

NORTH VILLAGE SPECIAL SERVICE DISTRICT
SANITARY SEWER LINE EASEMENT AGREEMENT

This AGREEMENT AND GRANT OF EASEMENT made this 28 day of APRIL 2004, by and between North Village Special Service District, its assigns and Investment Lodging Corporation herein after referred to as Grantor.

North Village Special Service District (office located at 25 North Main, Hebert City, Utah 84032), a Service District organized and existing under the laws of the State of Utah, is in the process of constructing a sanitary sewer system to serve the residents and businesses of the district.

NOW, THEREFORE, for Four Thousand Six Hundred (\$4,600) dollars per acre for a permanent easement, or the equivalent number of sewer hook-ups at a rate of \$888.74 per hook-up, for 0.203 acres, the sufficiency of which consideration is hereby acknowledged, the owner of the parcel of land herein described, "Grantor", does hereby grant and convey unto North Village Special Service District, hereafter referred to as Grantee, a permanent easement ten (10) feet in width, described on attached Exhibit "A", a temporary construction easement of forty (40) feet in width on the north side of the permanent easement, for a total construction easement of fifty (50) feet in width, to survey, clear and excavate for, lay, construct, operate, inspect, maintain, protect, repair, replace a sanitary sewer pipeline and appurtenances, together with the right of ingress and egress to and from said easement at a location convenient to Grantor and Grantee.

Said grant of easement is subject to the following conditions, exceptions and reservations:

1. Grantee shall be totally responsible for disposing of all trees, stumps, and roots and other debris unless the Grantor agrees in writing to assume responsibility for removal of all debris from clearing and grubbing the construction site.
2. Grantee shall backfill any trench and grade out the disturbed easement areas and return the area to the original condition which it was in prior to construction (including topsoil and reseeding). Grantee shall keep and maintain the sanitary sewer pipeline and backfill thereon in a good and workmanlike condition pursuant to generally accepted standards of pipeline construction.
3. Grantee shall bear the entire cost and expense incurred in connection with the construction, maintenance, repair and renewal, and any or all modification, revision, relocation, removal or reconstruction of the sanitary sewer pipeline.
4. Grantee shall fully pay for all materials joined or affixed to and labor performed upon said easement and right of way in connection with the construction, maintenance, repair, renewal or reconstruction of the sanitary sewer pipeline, and shall not permit or suffer any mechanic's or materialmen's lien of any kind or nature to be enforced against said easement or other lands for any work done or materials furnished thereon at the instance or request or on behalf of Grantee; and Grantee shall indemnify and hold harmless Grantor from and against any and all liens, claims, demands, costs, and expenses of whatsoever nature in any way connected with or growing out of such work done, labor performed, or materials furnished.

Ent 272594 Bk 0700 Pg 0555-0559
ELIZABETH M PALMIER, Recorder
WASATCH COUNTY CORPORATION
2004 JUN 29 9:25am Fee 18.00 MWC
FOR NORTH VILLAGE SSD

5. Grantee shall indemnify and hold harmless the Grantor from and against any and all liability, loss, damage, claims, demands, costs, and expenses of whatsoever nature, including court costs and attorney's fees, which may result from injury to or death of persons whomsoever, or damage to or loss or destruction of property whatsoever, whether such injury, death, loss, destruction or damage grows out of, or arises because of the existence of the sanitary sewer pipeline or the operation, construction, maintenance, repair, renewal modification, reconstruction, or removal of the sanitary sewer pipeline or any part thereof or the contents therefrom or therein, provided, however, that the foregoing shall not apply to liability, loss damage, claims, demands, costs and expenses to Grantor which are the result of the negligence or willful misconduct of Grantor, its officers, employees or agents.

6. This easement shall be non-exclusive. Grantor shall have the right to construct and maintain fences over and across the easement herein granted, as it may find necessary in operation of its business. Grantor may grant other easements, including but not limited to road easements and other utility easements on the same property; provided, Grantor will not build or construct or in any way permit to be built or constructed any building or other improvement over or across the right of way or otherwise alter the right-of-way in a manner which will in any way damage or endanger the sanitary sewer line or unreasonably interfere with Grantee's ability to construct, operate, maintain, repair, or replace the sanitary sewer pipeline, or any part thereof or change without the written consent of Grantee.

