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Recording Requested and  
after recording, please return to:

VP Daybreak Operations LLC  
Attention: Gary Langston  
11248 Kestrel Rise Road, Suite 201  
South Jordan, UT 84009

APNs: 27-18-357-005, 27-18-357-004

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04/19/2018 04:55 PM \$24.00  
Book - 10666 Pg - 7868-7875  
ADAM GARDINER  
RECORDER, SALT LAKE COUNTY, UTAH  
OLD REPUBLIC TITLE DRAPER/OREM  
898 NORTH 1200 WEST  
OREM UT 84057  
BY: MZP, DEPUTY - WI & P.

**RECIPROCAL EASEMENT AGREEMENT**  
(Drainage Easement)

THIS RECIPROCAL DRAINAGE EASEMENT AGREEMENT (this “**Agreement**”) is entered into this 16 day of MARCH, 2018, by and between DESTINATION HOMES, INC., a Utah corporation (“**Destination Homes**”), and VP DAYBREAK OPERATIONS LLC, a Delaware limited liability company (“**VP Operations**”) (Destination Homes and VP Operations may be collectively referred to herein as the “**Parties**”, or individually as a “**Party**”).

The following Recitals of are a material part of this Agreement:

A. Destination Homes is the holder of legal title to Lot 128 (the “**Destination Homes Lot**”), of that certain plat map entitled “DAYBREAK LAKE ISLAND PLAT 1, AMENDING LOTS A-4 & A-6 OF THE KENNECOTT DAYBREAK OQUIRRH LAKE PLAT” (the “**Plat**”), recorded on January 5, 2018, as Entry No. 12693190, in Book 2018P, Page 7 of record and on file in the Official Records of Salt Lake County, Utah, which Destination Homes Lot is a part of a residential development project commonly known as Daybreak Lake Island Village, within the *Daybreak* community in South Jordan, Utah.

B. VP Operations is the holder of legal title to Lot 129 (the “**VP Operations Lot**”) of the Plat, as well as certain other lots contained within the Plat.

C. The Parties desire to establish and grant a reciprocal drainage easement together with certain rights and obligations of the Parties in connection therewith, on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

1. Reciprocal Drainage Easement. Destination Homes hereby grants to VP Operations a non-exclusive, reciprocal easement on that certain portion of the Destination Homes Lot legally described in Exhibit A; and VP Operations hereby grants to Destination Homes a non-exclusive, reciprocal easement on that certain portion of the VP Operations Lot legally described in Exhibit A, attached hereto and incorporated herein (collectively, the

“Easement Area”), for the purpose of surface water drainage.

2. Maintenance of Easement Area.

2.1 Each Party shall maintain, at its own expense, that portion of the Easement Area located on its respective lot and neither Party shall alter or place anything in the Easement Area which shall obstruct or impede the flow of surface drainage from the Easement Area. Each Party agrees not to build or convey to others permission to build any structures or improvements on, over, across, in, through or under the Easement Area, or to develop or allow the development of the Easement Area in any manner which obstructs the flow of surface water drainage.

2.2 In the event either Party fails to adequately maintain the Easement Area as required herein, the other Party may notify that Party of such failure in writing. In the event that Party fails to remedy such default within thirty (30) days after receipt of such notice or, if such default cannot be cured within thirty (30) days, in the event that Party fails to commence the cure of such default within such thirty (30) day period and diligently pursues such cure to completion, the other Party shall be entitled to recover from that Party the charges, fees, costs and expense incurred by the other (as applicable) in connection therewith.

3. Indemnity. Each Party shall defend, indemnify, and hold the other Party and its respective successors, assigns, corporate parents, affiliates and subsidiaries, and their respective officers, directors, shareholders, representatives, contractors, agents and employees harmless from and against all damages, liabilities, actions, causes of action, suits, claims, demands, losses, cost and expenses (including without limitation, reasonable attorney’s fees, disbursements and court costs) to the extent arising from or in connection with a breach of this Agreement by the indemnifying party or the gross negligence or willful misconduct of the indemnifying party, its agents, employees, representatives or contractors in exercising its rights under this Agreement.

4. Covenants Running with the Land. All provisions of this Agreement, including the benefits and burdens set forth herein, shall run with the land and are binding upon and shall inure to the benefit of the successors and assigns of the parties hereto.

5. Notices. All notices and other communications given pursuant to this Agreement shall be in writing and shall be deemed properly served if delivered in person to the party to whom it is addressed or two (2) days after deposit in the U.S. mail if sent postage prepaid by U.S. registered or certified mail, return receipt requested, to the record owner of the applicable lot.

6. Severability. If any clause, sentence, or other portion of the terms, conditions, covenants, and restrictions of this Agreement becomes illegal, null, or void for any reason, or is held by any court of competent jurisdiction to be so, the remaining portions will remain in full force and effect.

7. Recordation. This Agreement shall be recorded in the real property records of Salt Lake County, State of Utah. By executing this Agreement, Destination Homes consents to VP Operation's recordation of this Agreement.
8. Amendments. This Agreement may only be amended by a written document signed by each of the parties or their applicable successors or assigns.
9. Applicable Law. The Agreement shall be construed and interpreted under, and governed and enforced according to, the laws of the State of Utah without regard for that state's principles of conflict of law.

