



WHEN RECORDED RETURN TO:

William O. Perry, IV Esq.
L.H. Perry Investments, LLC
17. E. Winchester St., Ste. 200
Murray, UT 84107

ENT 93905:2014 PG 1 of 9
JEFFERY SMITH
UTAH COUNTY RECORDER
2014 Dec 29 4:29 pm FEE 33.00 BY EO
RECORDED FOR JOHNSTON, DAVID N

Space above for Recorder's use only

DEVELOPMENT AGREEMENT

Black Sand Development, LLC, a Utah limited liability company (hereinafter "Black Sand") and **L. H. Perry Investments, LLC** (hereinafter "Perry"), hereby enter into this Development Agreement this 8th day of December, 2014, for the purpose of formally setting forth the terms of their agreement related to their currently owned and/or under-contract properties located in and/or adjacent to the Vintaro Planned Community in American Fork City, Utah and Autumn View Properties in American Fork City, Utah.

RECITALS

WHEREAS, Black Sand owns certain parcels of property located in American Fork, Utah County, Utah, which include the following: 13:059:0049, 13:059:0050, 13:059:0051, 13:059:0060; 13:059:0061; 13:059:0063; 13:059:0064 (approximately 12.5 Acres) as further described on EXHIBIT B (the "Black Sand Property").

WHEREAS, Perry owns property north of the Black Sand property located in American Fork, Utah, which include parcel 13:058:0301 (approximately 8.01 Acres) as further described on EXHIBIT C (the "Perry Property").

WHEREAS, the parties both desire and intend to develop and improve their respective properties and both Perry and Black Sand have been working with American Fork City to obtain approval of their respective projects.

WHEREAS, the parties have learned that there are certain mutually beneficial, cooperative and cost cutting ways their respective properties can assist in the development of the other.

WHEREAS, the parties to this Development Agreement wish to formalize their agreement to cooperate one with another in regards to certain responsibilities and conditions related to the Black Sand Property and Perry Property.

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

1. Storm Drain. Black Sand is proposing storm water drainage lines through its project that will have excess capacity to accept additional flow from the Perry

property. Black Sand agrees that it will provide a storm drain pipe in 740 East at the north side of the project of size adequate to flow the storm water through the Black Sand Property to a proposed storm drain along the east side of 860 East (see Exhibit "A"). Storm water will have passed through a detention system and will flow at a maximum rate of 0.2 cfs per acre of property (approximately 1.89 cfs). Final location, elevations and grades are to be determined upon final design, but shall be coordinated to align, connect and benefit both the Black Sand Property and the Perry Property.

2. Pressure Irrigation Line. Perry will provide Pressure Irrigation main line to the northerly side of the Black Sand Project in 740 East of adequate size required by American Fork City and adequate capacity to service the Black Sand Project (see Exhibit "A"). Final location, elevations and grades are to be determined upon final design, but shall be coordinated to align, connect and benefit both the Black Sand Property and the Perry Property.
3. Timing and Reimbursement of Improvements. Because it is unclear at this time who between Black Sand and Perry will be first to begin development of their respective properties, Black Sand and Perry agree that whoever is first to develop is allowed to construct the necessary improvements (as described in #'s 1-2 above) to satisfy American Fork City and to allow the development of their property to proceed. Further, Black Sand and Perry agree to reimburse the other party for the construction of said improvements, which reimbursement will be based upon previously and mutually approved bid costs and/or actual construction costs, whichever is less. Such reimbursement is due within three (3) months of such costs being expended. Any amounts not paid within said 3-month period shall accrue interest at the rate of twelve percent (12%) per annum until paid. For the absence of doubt, in the case of reimbursements, Perry is ultimately responsible for the costs of installing the pressurized irrigation line described in Paragraph 2 hereof and Black Sand is ultimately responsible for the costs of installing the storm drain improvements described in Paragraph 1, hereof.
4. Agreement to Formalize and Record. Each party shall prepare, execute and deliver to the other party such documents, including easement(s) and/or rights of way dedications, as are required to properly and validly document, implement, validate, execute, perform and record the provisions of this Development Agreement. In particular, Black Sand shall be responsible to secure any easements that might be desirable or necessary for the installation and perpetual operation of the storm drain improvements as required by Paragraph 1, hereof.
5. 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.
6. Headings. The headings in this Development Agreement are for reference only

and shall not affect the interpretation of this Development Agreement.

