

When recorded return to
Summit County Engineering
PO 128 - 60 N. Main
Coalville, Utah 84017
Tax ID: NPKK-2

DEVELOPMENT IMPROVEMENTS AGREEMENT

NPKK-P-2

FOR

Nevis at Newport

JUL 28 2014

THIS AGREEMENT is made this 25th day of July, 2014, by and between Summit County, a political subdivision of the State of Utah ("the County"), and Nevis at Newport LLC, a Utah Limited Liability Company ("Developer").

RECITALS:

- A. Developer is the owner of certain property situated in the County of Summit, State of Utah, more particularly described in Exhibit A hereto and known as "Nevis at Newport" ("Project").
- B. The Developer desires to develop "Project", hereinafter referred to as the ("Property") according to the recorded plat thereof (the "Plat") showing a proposed subdivision layout for said property.
- C. Developer has further submitted to the County a Site Improvements Plan, referred to as the "Construction Drawings" for those improvements and landscaping as described in the Development Agreement or Development Approval, being constructed or installed by the Developer in connection with the Property, collectively the "Site Improvements Plan".
- D. The Summit County has approved the final site plan submitted by the Developer subject to certain requirements and conditions, which involve the installation and construction of utilities and the improvements shown on the Site Improvements Plan for the Property.

NOW, THEREFORE, in consideration of the premises and the terms and conditions herein stated and for other valuable consideration, the adequacy of which is acknowledged by the parties hereto, it is agreed as follows:

1. Developer's Guarantee and Warranty

Developer hereby guarantees the installation, as hereafter provided and as necessary to serve the Property and payment therefore, of all private roads and private road improvements, all utility lines, storm drainage improvements, and any other improvements described in the Site Improvements Plan. Developer hereby warrants all road improvements and utility improvements constructed or installed by Developer against defects in materials and workmanship for a period of two full year's normal operation after acceptance by the County Engineer or the utility companies of such

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ENTRY NO. 01004108

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Agreement PAGE 1/14

MARY ANN TRUSSELL, SUMMIT COUNTY RECORDER

FEE: 0.00 BY SUMMIT COUNTY ENGINEERING



improvements. The County shall either retain ten (10) percent or require a bond or escrow equal to ten (10) percent of the required total improvement costs until twelve four months from the date of completion of the improvements and acceptance thereof by the County, as a guarantee should the improvements prove to be defective during said 12-month period. Developer agrees to promptly correct any deficiencies in installation in order to meet the requirements of the plans and specifications applicable to such installation. In the event such installation is not completed according to the specific plans set forth in the Site Improvements Plan, the County shall have the right to cause such work to be done as is necessary to complete the installation in such manner and Developer shall be liable for the cost of such additional work.

2. Water Lines and Sanitary Sewer Collection Lines

(a) At the request of developer, The Snyderville Basin Water Reclamation District (the "District") has entered into a Line Extension Agreement to provide for the installation of all sanitary sewer collection lines, whether such lines and other improvements are actually on the Property, bordering the Property or on other lands connecting the Property to the existing sewage collection system, in accordance with the standard specification of the District.

(b) At the request of developer, Mountain Regional Water ^{Service District} ("Water Provider") has entered into a Development Agreement to provide for the installation of all water lines, whether such lines and other improvements are actually on the Property, bordering the Property or on other lands connecting the Property to the existing water distribution system, in accordance with the standard specification of the Water Provider.

(c) It is anticipated that the installation of said sanitary sewer lines and waterlines will be completed within two years from the date hereof.

(d) The cost of all said sanitary sewer lines shall be borne by Developer pursuant to an agreement between Developer and the District, and Developer shall enter into a separate guarantee and warranty to the District for such facilities.

(e) The Developer has agreed to construct and pay for culinary and fire protection waterlines to serve the Property, and to transfer maintenance and ownership of said waterlines and other water improvements to the Water Provider, after acceptance and approval of said improvements by the Water Provider. The cost of all said waterlines and water improvements shall be borne and guaranteed by the Developer, pursuant to this Development Improvements Agreement.

3. Electric, Gas, Telephone and Cable TV Facilities

(a) At the request of the Developer, Rocky Mountain Power shall engineer and provide for the installation of all electric distribution lines and facilities required for

the Property, and Developer shall pay for such work in accordance with the established charges of Rocky Mountain Power.

(b) At the request of Developer, Questar Gas Company shall engineer and provide for the installation of all required gas lines and facilities required, and Developer shall pay for such work in accordance with the established charges of Questar Gas Company.

