

ALAN SPRIGGS, SUMMIT CO RECORDER
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WARRANTY DEED


FOR VALUE RECEIVED, Roger J. Knight* and Douglas B. Knight**, of Salt Lake City, Utah, hereinafter called "Grantors," do hereby grant, bargain, sell and convey unto The Woods of Parley's Lane, Inc., hereinafter called "Grantee," the following described real property in Summit County, Utah, to wit:

See Exhibit "A" attached hereto and incorporated herein by reference.


Together with all appurtenant water rights described on Exhibit "B" attached hereto and incorporated herein by reference, all and singular the tenements hereditament and appurtenances thereunto belonging or in any wise appertaining and reversions and remainders and together with all personal property including water systems, equipment and shares.

Grantors warrant to the Grantee, and its successors in title, that fee simple title to the property is conveyed to Grantee by this deed, free from all encumbrances except those existing easements of record.

Dated this 16th day of October, 2006.



Roger J. Knight *

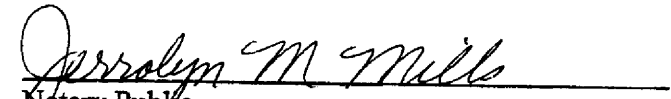


Douglas B. Knight **

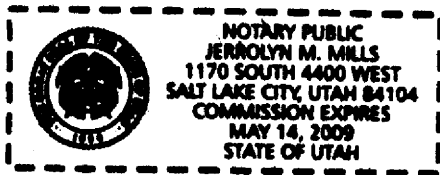
STATE OF UTAH)
 :SS
COUNTY OF SALT LAKE)

On this 16th day of October, 2006, before me appeared Roger J. Knight* and Douglas B. Knight**, known to me to be the persons who signed the within instrument and acknowledged to me that they executed the same.

In witness whereof, I have hereunto set my hand and seal the day and year first above written.



Notary Public



GRANTEE'S ADDRESS:
ROGER KNIGHT CONSTRUCTION
ATTN: ROGER KNIGHT
2660 WEST 2390 SOUTH
SALT LAKE CITY, UT 84119

*AKA ROGER KNIGHT
**AKA DOUGLAS KNIGHT

EXHIBIT A

(PARCEL 1)

The East half of the Northeast Quarter of the Northwest Quarter of Section 10, Township 1 South, Range 3 East, Salt Lake Base and Meridian.

(For reference purposes only: Tax Parcel No. PP-34-6)

(PARCEL 2)

Beginning at a point on the North line of Section 10, Township 1 South, Range 3 East of the Salt Lake Base Meridian, 1726.0 feet East from the Northwest corner of said Section 10, and running thence along the section line East 254.0 feet; thence South 1355.0 feet; thence East 660 feet to the Quarter Section line; thence South 629.75 feet to the North right-of-way line of a 50.0 foot stock trail bordering interstate 80; thence Westerly along said stock trail 914.5 feet; thence North 2313.05 feet to the point of beginning. Containing 24.785 acres, more or less.

Excepting all oil, gas and other minerals of whatsoever kind of nature from the above-described tract.

Together with a right of way for a private driveway across a strip of land ten (10) feet in width, the centerline of which is established five feet Westerly from the Eastern-oriented property line described as:

Beginning at the Northwest corner of Lot 97, Southridge Subdivision, a part of the Northeast quarter of Section 10, Township 1 South, Range 3 East, Salt Lake Base and Meridian; said point also being described as North $89^{\circ}59'18''$ 1513, 10 feet and South $0004'05''$ East 166.14 feet from the Northeast corner of aforesaid Section 10; and running along the West boundary of said subdivision, being also Lots 97, 98 and 51; thence South $44042'40''$ East 55.60 feet; thence South $27^{\circ}32'32''$ East 68.42 feet; thence South $02^{\circ}03'50''$ East 95.92; thence South $09^{\circ}55'$ West 50 feet; thence South $15^{\circ}11'20''$ West 93.01 feet; thence South $25^{\circ}54'40''$ West 93.21 feet to the Southwest corner of Lot 51, also being the centerline of said Section, as granted by that certain Grant of Easement, dated November 16, 2001, and recorded November 19, 2001, in Book 1412, at Page 300, as Entry No. 603822.