7. Attorney Fees. Any breach of this Development Agreement requiring enforcement through or with the assistance of legal counsel, which actually results in legal fees and or costs, 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.
8. Severability. The provisions of this Development Agreement shall be deemed to be severable, and if any provision of this Development Agreement is determined to be invalid or unenforceable by any court of competent jurisdiction, such invalidity or unenforceability shall not affect or limit the validity or unenforceability of the remaining provisions hereof.
9. No Third-Party Beneficiary Interests. Nothing contained in this Development Agreement is intended to benefit any person or entity other than the parties to this Development Agreement and/or their respective successors and assigns; and no representation or warranty is intended for the benefit of, or to be relied upon by, any person or entity which is not a party to this Development Agreement and/or their respective successors and assigns. Notwithstanding the preceding language, the parties acknowledge that Black Sand intends to sell the Black Sand Property to Oakwood Homes of Utah, LLC ("Oakwood"). In the event that Oakwood closes on its purchase of the Black Sand Property, this Development Agreement shall inure to the benefit of, and be binding on, Oakwood, and Black Sand shall arrange for Oakwood to execute a written instrument confirming the same, to be provided to Perry. This Agreement shall be recorded and shall be deemed to run with the Perry Property and Black Sand Property and shall bind and benefit any successor owner of such property.
10. Binding Effect. This Development Agreement shall inure to the benefit of, and be binding upon, the parties hereto and their respective heirs, representatives, officers, agents, employees, members, successors and assigns.

WHEREFORE, the parties have executed the foregoing to be effective the date first appearing above.

THIS SIGNATURE PAGE IS PART OF THE DOCUMENT ENTITLED
 "DEVELOPMENT AGREEMENT" AND HAS NOT BEEN SIGNED BY THE
 FOLLOWING PERSONS FOR ANY OTHER PURPOSE.

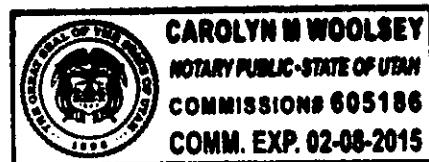
Black Sand Development, LLC
 a Utah Limited Liability Company

By David N. Johnston
 Managing Member
 David Johnston

L. H. Perry Investments, LLC
 a Utah limited liability company

By William O. Perry
 Name: William O. Perry, III
 Title: Manager

STATE OF UTAH)
)ss.
 COUNTY OF SALT LAKE)

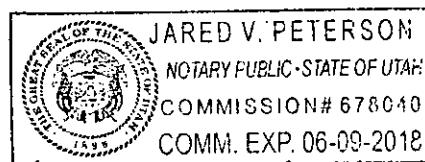


The foregoing instrument was acknowledged before me by William O. Perry, III, the Manager of L.H. Perry Investments, LLC.

Carolyn Woolsey

NOTARY PUBLIC

STATE OF UTAH)
)ss.
 COUNTY OF Utah)



The foregoing instrument was acknowledged before me by David Johnston, the Managing Member of Black Sand Development, LLC.