7. Grantor agrees that the consideration listed above shall include crop damages, and Grantee shall not be responsible to pay additional damages for any injury to growing crops and native grasses, which injury, may be caused by Grantee, its agents, employees, or contractors. Grantee shall use diligence and cooperate with Grantor in all respects so as to interfere as little as possible with Grantor's operations; Grantee shall reimburse Grantor for any livestock loss sustained by such Grantor resulting from Grantee's activities on the aforescribed lands.

8. Grantee shall restore to original or better condition bridges and current irrigation paths such as streams, creeks and ditches that may be damaged due to construction or heavy equipment.

9. Grantee shall be responsible for necessary fencing specified to contain livestock during construction and shall restore existing permanent fences to original or better condition following construction. Grantee shall not maintain upon the lands within this easement fences or other structures which will retard or prevent livestock from grazing the lands covered by this easement, without the written permission of Grantor.

10. Grantee shall lay, bury, and maintain said sanitary sewer pipeline so it will avoid: interference with the present use of any ditch or roadway, interference with the present use of the surface of said premises, interference with irrigation pipelines and control valves, damage to existing springs and if such damage occurs, Grantee shall restore springs to original water supply as well as restore culinary water provided by springs, damage to existing septic tanks and connecting drain fields so as not to disrupt service to existing homes and if such damage occurs, Grantee will repair and restore septic tank or connecting drain to the satisfaction of the Grantor.

11. This easement shall continue in force so long as said lands are used for maintenance and operation of a sanitary sewer pipeline, but should such use terminate and Grantee, its successors or assigns, fail to use line for a period of twenty-four (24) consecutive calendar months, this easement shall terminate, cease and be nullified as fully and effectually as though this instrument had never been subscribed and delivered. In such event, Grantee, its successors or assigns, may remove its sanitary sewer pipeline and all of its fixtures, appurtenances and other

property within the said easement, and shall remove the same within six (6) months after Grantor shall mail Grantee, its successors or assigns, a written request therefore, in default of which said sanitary sewer pipeline and all of the other property of Grantee, its successors or assigns, within said easement shall become and remain the property of Grantor, and Grantee, its successors or assigns, shall have no further rights thereto. Grantee, its successors or assigns, after any such removal, shall restore the ground surface to its present condition and pay all damages caused Grantor thereby; such restoration shall include reseeded said ground to present conditions.

12. All rights herein granted are subject to all rights-of-way, easements and licenses hereto fore granted by Grantor and to the continuing right of Grantor to extend or renew any or all of said rights-of-way, easements and licenses or to grant new easements, rights of way or licenses; and this easement will continue to be subject to any such rights-of-way, easement or license which is extended, renewed or granted, provided, however, that any newly granted easements shall be subject to the provisions of this grant.

13. The rights and permission granted thereunder are granted only for the purpose stated herein. The rights and permission granted thereunder are granted only to Grantee and Grantee's agents, employees or contractors and such permission and rights are restricted to the uses indicated herein and are given for no other purposes whatsoever.

14. Grantor reserved the right to use the lands covered thereunder for its own purposes, so long as such use does not interfere with the Grantee's use thereof.

15. If default or breach shall be made in any of the conditions herein contained to be kept on the part of the Grantee, Grantor may, at the election of Grantor declare this Easement terminated and said Easement shall thereafter be null and void and of no further force and effect, provided, however, anything herein contained to the contrary notwithstanding, that the Grantor shall not exercise such termination by reason of any default or breach, unless and until the Grantor shall have given the Grantee written notice, by certified mail, or such default or breach, and unless the Grantee shall have failed to remedy such default or breach within a period of thirty (30) days after the mailing of such notice, and provided further, that any indemnification provision thereunder shall survive such termination.

16. In the event there is a dispute as to the terms and conditions of this agreement, the prevailing party in such dispute shall be entitled to recover reasonable costs and attorneys fees incurred in enforcing the terms of this agreement.