*[Signatures on following pages]*

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written by their duly authorized signatories.

**DESTINATION HOMES, INC.,**  
a Utah corporation

By: [Signature]  
Name: John B. Warnick  
Title: Vice President

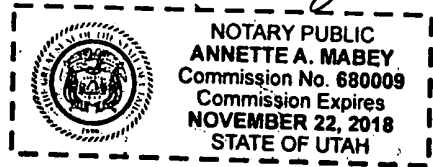
STATE OF UTAH )  
 ) : ss.  
COUNTY OF SALT LAKE )

The foregoing instrument was acknowledged before me this 23<sup>rd</sup> day of March, 2018 by John Warnick the vice president of Destination Homes, Inc., a Utah corporation.

In witness whereof I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires: 11/22/2018

[Signature]  
NOTARY PUBLIC



**VP DAYBREAK OPERATIONS LLC,**  
a Delaware limited liability company

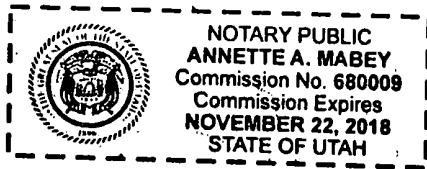
By: Daybreak Communities LLC,  
a Delaware limited liability company  
Its: Project Manager

By:   
Ty McCutcheon, President & CEO

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

On March 16, 2018, personally appeared before me, a Notary Public, Ty McCutcheon, the President and CEO of Daybreak Communities LLC, a Delaware limited liability company, the Project Manager of VP DAYBREAK OPERATIONS LLC, a Delaware limited liability 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 executed the above instrument on behalf of VP DAYBREAK OPERATIONS LLC, a Delaware limited liability company.

[SEAL]



  
NOTARY PUBLIC

EXHIBIT "A"

LEGAL DESCRIPTION OF EASEMENT AREA  
(Drainage Easement)

A two (2) foot wide drainage easement, located in the Southwest Quarter of Section 18, Township 3 South, Range 1 West, Salt Lake Base and Meridian, U.S. Survey, said easement extending one (1) feet on each side of and lying parallel and adjacent to a line of reference and projection thereof, more particularly described as follows:

Beginning at a point on the Southerly right-of-way line of Topsail Lane that lies North 89°57'12" East 897.131 feet along the Section Line and South 5070.062 feet from the Northwest Corner of Section 18, Township 3 South, Range 1 West, Salt Lake Base and Meridian and running thence South 36°32'54" East 101.017 feet to the Northerly right-of-way line of Isla Daybreak Road and the point of terminus.

Contains: (approx. 101 L.F.)

**LENDER'S CONSENT AND SUBORDINATION**


DRAINAGE EASEMENT – PARCEL I.D. # 27-18-357-004

THE UNDERSIGNED, THE BENEFICIARY UNDER THAT CERTAIN DEED OF TRUST, DATED DECEMBER 19, 2016, ENCUMBERING THE HEREIN DESCRIBED REAL PROPERTY (THE "DEED OF TRUST"), HEREBY EXPRESSLY CONSENTS TO AND JOINS IN THE EXECUTION AND RECORDING OF THAT CERTAIN DRAINAGE EASEMENT, DATED AS OF MARCH 16, 2018, BETWEEN VP DAYBREAK OPERATIONS LLC, AND DESTINATION HOMES, INC., A UTAH CORPORATION (THE "EASEMENT"), TO WHICH THIS LENDER'S CONSENT AND SUBORDINATION IS ATTACHED.

THE UNDERSIGNED LENDER HEREBY CONSENTS TO THE EASEMENT AND MAKES THE LIEN OF THE DEED OF TRUST SUBORDINATE THERETO. THIS LENDER'S CONSENT AND SUBORDINATION SHALL NOT OTHERWISE AFFECT THE PRIORITY OF MORTGAGES AND/OR LIENS AGAINST THE REAL PROPERTY DESCRIBED HEREIN, BUT SHALL SOLELY EVIDENCE THE LENDER'S INTENT TO SUBORDINATE ITS LIEN OF THE DEED OF TRUST TO THE EASEMENT.

THE UNDERSIGNED REPRESENTS THAT HE OR SHE HAS FULL POWER AND AUTHORITY TO EXECUTE THIS LENDER'S CONSENT AND SUBORDINATION ON BEHALF OF THE LENDER.

**U.S. BANK NATIONAL ASSOCIATION**  
d/b/a Housing Capital Company

By:   
Name: CARL F SWANSON  
Title: SVP

[SIGNATURE MUST BE NOTARIZED]

[Notary acknowledgement on following page]

**ACKNOWLEDGMENT**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF Fresno

On March 15, 2018 before me, Lori Beckman, Notary Public,  
(here insert name of the officer)

personally appeared Carl F. Swanson who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Lori Beckman (Seal)