(c) At the request of Developer, _____ shall engineer and provide for the installation of all required telephone lines and facilities and Developer shall pay for such work in accordance with the established charges of _____.

(d) At the request of the Developer, one of the following options shall be selected by the Developer for television service: (i) a service provider designated by the Developer shall engineer and provide for the installation of all cable television lines or comparable fiber optic facilities required for the Property, and Developer shall pay for such work in accordance with the established charges of said service provider; and/or (ii) Developer shall make arrangements with a service provider for individual satellite television reception.

(e) The installation of the electric, gas, telephone and cable television facilities is anticipated to be completed within two years from the date hereof.

4. Storm Drainage Improvements

(a) The Developer shall install all storm drainage facilities described in the Site Improvements Plan and in accord with Summit County Code § 9-3-1 et. seq.

(b) Developer anticipates completing the installation concurrent with the completion of the site improvements.

5. Trail Easements

With respect to those public trail easements shown on the Plat which are to be dedicated by Developer to the Snyderville Basin Special Recreation District ("SBSRD"), Developer agrees to contribute to the cost of improving such trails in accordance with the agreement between SBSRD and Developer.

6. Roads

Developer agrees to construct, at Developer's cost, all private roads and private road improvements, within the Property, in accordance with the plans and specifications of the Site Improvements Plan. Developer anticipates completing said road and road

improvements construction within two years from the date hereof. Developer agrees to install any traffic control signs and standard street name signs as required by the County and to re-vegetate all cuts and fills resulting from construction in a manner which will prevent erosion. The construction of such roads shall be subject to inspection and approval by the County Engineer and the cost of such inspection shall be paid by the Developer.

7. Landscaping

Developer shall install landscaping in accordance with the Site Improvements Plan, at Developer's expense, and within two years from the date hereof. All such landscaping is subject to approval by the Community Development Director.

8. Weed Control

The Developer agrees to comply with Summit County Code §4-4-1et. seq. relative to control and elimination of all noxious species of plants as identified within the project boundaries. The Developer further agrees to coordinate with the Summit County weed department, prior to commencement of work, relative to inspections and importations of weed free project materials.

9. Road Cuts

Developer acknowledges that the County has adopted a road cut ordinance, the provisions of which shall apply to the alteration of any road necessitated by the installation of any utilities described in this Agreement.

10. Traffic Control

During the construction of any utilities or improvements described herein, Developer shall be responsible for controlling and expediting the movement of vehicular and pedestrian traffic through and around all construction sites and activity. Such control shall be according to the latest version of the Manual of Uniform Traffic Control Devices.

11. Maintenance and Repair

Developer agrees that it shall repair or pay for any damage to any existing public improvements damaged during the construction of new improvements. The County shall notify Developer within a reasonable time after discovery of any claim hereunder, and Developer shall have a reasonable period of time within which to repair said damage.

12. Financial Assurances

To insure developer's performance under this Agreement, (except for the installation of the Sanitary Sewer Collection Lines described in Paragraph 2 above which are to be directly guaranteed to the District with separate financial assurances from Developer , the Developer shall, prior to the recording of the Plat, provide the County with sufficient security, to ensure completion of the required improvements, in the amount of 120% of the cost of construction determined in accordance with the schedule in Exhibit B. The security shall be in the form of either: 1) a letter of Credit drawn upon a state or national bank- said Letter of Credit shall: (1) be irrevocable, (2) be of a term sufficient to cover the completion and warranty periods, and, (3) require only that the County present the issuer with a signed draft and a certificate signed by an authorized representative of the County certifying to the County's right to draw funds under the Letter of Credit; or 2) Establishment of an Escrow Account or Completion Bond with the guarantee that all improvements shall be installed within two (2) years or the account or bond will be called by the County to complete the improvements. Acceptable escrow agents shall be the Summit County Treasurer's Office, or banks or savings institutions which are federally insured. This two (2) year deadline may be extended by the County upon showing of sufficient cause.

As portions of the improvements are completed in accordance with this Development Improvements Agreement, County regulations, and the approved Site Improvements Plan, the Developer may make application to the County Engineer to reduce the amount of the original letter of credit, cash escrow or completion bond. If the Chief Executive Officer is satisfied that such portion of the improvements has been completed in accordance with County standards, they may cause the amount of the letter of credit, cash escrow or completion bond to be reduced by such amount that they deem appropriate, so that the remaining amount of the letter of credit, cash escrow or completion bond adequately insures the completion of the remaining improvements.