17. Waiver by either Grantor or Grantee of any breach of any condition or provision of this Easement shall be limited to the particular instance and shall not operate or be deemed to waive any future breach or breaches of said condition or provision; the failure of either Grantor or Grantee to insist, in any one instance or more, upon the performance of any of the conditions or provisions of this Easement or the exercise any right or privilege herein conferred, shall not be construed as thereafter waiving any such condition, provision, right of privilege, but the same shall continue and remain in full force and effect.

18. Except as may be herein otherwise provided, all notice required or permitted herein, shall be deemed to have been properly given when sent by certified United States mail, addressed to the Grantor or Grantee at the addresses attached on a separate page; the date of such service shall be the date on which the notice is deposited in the United States Post Office; all notices shall be sufficient within the terms of the Easement when signed by any one or more of the notifying parties or their agents and mailed to any one or more of the opposite parties; personal delivery of

such written notice shall have the same effect as notice given by mail; the attached addresses may be changed for the purposes of this Easement by notification of the opposite party in writing.

19. Whenever used, the singular number shall include the plural, the plural the singular, and the use of gender shall include all genders; the covenants herein contained shall bind, and the benefits and advantages shall insure to, the respective successors and assigns of the parties hereto; and Grantee, its successors and assigns, may assign the rights herein granted in whole or in part, provided, however, Grantee, shall give prompt written notice of any such assignment to Grantor or its successor or assigns.

IN WITNESS WHEREOF, the parties have duly executed this Agreement and Grant of Easement the day and year written above.

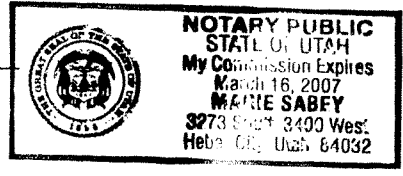
North Village Special Service District

By: *Michael Davis*
District Manager

STATE OF UTAH)
 :ss.
COUNTY OF WASATCH)

On the 25th day of June 2004, personally appeared before me, Michael Davis who being sworn by me did say that he is the District Manager of North Village Special Service District, and acknowledged before me that he executed the foregoing on behalf of North Village Special Service District.

Marie Sabey
NOTARY PUBLIC



GRANTOR

Investment Lodging Corporation

By *James J. Willey*
President

STATE OF UTAH)
 Wasatch):ss
COUNTY OF ~~UTAH~~)

On the 28TH day of APRIL, 2004, personally appeared before me,

James J. Willey, president of Investment Lodging Corporation who duly acknowledge to me that he did executed the same on behalf of Investment Lodging Corporation.

Marie Sabej
NOTARY PUBLIC

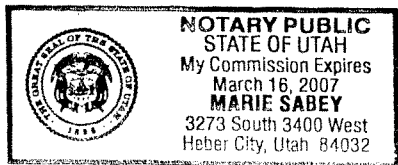


Exhibit "A"

Sanitary Sewer Line Easement Description

The sanitary sewer line easement granted to the North Village Special Service District by Investment Lodging Corporation is described below:

Beginning at a point which is North 156.58 feet and East 582.89 feet from the Found Stone for the South Quarter Corner of Section 18, Township 3 South, Range 5 East, Salt Lake Base and Meridian which is a point lying on the existing fence on the East right-of-way line for US Highway 40.

Thence North 84°58'45" East 178.76 feet along an existing fence line on the North side of Moulton Lane;

Thence North 63°10'56" East 705.11 feet along an existing fence line on the North side of Moulton Lane to the Kren property line;

Thence North 02°11'55" West 11.00 feet along the property line with Kren;

Thence South 63°10'56" West 707.77 feet;

Thence South 84°58'45" West 179.53 feet to the US Highway 40 right-of-way line;

Thence South 20°04'06" East 10.36 feet along the East right-of-way line for US Highway 40 to the point of beginning.

Containing 0.203 acres

Basis of bearing is South 87°05'50" East from the Found Stone for the South Quarter Corner of Section 18, Township 3 South, Range 5 East, Salt Lake Base and Meridian to the Found Monument for the Southeast Corner of the same Section.