Jared Peterson

NOTARY PUBLIC

EXHIBIT A
Description of Improvements

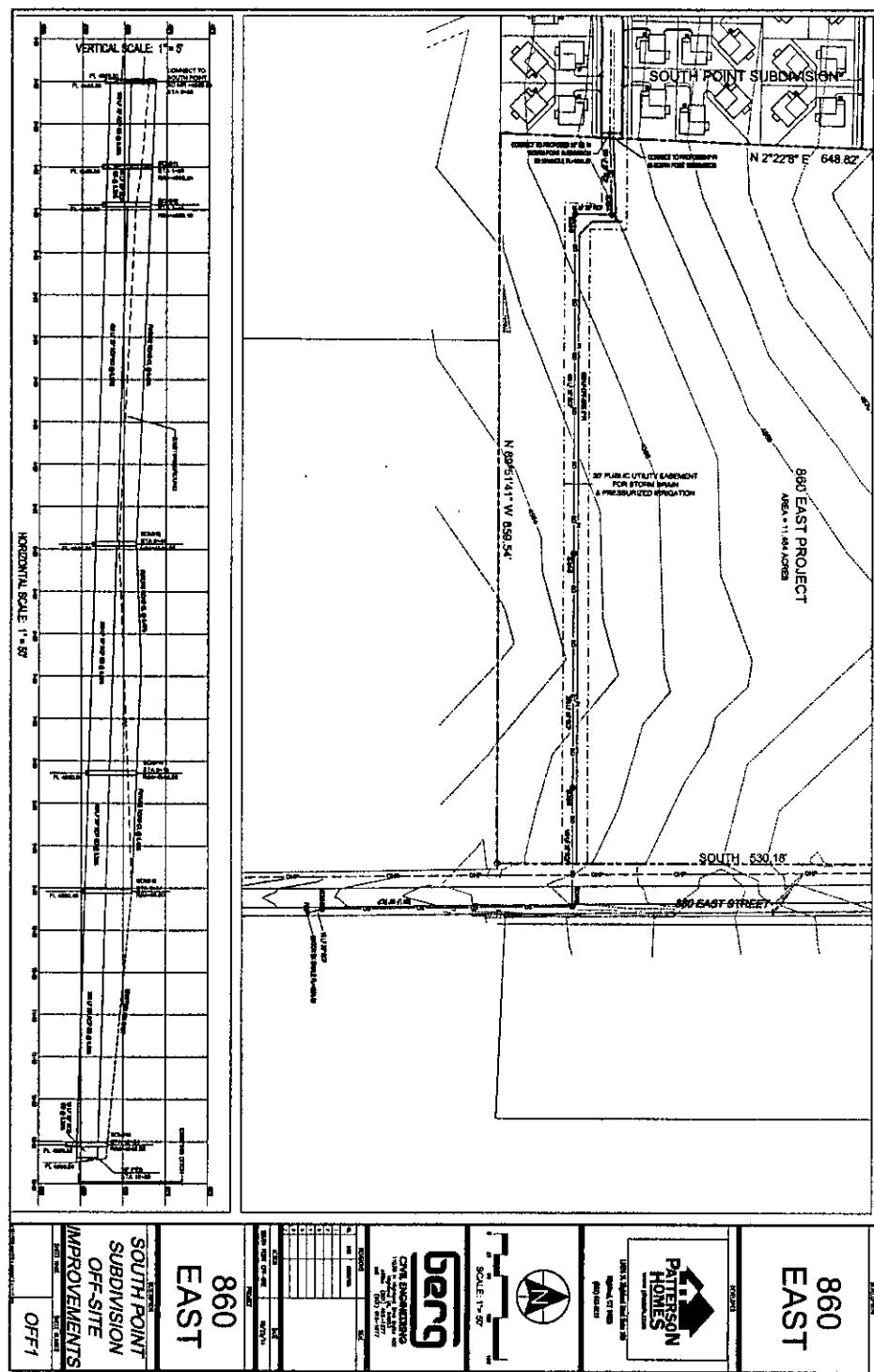


EXHIBIT B
Description of Black Sand Property

13:059:0049

Legal Description: COM S 19.02 FT & W 1255.55 FT FR E 1/4 COR. SEC. 24, T5S, R1E, SLB&M.; S 2 DEG 22' 8" W 429.03 FT; N 88 DEG 50' 43" W 299.35 FT; ALONG A CURVE TO R (CHORD BEARS: N 43 DEG 52' 37" W 21.2 FT, RADIUS = 15 FT) ARC LENGTH = 23.54 FEET; N 1 DEG 4' 52" E 398.94 FT; ALONG A CURVE TO R (CHORD BEARS: N 46 DEG 7' 13" E 21.23 FT, RADIUS = 15 FT) ARC LENGTH = 23.58 FEET; S 88 DEG 50' 43" E 308.95 FT TO BEG. AREA 3.141 AC.

