lines and related improvements (the "Shared Improvements"). The Shared Improvements are itemized on the Engineer's Estimate prepared by Wilding Engineering dated September 18, 2019, a copy of which is attached hereto as Exhibit "A" (the "Estimate").

WHEREAS, the Edgewater Project will be developed first, and Monterey (or its successor in interest) will construct and install the Shared Improvements, with rights of reimbursement from CCH (or the then-owner of the CCH Land), as set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the representations, warranties, covenants and agreements contained herein, the receipt and sufficiency of which are hereby acknowledged, the Parties covenant and agree as follows:

1. Recitals. The above Recitals are incorporated herein and made part of this Agreement.
2. Easement. CCH shall execute and deliver to Monterey that certain Easement for Storm Drain and Sewer Systems, which has been prepared and delivered to CCH, which easement will allow Monterey and the successor developer/owner of the Edgewater Project to construct and install the sewer and storm drain lines through the CCH Land as described and depicted in said easement.
3. Installation of Improvements. The owner of the Edgewater Project will construct and install the Shared Improvements identified in the Estimate attached hereto as Exhibit "A" in accordance with the standards and requirements of Syracuse City. The owner of the Edgewater Project shall be responsible to comply with and satisfy any and all bonding and warranty obligations relating to such Shared Improvements. The owner of the Edgewater Project shall dedicate the Shared Improvements to the City as public improvements in accordance with the City's ordinances.
4. Laterals/Connections. When the owner of the Edgewater Project installs the Shared Improvements, CCH shall have the right, but not the obligation, to install its own laterals and other connections at CCH's own cost and expense.
5. Acceptance of Estimate. The Parties approve the Estimate attached hereto as Exhibit "A." As shown in the Estimate, the estimated costs of the Shared Improvements and related facilities and easements is \$199,307.00. CCH agrees that it is responsible for one-half (1/2) of the costs of the Shared Improvements not to exceed \$99,653.50 (the "CCH Obligation").
6. Payment of the CCH Obligation. The owner/developer of the CCH Land shall pay the CCH Obligation to the party who originally paid for the Shared Improvements (i.e., the developer of the Edgewater Project) (herein referred to as the "Payee") no later than thirty (30) days following the City's issuance of the first building permit to construct a residential structure on the CCH Land. When the CCH Land is developed, if it does not tie into or make use of the Shared Improvements, then there shall be no requirement to pay the CCH Obligation.
7. Recording. A copy of this Agreement may be recorded with the Easement referenced in paragraph 2 above to secure payment of the CCH Obligation.
8. Governing Law. In the event that any claim, action, or other legal proceeding shall be brought hereunder by either party, it shall be brought in and evaluated according to the laws of the State of Utah.
9. Attorney Fees. Any breach of this Agreement requiring enforcement through or with the assistance of legal counsel, which actually results in legal fees and/or costs being incurred, shall entitle the prevailing party to recover the actual legal fees and costs of enforcing the action. Said costs shall be determined by the decision maker regarding the dispute.
10. Run with the Land. The provisions of this Agreement shall run with the land, meaning they shall inure to the benefit of, and be enforceable against, the parties hereto and their respective successors in ownership of the subject parcels of real property. Monterey, as the

current owner of the Edgewater Project, intends to sell the Project to a developer/home builder after receiving final plat approval for the Edgewater Project. If Monterey sells the Edgewater Project, the new owner shall be entitled to receive and enforce all of the rights, benefits, and obligations of this Agreement.

- 11. Authority to Sign. Each person who executes this Agreement represents and warrants that he/she has been duly authorized to execute this Agreement on behalf of the entity designated below, and to bind said entity to the terms and provisions of this Agreement.

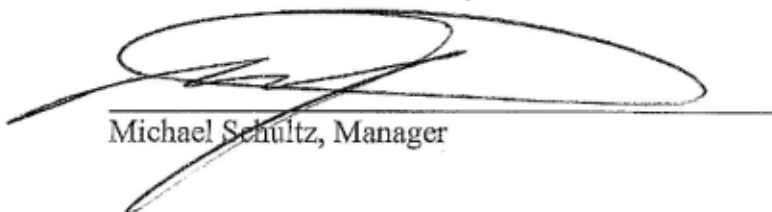
WHEREFORE, the Parties have executed this Agreement on the date set forth above.

THE PARTIES:

MONTEREY PROPERTIES LLC


Michelle Prince, Manager

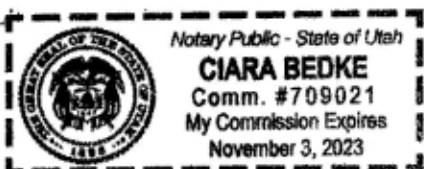
CASTLE CREEK HOMES, LLC

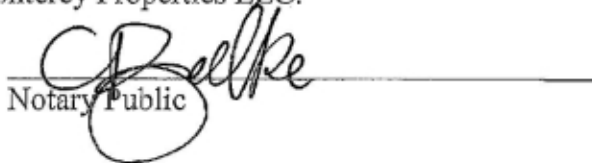

Michael Schultz, Manager

STATE OF UTAH)
 : ss.
COUNTY OF DAVIS)

The foregoing instrument was acknowledged before me this 2 day of December, 2019, by Michelle Prince, as Manager of Monterey Properties LLC.

SEAL:



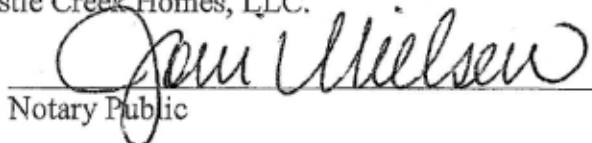

Notary Public

STATE OF UTAH)
 : ss.
COUNTY OF Weber DAVIS)

The foregoing instrument was acknowledged before me this 20 day of November, 2019, by Michael Schultz as Manager of Castle Creek Homes, LLC.

SEAL:




Notary Public