13. Default

If Developer shall default in the performance of Developer's obligation hereunder and shall fail to cure such default within thirty (30) days after receipt of written notice from the County specifying the nature of such default (or if such default cannot be cured within the aforesaid period of time, if the Developer shall fail to promptly commence to cure the same and to thereafter diligently proceed with such cure), then the County shall be entitled to undertake such work as may be necessary and appropriate to cure such default and the County shall be reimbursed for the reasonable costs thereof either by payment of such costs to cure the default within 30 days of delivery of an invoice to Developer or by obtaining funds under the security.

14. Amendment

This Agreement and the Site Improvements Plan referred to herein, may only be amended by written instrument signed by the County and the Developer.

15. Binding Effect

This Agreement and the covenants contained herein shall run with the land and shall be binding upon and shall inure to the benefit of the parties hereto and their successors, heirs and assigns of the property owners; provided that, purchasers of residential lots within the Property or any homeowner's association that receives title to any portion of the Property shall not incur any liability hereunder and no person or entity, including any homeowner's association that receives title to any portion of the Property, may claim to be a third party beneficiary of the terms, conditions, or covenants of this Agreement. This Agreement shall be recorded in the Office of the Summit County Recorder and on file with the Department of Community Development. All existing lien holders shall be required to subordinate their liens to the covenants contained in the Development Improvements Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed the date and year first written above.

APPROVED:

SUMMIT COUNTY

By: [Signature] 9/10/14
Robert Jasper
County Manager

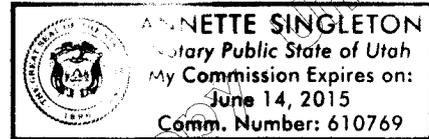
STATE OF Utah :)

:SS

County of Summit:)

Personally appeared before me this 10TH date of SEPTEMBER 2014 the following:
Robert Jasper, the Summit County Manager, who acknowledged to me that he executed this agreement.

MY COMMISSION EXPIRES 6/14/2015
NOTARY PUBLIC
RESIDING IN SUMMIT COUNTY



APPROVED AS TO FORM:

[Signature]

Jami Brackin, Deputy County Attorney

ACCEPTED:
"Developer"

[Signature]
By: Hamlet Homes Corp
Its: Manager
Michael M. Brudsky
Chairman

STATE OF _____:
County of _____

Personally appeared before me this 25th date of July, 2014 the following

Michael M. Brodsky, Chairman of Hamlet Homes Corp, Manager
who acknowledged to me that he executed this agreement.

MY COMMISSION EXPIRES March 3, 2018
NOTARY PUBLIC Deniece Reyes
RESIDING IN Salt Lake, Utah

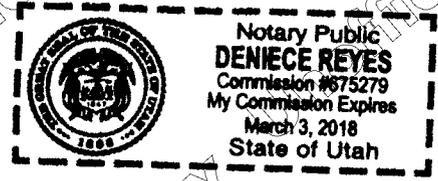


EXHIBIT A

Legal Description

All of Newpark Parcel P Subdivision – Lot Number 2 according to the official Plat thereof recorded in the Summit County Recorder's office.

Summit County
Escrow Fund Agreement

Escrow Fund Cash Deposit Escrow
(Check One)

THIS AGREEMENT, made and entered into this JULY 25, 2014, by and between Nevis at Newpark LLC, a Utah limited liability company hereinafter referred to as "Developer"; Summit County, a body corporate and politic of the State of Utah, hereinafter referred to as "County"; and Bank of Utah, a Utah corporation hereinafter referred to as "Depository".

WITNESSETH:

WHEREAS, the Developer has agreed to undertake certain and various improvements in the development of real properties known as Nevis at Newpark, in Summit County, Utah; and

WHEREAS, the County, in the best interest of its citizens, desires to assure timely and full completion of said improvements and will not permit the recording of the final plat of said real properties unless adequate provisions are made for the guaranteed installation of said improvements; and

WHEREAS, the parties hereto now desire to formalize this agreement:

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein the parties agree as follows:

1. **IMPROVEMENTS.** The Developer agrees to complete, within a period of twenty-four (24) months from the date of final approval by the County Manager of the official plat of the subject properties, those improvements, excavation and constructions which are specifically described and set forth in the Description of Improvements which is attached as Exhibit "A" and incorporated by reference herein.
2. **ESCROW.** To help guarantee the timely completion of said specified improvements, the Developer herein assigns and sets over to the County all its right, title, and interest in the principal of that escrow account with the Depositor entitled Nevis at Newpark LLC and in the amount of \$278,602.80, said amount being maintained and withdrawn in accordance with the articles and terms of this agreement.
3. **MAINTENANCE OF ESCROW.** The escrow shall be maintained for the Developer unless said escrow is terminated in favor of the County upon a failure of the Developer as herein approved, and the County agrees to make no demand upon said escrow until such failure by the Developer.
4. **WITHDRAWALS FROM ESCROW.** Monies may be withdrawn from time to time as the need arises, for the purpose of payment of valid debt incurred by the Developer as a result of the completion of said improvements on the subject properties. This disbursement shall only be made when the need to do so is demonstrated to the satisfaction of the County, and said disbursement shall be made only after written authorization of the County to do so, but in no event shall the funds deposited be reduced below a balance of 10% of the total escrow amount except upon termination of the escrow as herein provided.
5. **INSPECTION OF IMPROVEMENTS.** The County shall have the right to inspect all improvements during construction. The Developer shall inform the County when water and sewer lines and other underground improvements are ready to be backfilled and agrees not to backfill said trenches and excavations until said improvements have been inspected by the County.
6. **TERMINATION OF ESCROW.** In the event the improvements listed herein have been installed to the satisfaction of the County and said twenty-four (24) month period, the County agrees to execute a written release of the remainder of said escrow account authorizing the remaining funds

(Continued)

to be disbursed to the Developer. Provided, however, the County shall retain ten percent (10%) of the escrow total until twenty four (24) month period. In the event the improvements listed herein are not completed to the satisfaction of the County within said twenty four (24) month period, the County shall have the option to: 1) Certify in writing to the Depository that the said improvements have not been completed and directing the Depository to disburse the remainder of the funds to the County without co-signature of other authorization of the Developer, thereafter to be used by the County for the completion of said improvements, or 2) Give the Developer an extension of time at the discretion of the County in which to complete the improvements.

7. DEFICIENCY. The monies hereby escrowed do not preclude the County from seeking additional deposits from the Developer in the event that there occurs a deficiency under the terms of this agreement of the circumstances as they now exist.

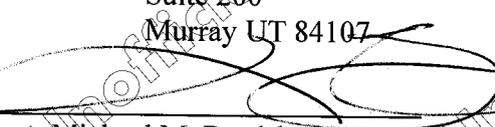
8. FAILURE OF DEVELOPER. It is expressly understood and agreed upon among the parties that this Agreement shall not relieve Developer from the obligation to properly install the improvements described herein. Should Developer fail to properly install such improvements, Developer agrees to compensate County for all the costs, including construction, engineering and legal costs incurred by the County to install the improvements required hereunder to the extent that these costs are not adequately covered by the funds in the escrow account.

9. ACKNOWLEDGMENT OF DEPOSITORY. The Depository hereby acknowledges that there is on deposit at Bank of Utah, to the credit of the Developer the cash sum of \$278,602.80 and it agrees to hold and dispose of the same in accordance with the terms and conditions set forth herein.

10. LIABILITY OF DEPOSITORY. The Depository shall not be bound in any way by the requirements of any permit or approval described herein and its only duty, liability and responsibility shall be to hold the funds on deposit and to pay and deliver the funds to such parties and under such conditions as are herein set forth.

DEVELOPER: Nevis at Newpark LLC
c/o Hamlet Homes Corporation

ADDRESS: 308 East 4500 South
Suite 200
Murray UT 84107

By: 
Michael M. Brodsky
Chairman, Hamlet Homes Corporation
Its Manager

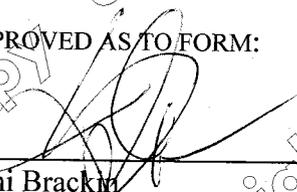
SUMMIT COUNTY

ATTEST:

By: 
Anita Lewis ANNETTE SINGLETON
OFFICE Assistant County Manager

By:  9/18/14
Robert Jasper
County Manager

APPROVED AS TO FORM:

By: 
Jami Brackin
Deputy County Attorney

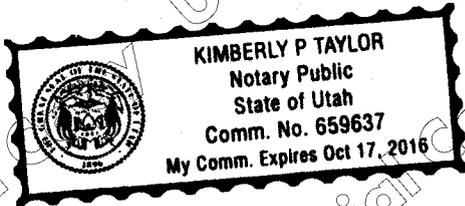
DEPOSITORY: Bank of Utah

ADDRESS: 2605 Washington Blvd
Ogden, Utah 84401

By: *Christina Thummel*
Escrow Agent

STATE OF UTAH)
:SS
COUNTY OF SUMMIT)

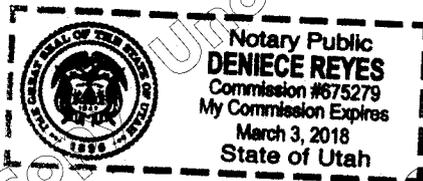
On this 7 day of August, 2014 personally appeared before me *Christina Thummel* to be duly sworn and say for himself that he is the *Vice President* of *Bank of Utah* and that within the foregoing instrument was signed in behalf of said Corporation by the authority of the resolution of its Board of Directors and said *Christina Thummel* Acknowledge to me that said Corporation executed the same.