13:059:0050

Legal Description: COM S 513.64 FT & W 1276.01 FT FR E 1/4 COR. SEC. 24, T5S, R1E, SLB&M.; S 2 DEG 22' 8" W 430.84 FT; N 89 DEG 51' 41" W 303.2 FT; N 1 DEG 4' 50" E 421.1 FT; ALONG A CURVE TO R (CHORD BEARS: N 46 DEG 7' 13" E 21.23 FT, RADIUS = 15 FT) ARC LENGTH = 23.58 FEET; S 88 DEG 50' 43" E 297.83 FT TO BEG. AREA 3.063 AC.

13:059:0051

Legal Description: COM S 520.98 FT & W 1655.07 FT FR E 1/4 COR. SEC. 24, T5S, R1E, SLB&M.; S 1 DEG 4' 50" W 422.31 FT; N 89 DEG 51' 41" W 462.67 FT; N 0 DEG 6' 16" W 375.54 FT; N 0 DEG 48' 16" E 115.45 FT; S 77 DEG 50' 20" E 205.47 FT; ALONG A CURVE TO L (CHORD BEARS: S 83 DEG 17' 31" E 63.87 FT, RADIUS = 330 FT) ARC LENGTH = 63.97 FEET; S 88 DEG 50' 43" E 190.75 FT; ALONG A CURVE TO R (CHORD BEARS: S 43 DEG 52' 39" E 21.2 FT, RADIUS = 15 FT) ARC LENGTH = 23.54 FEET TO BEG. AREA 4.855 AC

13:059:0060

Legal Description: COM W 1647.58 FT & S 124.46 FT & W 400.18 FT FR E 1/4 COR. SEC. 24, T5S, R1E, SLB&M.; S 0 DEG 48' 16" W 274.93 FT; N 77 DEG 50' 20" W 73.85 FT; N 0 DEG 48' 16" E 259.37 FT; E 72.41 FT TO BEG. AREA 0.444 AC.

13:059:0061

Legal Description: COM W 1647.58 FT & S 124.46 FT & W 331.25 FT FR E 1/4 COR. SEC. 24, T5S, R1E, SLB&M.; S 0 DEG 48' 16" W 289.74 FT; N 77 DEG 50' 20" W 70.3 FT; N 0 DEG 48' 16" E 274.92 FT; E 68.93 FT TO BEG. AREA 0.447 AC.

13:059:0063

Legal Description: COM W 1647.58 FT & S 124.46 FT & W 201.68 FT FR E 1/4 COR. SEC. 24, T5S, R1E, SLB&M.; S 0 DEG 48' 16" W 311.5 FT; N 88 DEG 50' 43" W 5.51 FT; ALONG A CURVE TO R (CHORD BEARS: N 83 DEG 20' 31" W 51.21 FT, RADIUS = 267 FT); N 77 DEG 50' 20" W 74.57 FT; N 0 DEG 48' 16" E 289.74 FT; E 129.57 FT TO BEG. AREA 0.901 AC.

13:059:0064

Legal Description: COM S 124.46 FT & W 1647.58 FT FR E 1/4 COR. SEC. 24, T5S, R1E, SLB&M.; S 1 DEG 4' 50" W 300.54 FT; ALONG A CURVE TO R (CHORD BEARS: S 46 DEG 7' 13" W 21.23 FT, RADIUS = 15 FT) ARC LENGTH = 23.59 FEET; N 88 DEG 50' 43" W 185.12 FT; N 0 DEG 48' 16" E 311.5 FT; E 201.67 FT TO BEG. AREA 1.445 AC.

