RECORDING REQUESTED BY: HOLMES HOMES, INC.

AND WHEN RECORDED MAIL DEED AND TAX STATEMENTS TO:

Holmes Homes, Inc. 45 West 10000 South, Suite 206 Sandy, Utah 84070 Attn: Patrick H. Holmes 11414996 6/21/2012 3:26:00 PM \$18.00 Book - 10028 Pg - 4048-4051 Gary W. Ott Recorder, Salt Lake County, UT FIRST AMERICAN TITLE BY: eCASH, DEPUTY - EF 4 P.

MERICAN TIT

SPECIAL WARRANTY DEED

DAYBREAK DEVELOPMENT COMPANY, FORMERLY KNOWN AS KENNECOTT LAND RESIDENTIAL DEVELOPMENT COMPANY, a Delaware corporation, with its principal office at 5295 South 300 West, Suite 475, Murray, County of Salt Lake, State of Utah ("Grantor"), for and in consideration of the sum of Ten and No/100 Dollars (\$10.00) paid to Grantor and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby CONVEY and WARRANT against the acts of Grantor only to HOLMES HOMES, INC., a Utah corporation ("Grantee"), certain land being more particularly described in Exhibit A attached hereto and incorporated herein by reference (the "Land"), together with (i) all improvements, if any, located thereon, and (ii) all right, title and interest of Grantor (if any) in, to and under adjoining streets, rights of way and easements, SUBJECT TO all reservations contained in this Deed and all encumbrances of record, all building codes and other applicable laws, ordinances and governmental regulations affecting the Land and all other matters reasonably identifiable from an inspection or survey of the Land.

Grantor hereby retains and reserves (i) all oil, gas and minerals under or appurtenant to the Land, together with all rights to use or extract the same, except that Grantor shall not have the right to enter upon or disturb the first 500 feet below the surface of the Land to use or extract the same, and (ii) all water flowing or located under, within, or over, and all water rights or water shares in any way connected or associated with or appurtenant to, the Land.

Grantor and Grantee agree that the provisions of Paragraph 10 of Exhibit B to that certain Deed dated October 16, 2002 from Kennecott Utah Copper Corporation, as grantor, to OM Enterprises Company, as grantee, recorded in the Official Records of Salt Lake County as Instrument No. 8442505, including, without limitation, the "Well Prohibition Covenant" [which prohibits drilling of water wells on the land] and the "Subsequent Transfer Covenant" [which requires that the Well Prohibition Covenant be inserted in all future deeds for such land] (as such terms are defined in such Paragraph 10), are hereby incorporated into this Deed and shall be binding on Grantee, its successors and assigns.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, Grantor has caused its duly authorized representative to execute this instrument as of the date hereinafter written.

DATED: June 20, 2012

GRANTOR:

DAYBREAK DEVELOPMENT COMPANY, formerly known as KENNECOTT LAND RESIDENTIAL DEVELOPMENT COMPANY a Delaware corporation

Name: Ty McCutcheon

Its: Vice President Daybreak

ACKNOWLEDGMENT

STATE OF UTAH)) SS.
COUNTY OF SALT LAKE)
On Aug 5, 2012, personally appeared before me, a Notary Public, Ty Michtlern, the VICE president of DAYBREAK DEVELOPMENT COMPANY, FORMERLY KNOWN AS KENNECOTT LAND RESIDENTIAL DEVELOPMENT COMPANY personally known or proved to me to be the person whose name is subscribed to the above instrument who acknowledged to me that he/she executed the above instrument on behalf of DAYBREAK DEVELOPMENT COMPANY, FORMERLY KNOWN AS KENNECOTT LAND RESIDENTIAL DEVELOPMENT COMPANY.
WITNESS my hand and official Seal.
NOTARY DURING

Notary Public in and for said State

My commission expires: 11/22/2014

[SEAL]