Situate in Summit County, State of Utah.

(For reference purposes only: Tax Parcel No. PP-34-5)

(PARCEL 3)

The South Half of the South Half of the Northwest Quarter of the Northeast Quarter of Section 10, Township 1 South, Range 3 East, Salt Lake Base and Meridian.

ALSO, That portion of the Southwest quarter of the Northeast quarter of said Section 10, lying on the Northerly side of the Highway Right-of-Way and being more particularly described as follows:

BEGINNING at the Northwest corner of the Southwest quarter of the Northeast quarter of said Section 10 and running thence East 1320 feet, more or less, to the Northeast corner of the Southwest quarter of the Northeast quarter of said Section 10; thence South $0^{\circ}4'5''$ East 84.54

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feet to the Northerly line of Highway right-of-way; thence along said right-of-way South 61°58' West to the intersection of said right-of-way line with the West line of the Southwest quarter of the Northeast quarter of said Section 10; thence North 0°2' West 750.86 feet to the place of beginning.

TOGETHER with a right of way running from the Southwest corner of the above described tracts, along the Northerly boundary of said Highway rights to a point of access opening to Interstate 80.

ALSO Together with a right of way for a private driveway across a strip of land ten (10) feet in width, the centerline of which is established five feet Westerly from the Eastern-oriented property line described as:

Beginning at the Northwest corner of Lot 97, Southridge Subdivision, a part of the Northeast quarter of Section 10, Township 1 South, Range 3 East, Salt Lake Base and Meridian; said point also being described as North 89°59'18" 1513, 10 feet and South 0°04'05" East 166.14 feet from the Northeast corner of aforesaid Section 10; and running along the West boundary of said subdivision, being also Lots 97, 98 and 51; thence South 44°42'40" East 55.60 feet; thence South 27°32'32" East 68.42 feet; thence South 02°03'50" East 95.92; thence South 09°55' West 50 feet; thence South 15011'20" West 93.01 feet; thence South 25°54'40" West 93.21 feet to the Southwest corner of Lot 51, also being the centerline of said Section, as granted by that certain Grant of Easement, dated November 16, 2001, and recorded November 19, 2001, in Book 1412, at Page 300, as Entry No. 603822.

EXCEPTING from the above described lands the following:

BEGINNING at a point North 89°59'18" West 2501.41 feet and South 870.95 feet from the Northeast corner of Section 10, Township 1 South, Range 3 East, Salt Lake Base and Meridian; and running thence North 88°03'20" West 301.42 feet; thence South 0°08'40" West 150.96 feet along a fence; thence North 85°35'51" East 248.09 feet; thence North 2°35'04" East 135.84 feet to the point of beginning.

ALSO LESS AND EXCEPTING:

A one acre parcel of land situated on the Southwest Quarter of the Northeast quarter of Section 10, Township 1 South, Range 3 East, Salt Lake Base and Meridian, more particularly described as follows:

BEGINNING at a point which lies South 00°06'19" East, along the quarter Section line (basis of bearings between the North quarter corner of Section 10 and the center of Section 10) 1454.05 feet, and East, 166.55 feet from the North quarter corner of said Section 10; and running thence East 208.71 feet; thence South 208.71 feet; thence West 208.71 feet; thence North 208.71 feet to the point of beginning.

Situated in Salt Lake County, State of Utah.

(For reference purposes only: Tax Parcel No. PP-38-A-4)

(PARCEL 4)

The one acre parcel of land situated in the Southwest Quarter of the Northeast Quarter of Section 10, Township 1 South, Range 3 East, Salt Lake Base and Meridian, more particularly described as follows:

BEGINNING at a point which lies South 00°06'19" East, along the Quarter Section line (basis of bearings between the North Quarter corner of Section 10 and the center of Section 10) 1454.05 feet and East 166.55 feet from the North Quarter corner of said Section 10; and running thence East 208.71 feet; thence South 208.71 feet; thence West 208.71 feet; thence North 208.71 feet to the point of beginning.