EXHIBIT C
Description of Perry Property

13:058:0301

Legal Description: COM S 2108.12 FT & W 72.53 FT FR N 1/4 COR. SEC. 24, T5S, R1E, SLB&M.; S 72 DEG 6' 8" E 360.73 FT; N 60 DEG 1' 47" E 168.47 FT; S 72 DEG 6' 8" E 128.45 FT; S 0 DEG 1' 9" E 13.03 FT; S 72 DEG 7' 16" E 22.32 FT; S 15 DEG 31' 14" E 11.98 FT; S 72 DEG 7' 16" E 139.03 FT; N 0 DEG 1' 9" E 12.97 FT; S 72 DEG 6' 8" E 356.56 FT; S 2 DEG 1' 12" W 272.53 FT; N 72 DEG 32' 18" W 405.53 FT; W 112.52 FT; S 98 FT; N 83 DEG 5' 7" W 450.32 FT; N 45 DEG 0' 1" W 14.38 FT; ALONG A CURVE TO L (CHORD BEARS: N 21 DEG 39' 14" W 209.62 FT, RADIUS = 386 FT); ALONG A CURVE TO R (CHORD BEARS: N 18 DEG 10' 5" W 206.96 FT, RADIUS = 314 FT); N 1 DEG 4' 26" E 29.71 FT TO BEG. AREA 8.015 AC.

PUBLIC UTILITY EASEMENT

L H Perry Investments, LLC, Grantors, hereby grants to **AMERICAN FORK CITY**, Grantee, a 20 foot wide Easement over and across that portion of the following described property under ownership of L H Perry Investments, LLC, for the purpose of installation and maintenance of a Pressure Irrigation Line in the City of American Fork, Utah County Utah, more particularly described as follows:

A parcel of land for the purpose of a Pressure Irrigation Easement, 20.00 feet wide, 10.00 feet on each side of the following described centerline located in the North Half of Section 24, Township 5 South, Range 1 East, Salt Lake Base and Meridian, in American Fork, Utah County, Utah. The Basis of Bearings is N00°24'14"W between the East Quarter Corner and the Northeast Section Corner of said Section 24, said parcel being more particularly described as follows:

Beginning at a point located N00°24'14"W 310.18 feet along the section line and West 1592.22 feet from the East Quarter Corner of Section 24, Township 5 South, Range 1 East, Salt Lake Base and Meridian, and running thence N88°42'24"W 115.94 feet; thence S79°19'41"W 165.72 feet; thence N72°05'00"W 359.29 feet; thence S62°55'00"W 21.21 feet; thence S17°55'00"W 127.18 feet; thence S57°25'31"W 23.15 feet; thence N83°03'59"W 265.63 feet; thence S70°23'46"W 95.47 feet to the beginning of a non-tangent curve to the left, having a radius of 361.00 feet; thence along the arc of said curve 92.14 feet, passing through a central angle of 14°37'25", chord bears N29°28'58"W 91.89 feet to the beginning of a tangent curve to the right, having a radius of 354.32 feet; thence along the arc of said curve a length of 236.30 feet, passing through a central angle of 38°12'42", chord bears N17°41'20"W 231.95 feet; thence N02°06'42"W 71.40 feet more or less to a point on an existing Pressure Irrigation Waterline.

WITNESS THE HAND, of said Grantors this 8th day of December, 2014.

L H Perry Investments, LLC

William O. Perry
Mgt.