EXHIBIT A TO DEED

Legal Description

AMENDED LOT 238

COMMENCING AT THE NORTHEAST CORNER OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN (BASIS OF BEARING SOUTH 00°07′15″ EAST 5292.036 FEET BETWEEN THE NORTHEAST CORNER AND THE SOUTHEAST CORNER OF SAID SECTION 18) AND RUNNING SOUTH 00°07′15″ EAST ALONG THE EAST LINE OF SAID SECTION 18 FOR 1932.625 FEET; THENCE SOUTH 89°52′45″ WEST PERPENDICULAR TO SAID EAST LINE FOR 3606.572 FEET TO THE SOUTHEAST CORNER OF LOT 238 OF SAID KENNECOTT DAYBREAK PLAT 7B SUBDIVISION, SAID CORNER BEING THE POINT OF BEGINNING; THENCE NORTH 90°00′00″ WEST FOR 100.00 FEET; THENCE NORTH 00°00′00″ EAST FOR 37.00 FEET; THENCE NORTH 90°00′00″ EAST FOR 100.00 FEET; THENCE SOUTH 00°00′00″ EAST FOR 37.00 FEET TO THE POINT OF BEGINNING.

Tax Parcel No. 27-18-177-063-0000

AMENDED LOT 239

COMMENCING AT THE NORTHEAST CORNER OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN (BASIS OF BEARING SOUTH 00°07′15" EAST 5292.036 FEET BETWEEN THE NORTHEAST CORNER AND THE SOUTHEAST CORNER OF SAID SECTION 18) AND RUNNING SOUTH 00°07′15" EAST ALONG THE EAST LINE OF SAID SECTION 18 FOR 1905.625 FEET; THENCE SOUTH 89°52′45" WEST PERPENDICULAR TO SAID EAST LINE FOR 3606.515 FEET TO THE SOUTHEAST CORNER OF LOT 239 OF SAID KENNECOTT DAYBREAK PLAT 7B SUBDIVISION; THENCE NORTH 00°00′00" EAST FOR 10.00 FEET TO THE POINT OF BEGINNING; THENCE NORTH 90°00′00" WEST FOR 100.00 FEET; THENCE NORTH 00°00′00" EAST FOR 21.00 FEET; THENCE NORTH 90°00′00" EAST FOR 100.00 FEET; THENCE SOUTH 00°00′00" EAST FOR 21.00 FEET TO THE POINT OF BEGINNING.

Tax Parcel No. 27-18-177-062-0000

AMENDED LOT 240

COMMENCING AT THE NORTHEAST CORNER OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN (BASIS OF BEARING SOUTH 00°07′15" EAST 5292.036 FEET BETWEEN THE NORTHEAST CORNER AND THE SOUTHEAST CORNER OF SAID SECTION 18) AND RUNNING SOUTH 00°07′15" EAST ALONG THE EAST LINE OF SAID SECTION 18 FOR 1885.625 FEET; THENCE SOUTH 89°52′45" WEST PERPENDICULAR TO SAID EAST LINE FOR 3606.473 FEET TO THE SOUTHEAST CORNER OF LOT 240 OF SAID KENNECOTT DAYBREAK PLAT 7B SUBDIVISION; THENCE NORTH 00°00′00" EAST FOR 11.00 FEET TO THE POINT OF BEGINNING; THENCE NORTH 90°00′00" WEST FOR 100.00 FEET; THENCE NORTH 00°00′00" EAST FOR 37.00 FEET; THENCE NORTH 90°00′00" EAST FOR 100.29 FEET; THENCE WITH A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 499.00 FEET, WHOSE CENTER BEARS SOUTH 88°03′30" EAST, WITH A CENTRAL ANGLE OF 01°56′30" (CHORD BEARING AND DISTANCE OF SOUTH 00°58′15" WEST 16.91 FEET) FOR AN ARC DISTANCE OF 16.91 FEET; THENCE SOUTH 00°00′00" EAST FOR 20.09 FEET TO THE POINT OF BEGINNING.

Tax Parcel No. 27-18-177-061-0000