(For reference purposes only: Tax Parcel No. PP-38-A-4-A)

(PARCEL 5)

The South half of the North half of the North half of the South half of the Northwest quarter of the Northeast quarter of Section 10, Township 1 South, Range 3 East, Salt Lake Base and Meridian.

Excepting therefrom the above-described lands the following:

Beginning at a point North 89°59' 18" West 2501.41 feet and South 870.95 feet from the Northeast corner of Section 10, Township 1 South, Range 3 East, Salt Lake Base and Meridian; and running thence North 88°35'20" West 301.42 feet; thence South 0°08'40" West 150.96 feet along a fence; thence North 85°35'51" East 248.09 feet thence North 23°35'04" East 135.84 feet to the point of beginning.

Together with a right of way for a private driveway across a strip of land ten (10) feet in width, the center line of which is established five feet Westerly from the Eastern-oriented property line described as:

Beginning at the Northwest corner of Lot 97, Southridge Subdivision, a part of the Northeast quarter of Section 10, Township 1 South, Range 3 East, Salt Lake Base and Meridian; said point also being described as North 89°59'18" 1513, 10 feet and South 0°04'05" East 166.14 feet from the Northeast corner of aforesaid Section 10; and running along the West boundary of said subdivision, being also Lots 97, 98 and 51; thence South 44°41'40" East 55.60 feet; thence South 27°32'32" East 68.42 feet; thence South 02°03'50" East 95.92; thence South 09°55' West 50 feet; thence South 15°11'20" West 93.01 feet; thence South 25°54'40" West 93.21 feet to the Southwest corner of Lot 51, also being the centerline of said Section, as granted by that certain Grant of Easement, dated November 16, 2001, and recorded November 19, 2001, in Book 1412, at Page 300, as Entry No. 603822, Summit County Recorder's Office.

(For reference purposes only: Tax Parcel No. PP-38-A)

(PARCEL 6)

The North 330 feet of the Northwest 1/4 of the Northeast 1/4 of Section 10, Township 1 South,

Range 3 East, Salt Lake Base and Meridian.

Together with a right of way for a private driveway across a strip of land ten (10) feet in width, the center line of which is established five feet Westerly from the Eastern-oriented property line described as:

Beginning at the Northwest corner of Lot 97, Southridge Subdivision, a part of the Northeast quarter of Section 10, Township 1 South, Range 3 East, Salt Lake Base and Meridian; said point also being described as North $89^{\circ}59'18''$ 1513.10 feet and South $0^{\circ}04'05''$ East 166.14 feet from the Northeast corner of aforesaid Section 10; and running along the West boundary of said subdivision, being also Lots 97, 98 and 51; thence South $44^{\circ}41'40''$ East 55.60 feet; thence South $27^{\circ}32'32''$ East 68.42 feet; thence South $02^{\circ}03'50''$ East 95.92; thence South $09^{\circ}55'$ West 50 feet; thence South $15^{\circ}11'20''$ West 93.01 feet; thence South $25^{\circ}54'40''$ West 93.21 feet to the Southwest corner of Lot 51, also being the centerline of said Section, as granted by that certain Grant of Easement, dated November 16, 2001, and recorded November 19, 2001, in Book 1412, at Page 300, as Entry No. 603822, Summit County Recorder's Office.