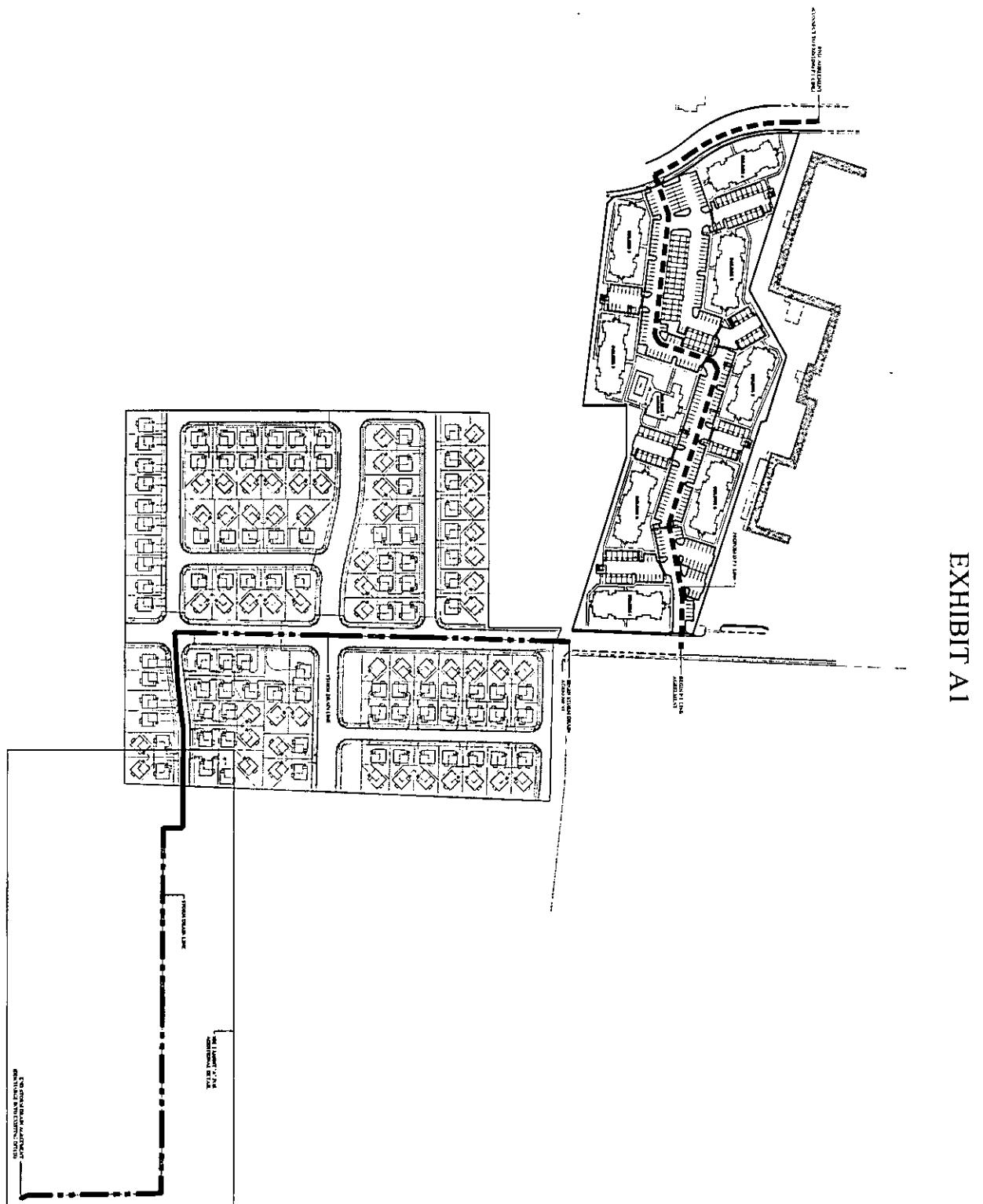
STATE OF UTAH)
: ss.
COUNTY OF UTAH)

On the 8th day of December, 2014, personally appeared before me, a notary public in and for the State of Utah, the signers of the above instrument, who duly acknowledged to me that they executed the same.



NOTARY PUBLIC

Carolyn M. Woolsey



**UTILITY
AGREEMENT
EXHIBIT**

REVISION BLOCK		
	DATE	BLK
1	—	—
2	—	—
3	—	—
4	—	—
5	—	—
6	—	—

AMERICAN FORK APARTMENTS
AMERICAN FORK, UTAH
UTILITY AGREEMENT EXHIBIT