Kimberly P Taylor
NOTARY PUBLIC
Residing at: *Bank of Utah*
My Commission Expires: *10/17/16*

STATE OF UTAH)
:SS
COUNTY OF SUMMIT)

On this 7th day of August, 2014 personally appeared before me *Michael M Brdsky* to be duly sworn and say for himself that he is the *Manager* of *News at Newport LLC* Company and that within the foregoing instrument was signed in behalf of said Corporation by the authority of the resolution of its Board of Directors and said *Michael M Brdsky* Acknowledge to me that said Corporation executed the same seal affixed is the seal of said Corporation.



Deniece Reyes
NOTARY PUBLIC
Residing at: *Salt Lake City, UT*
My Commission Expires: *March 3, 2018*

BOND ESTIMATE

PROJECT: NEVIS AT NEWPARK DATE: 08/01/14

DESCRIPTION	QTY	UNIT	UNIT RATE	TOTAL COST
General				
Inlet Protection	8	EA	\$ 100.00	\$ 800.00
Construction Entrance	2	EA	\$ 3,000.00	\$ 6,000.00
Silt Fence	900	LF	\$ 2.50	\$ 2,250.00
Weekly Maintenance Maintenance	10	WK	\$ 350.00	\$ 3,500.00
General Sub-Total:				\$ 12,550.00
Water Line				
Connect to Existing	2	EA	\$ 2,750.00	\$ 5,500.00
8" Solvent Weld PVC C-900	300	LF	\$ 50.00	\$ 15,000.00
8" Fittings	2	EA	\$ 450.00	\$ 900.00
Service Lateral (Complete)	23	EA	\$ 1,500.00	\$ 34,500.00
Irrigation Service	1	EA	\$ 1,500.00	\$ 1,500.00
Fire Line Stub	5	EA	\$ 2,000.00	\$ 10,000.00
Water Line Sub-Total:				\$ 67,400.00
Storm Drain				
12" ADS storm drain	19	LF	\$ 30.00	\$ 570.00
Storm drain inlet box	1	EA	\$ 2,200.00	\$ 2,200.00
Connect to Existing	1	EA	\$ 1,500.00	\$ 1,500.00
Storm Drain Sub-Total:				\$ 4,270.00
Asphalt & Concrete				
3" Asphalt	10,785	SF	\$ 1.20	\$ 12,942.00
8" Base	10,785	SF	\$ 0.80	\$ 8,628.00
Subgrade prep	10,785	SF	\$ 0.10	\$ 1,078.50
C&G with Base	680	LF	\$ 17.50	\$ 11,900.00
Sidewalk with Base	6,385	SF	\$ 4.50	\$ 28,732.50
ADA Ramps	5	EA	\$ 500.00	\$ 2,500.00
Cross Walk	2	EA	\$ 1,750.00	\$ 3,500.00
Reomve Existing Asphalt	9,260	SF	\$ 2.00	\$ 18,520.00
Asphalt & Concrete Sub-Total:				\$ 87,801.00
Landscaping				
Irrigation Conention	1	LS	\$ 5,000.00	\$ 5,000.00
Planter Area Irrigation	9,040	SF	\$ 0.75	\$ 6,780.00
Trees	38	EA	\$ 250.00	\$ 9,500.00
Shrubs	318	EA	\$ 35.00	\$ 11,130.00
Groundcover	319	EA	\$ 12.00	\$ 3,828.00
Sod w/ Irrigation	5,930	SF	\$ 2.00	\$ 11,860.00
Mulch	110	CY	\$ 50.00	\$ 5,500.00
Crushed Gravel	12	CY	\$ 45.00	\$ 550.00
Stone Planter Wall	60	LF	\$ 100.00	\$ 6,000.00
Landscaping Sub-Total:				\$ 60,148.00
Project Sub-total				\$ 232,169.00

BOND ESTIMATE

PROJECT: NEVIS AT NEWPARK

DATE: 08/01/14

DESCRIPTION	QTY	UNIT	UNIT RATE	TOTAL COST
			10% Contingency	\$ 23,216.90
			10% Warranty	\$ 23,216.90
			Project Total	\$ 278,602.80