(For reference purposes only: Tax Parcel No. PP-38-A-1)

(Parcel 7)

BEGINNING AT A POINT ON THE NORTHWESTERLY BOUNDARY LINE OF HIDDEN COVE SUBDIVISION, SAID POINT LIES NORTH $89^{\circ}53'27''$ EAST, (BASIS OF BEARINGS) ALONG THE SECTION LINE, 271.56 FEET, AND NORTH, 1405.21 FEET FROM THE SOUTH QUARTER CORNER OF SECTION 3, TOWNSHIP 1 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN; AND RUNNING THENCE SOUTH $18^{\circ}53'27''$ WEST, ALONG SAID BOUNDARY, 78.31 FEET; THENCE SOUTH $31^{\circ}53'27''$ WEST, ALONG SAID BOUNDARY, 576.43 FEET; THENCE SOUTH $43^{\circ}53'27''$ WEST, ALONG SAID BOUNDARY, 465.44 FEET; THENCE SOUTH $29^{\circ}53'27''$ WEST, ALONG SAID BOUNDARY, 191.51 FEET; THENCE SOUTH $09^{\circ}53'27''$ WEST, ALONG SAID BOUNDARY, 261.64 FEET; THENCE SOUTH $00^{\circ}06'33''$ EAST, ALONG SAID BOUNDARY, 84.81 FEET TO A POINT ON THE SOUTHERLY SECTION LINE OF SAID SECTION 3, THENCE SOUTH $89^{\circ}48'05''$ WEST, ALONG THE SECTION LINE, 472.28 FEET, TO THE SOUTHEAST CORNER OF THE SUMMIT WATER DISTRIBUTION COMPANY WATER TANK BOUNDARY LINE; THENCE NORTH $00^{\circ}11'55''$ WEST ALONG SAID BOUNDARY LINE, 320.00 FEET; THENCE SOUTH $89^{\circ}48'05''$ WEST ALONG SAID BOUNDARY LINE, 210.00 FEET; THENCE SOUTH $00^{\circ}11'55''$ EAST, ALONG SAID BOUNDARY LINE, 320.00 FEET TO THE AFORESAID SOUTHERLY SECTION LINE; THENCE SOUTH $89^{\circ}48'05''$ WEST, ALONG THE SECTION LINE, 1482.97 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 3; THENCE NORTH $00^{\circ}02'44''$ WEST ALONG THE SECTION LINE; 1061.08 FEET TO A POINT ON THE SOUTH RIDGE LINE OF MILL HOLLOW; THENCE NORTH $54^{\circ}36'31''$ EAST, ALONG SAID RIDGE LINE, 579.65 FEET; THENCE NORTH $81^{\circ}48'55''$ EAST, ALONG SAID RIDGE LINE, 153.53 FEET; THENCE NORTH $87^{\circ}57'22''$ EAST, ALONG SAID RIDGE LINE, 368.86 FEET; THENCE NORTH $63^{\circ}23'53''$ EAST, ALONG SAID RIDGE LINE, 635.48 FEET; THENCE

NORTH 00°00'00" EAST, ALONG SAID RIDGE LINE, 355.68 FEET; THENCE NORTH 77°44'35" SECONDS EAST, ALONG SAID RIDGE LINE, 405.46 FEET; THENCE SOUTH 53°25'14" EAST, 1246.92 FEET TO THE POINT OF BEGINNING.

(For reference purposes only: Tax Parcel No. SS-4-E-1)

Together with and subject to the easements created by that certain Road Maintenance Agreement and Grant of Non-Exclusive Access Agreement recorded July 19, 2006 as Entry No. 784242 in Book 1804 at Page 1167 and that certain Quit Claim Deed recorded August 10, 2006 as Entry No. 786463 in Book 1809 at Page 498, Summit County Recorder's Office.

EXHIBIT B

1312.124
FILE

WATER PURCHASE AGREEMENT

This water purchase agreement (the "Agreement") is entered into this 30th day of November, 2005, by and among TRILOGY LIMITED, L.P., a Georgia limited partnership and LEON H. SAUNDERS, collectively doing business as S-K WATER RESOURCES ("Seller") and ROGER KNIGHT AND DOUGLAS KNIGHT ("Purchaser").

RECITALS

A. Purchaser has expressed an interest in acquiring shares of the common stock of SUMMIT WATER DISTRIBUTION COMPANY ("Summit Water") to be used to provide culinary water for Purchaser's proposed development project near the Southridge, Hidden Cove and Moose Hollow developments.

B. Purchaser's property consists of approximately 190 acres of land upon which 43 single-family units will be constructed.

C. Seller is the holder of Class A shares of the common stock of Summit Water and is willing to sell 33 shares to Purchaser on the terms and conditions set forth in this Agreement.

Now, Therefore, for valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. **Shares to Be Purchased.** Purchaser agrees to purchase and Seller agrees to sell an aggregate of 33 shares of the Class A common stock of Summit Water. The shares purchased pursuant to the terms of this agreement shall be free and clear of liens and encumbrances.

2. **Purchase Price.** The purchase price for the shares is \$250,000.00 (the "Purchase Price"). The Purchase Price shall be paid concurrently with the execution of this Agreement.

3. **Delivery of Shares.** Shares purchased pursuant to this agreement will be delivered to Purchaser upon payment of the Purchase Price for the Shares. Upon payment of the Initial Purchase Price, Seller shall deliver to Purchaser 33 shares of Class "A" stock in Summit Water Distribution Company. Upon delivery of share certificates to Purchaser, Purchaser shall immediately deliver the Class A share certificates to Summit Water Distribution Company for two purposes:

- a) as a senior perfected security interest in Seller's shares to secure payment of all outstanding assessments, fees, and costs; and
- b) to facilitate the transfer of shares to subsequent landowners within the Project.

Development Agreement by and between Purchaser and Summit Water may provide for specific and additional appurtenance requirements.

b. **Restrictions on Transfer.** Transfer restrictions apply to the transfer of the Shares, limiting the transfer of the shares to owners of the Project. In the event that the Project is not completed or the number of shares purchased is greater than is needed for the Project, Purchaser may not transfer the Shares for use elsewhere without the advance written permission to Seller.

5. **Easements.** Purchaser will grant Summit Water all easements that reasonably are necessary to permit the installation of Infrastructure on the property that is a part of the Project, without additional cost to Seller or Summit Water. The easement will be in a form typically used for such infrastructure easements and acceptable to Summit Water.

6. **Representations.** Seller has made no representations to Purchaser with respect to the purchase of the Shares or delivery of water to the Project except as specifically set forth in this Agreement. Purchaser has relied upon its own investigation of all matters related to the Shares and has relied upon the advice of its independent advisors with respect to the purchase and use of the Shares.

7. **Compliance with Summit Water Requirements.** Purchaser agrees to comply with the requirements of Summit Water with respect to the transfer, conversion and assessment of the Shares and the delivery of water to the Project. These requirements include, but are not limited to:

a. **Charter Documents.** Purchaser agrees to be bound by the terms and conditions of the Articles of Incorporation, Bylaws, and Rules and Regulations of Summit Water (the "Charter Documents"), as they may be amended from time to time by action of the board of directors and shareholders of Summit Water.

b. **Conversion of Shares.** Conversion of the Shares is subject to compliance with the terms of the Charter Documents and restrictions imposed by Summit Water. Purchaser understands the restrictions on conversion and acknowledges that the Shares cannot be converted until such conditions are satisfied and that until the Shares are converted to Class B, no water delivery service will be provided to the Project or on account of the Shares.

c. **Connection Fees.** Prior to delivery of water to the Project, the user must pay a connection fee to Summit Water. The connection fee is payment for the costs of equipment and services required to establish the physical connection to the system, payments required to be made by Summit Water in connection with the connection and payment to a capital replacement fund. The amount of the connection fee will be established by the Charter Documents of Summit Water or in the development agreement.

d. **Development Agreement.** Summit Water requires that each of the shareholders acquiring shares of Summit Water stock and anticipating water delivery service to a

project enter into a development agreement with Summit Water. Purchaser agrees to enter into a Development Agreement in a form acceptable to Summit Water.

e. **Infrastructure.** Purchaser shall be responsible for providing the required infrastructure in compliance with the requirements of Summit Water to provide delivery of water from the existing water main to the Project. Purchaser shall be entitled to reimbursement for infrastructure conveyed to Summit Water in accordance with the Charter Documents of Summit Water and the terms of the Development Agreement.

8. **Reimbursement to Third Parties.** Except as otherwise may be set forth in this Agreement, Purchaser shall have no obligation of reimbursement to Summit Water or Seller for existing infrastructure required for the delivery to the Project of water represented by the Shares.

9. **Line Extension.** Under the terms of the Development Agreement with Summit Water and in order to obtain delivery of the water represented by the Shares, Purchaser may be required to construct an extension of a Summit Water main transmission line to the Project (the "Project Extension"). Under the terms of the agreement dated March 15, 1991, and by agreement of the Purchaser, Seller shall be entitled to share in all of the benefits of the Project Extension, and shall have the right to extend the line and allow connection to third-party users.

10. **Purchase of Additional Shares.** Purchaser shall have the right to purchase additional shares (up to a total of 58 shares) as necessary to secure the project's water needs. Such additional shares shall have the same appurtenancy restrictions and shall be supported by the same terms and conditions as the shares purchased under the Agreement.

11. **Miscellaneous.**

a) **Successors and Assigns.** The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer herein set forth, this Agreement shall be binding upon Purchaser and the heirs, executors, administrators, successors and assigns of it or any of its partners.

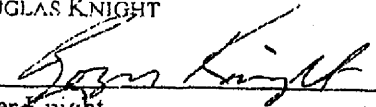
b) **Governing Law; Severability.** This Agreement is governed by and construed in accordance with Utah law, excluding that body of laws pertaining to conflicts of law. Should any provision of this Agreement be determined by a court of law to be illegal or unenforceable, the other provisions shall nevertheless remain effective and shall remain enforceable.

c) **Further Instruments.** The parties agree to execute such further instruments and to take such further action as may be reasonably necessary to carry out the purposes and intent of this Agreement.

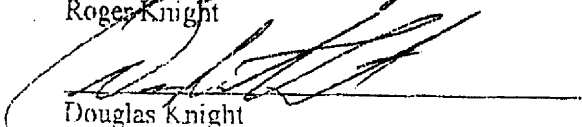
d) **Entire Agreement.** This constitutes the entire agreement of the parties and supersedes all prior discussions, understandings and agreements with respect to the subject matter hereof.

Executed this 30th day of November, 2005.

Purchasers:
ROGER KNIGHT AND
DOUGLAS KNIGHT




Roger Knight



Douglas Knight

Sellers:



LEON HY SAUNDERS

TRILOGY LIMITED, L.P.
By: Trilogy Asset Management Inc.
General Partner

By: 

Its: president.

NUMBER
6727

INCORPORATED UNDER THE LAWS OF
STATE OF UTAH

SHARES CLASS
33.00 A

SUMMIT WATER DISTRIBUTION COMPANY

This is to Certify Roger Knight and Douglas Knight are the owner's of

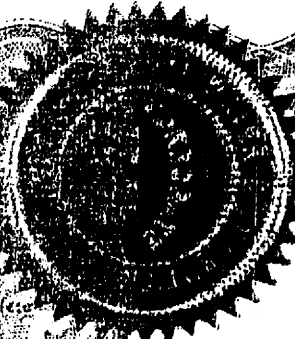
Thirty Three ***** Shares of the Capital Stock of
SUMMIT WATER DISTRIBUTION COMPANY, INC.

Transferable only on the Books of the Corporation on surrender of this Certificate properly endorsed.

In Witness Whereof the said Corporation has caused this Certificate to be
signed by its duly authorized officers and its Corporate Seal to be
Hereunto affixed this Twenty Ninth day of November, A. D. 2005

Place of Use: There are restrictions on the use of
the shares represented by this cert., the holder
hereof has limited rights in the SWD/C and no
present right to water delivery.

Ken H. Soule
Ken H. Soule



U.S. PAT. OFF. DES. 2842
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100% U.S.A.