

**WHEN RECORDED RETURN TO AND  
SEND SUBSEQUENT COMMUNICATION TO:**

Daybreak Townhome 1 Association, Inc.  
P.O. Box 5555  
Draper, UT 84020  
Daybreak.townhome1@hoaliving.

**14082729 B: 11406 P: 7045 Total Pages: 5  
03/16/2023 11:10 AM By: asteffensen Fees: \$40.00  
Rashelle Hobbs, Recorder, Salt Lake County, Utah  
Return To: COTTONWOOD TITLE INSURANCE AGENCY, INC.  
1996 EAST 6400 SOUTH SUITE 120SALT LAKE CITY, UT 84121**

**WITH A COPY TO:**

Daybreak Community Association, Inc.  
11274 S. Kestrel Rise Rd., Suite F  
South Jordan, UT 84009

Tax ID Nos. 27-19-382-024-0000

**GIFT DEED**

(Containing a Possibility of Reverter)

THIS GIFT DEED (this "**Deed**"), dated as of the 15 day of March, 2023 (the "**Effective Date**"), is made and entered into by DAYBREAK COMMUNITY ASSOCIATION, INC., a Utah non-profit corporation, ("**Grantor**"), for the benefit of DAYBREAK TOWNHOME 1 OWNERS' ASSOCIATION, INC., a Utah non-profit corporation ("**Grantee**") (Grantor and Grantee are occasionally referred to herein individually as a "**Party**" and collectively as the "**Parties**"), with reference to the following:

A. Grantor owns certain real property in Salt Lake County, State of Utah, as described on Exhibit A attached hereto and incorporated herein (the "**Land**").

B. The Land is located within the project commonly known as "**Daybreak**" and governed by that certain Community Charter for Daybreak, recorded on February 27, 2004 as Entry No. 8989518, in Book 8950, beginning at page 7784 of the official records of the Salt Lake County Recorder, as amended and/or supplemented (the "**Community Charter**"), and that certain Covenant for Community recorded on February 27, 2004 as Entry No. 8989517, in Book 8950, beginning at page 7722 of the official records of the Salt Lake County Recorder, as amended and/or supplemented (the "**Covenant**").

C. Grantor intends this Deed to create a fee simple determinable in Grantee, so that fee simple determinable title to the Land or portions thereof will be held and owned by Grantee, its successors and assigns, subject to the right of reverter held by VP Daybreak Operations, LLC a Delaware limited liability company, or its successors or assigns (the "**Founder**").

D. The Land is common area located within Grantee's community, which is a sub-association located within Daybreak. The Land's legal description also shows that it was intended to be, and has always been, part of the Daybreak Townhome 1 Subdivision, and Grantor had determined that the Land was granted to Grantor in an oversight and this Gift Deed is intended to place the Land in the hands of the intended recipient, Grantee.

NOW THEREFORE, in consideration of the foregoing and of the covenants contained herein, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Grantor provides this Deed subject to the following:

1. **Definitions.** Capitalized terms used in this Deed without otherwise being defined shall have the meanings set forth in the Community Charter. In the event of any inconsistency or conflict between the provisions of this Deed and the Community Charter, the Community Charter shall control.

2. **Quitclaim.** Grantor hereby quitclaims to Grantee all of Grantor's right, title and interest to the Land, subject to all reservations of Founder, well prohibitions, reservation of easements, or dedication to South Jordan contained in the original deed whereby Grantor gained title, all building codes and other applicable laws, ordinances and governmental regulations affecting the Land, all encumbrances of record, including those contained in the Community Charter, and in the Covenant, and all easements, restrictions, rights-of-way, covenants or other property interests enforceable at law or in equity, shortages in area and all other matters that would be disclosed by an accurate survey or inspection of the Land, all unpaid taxes and assessments for the year 2019 and all subsequent years.

3. **Common and Limited Common Areas.** Grantor provides the Land to Grantee based on the requirement that the Land shall be deemed "Common Area" and "Limited Common Area" under the Community Charter. Grantor provides the Land to Grantee based on the requirement that during the Founder Control Period the Land shall (subject to any rights retained by the Founder in the original conveyance to Grantor) be used exclusively by the residents of Daybreak and their guests and invitees. If, during the Founder Control Period, Founder determines that the Land (or any part thereof) shall be open to public access, Grantee shall allow public access to such land with restrictions as agreed to by Founder and Grantee, or if requested by Founder, Grantee shall record a perpetual public access easement, a conservation easement and/or such other document as Founder requires, on or across such land for the benefit of the public and/or the City, such easement and/or document in form and substance acceptable to Founder.

4. **Fee Simple Determinable; Acceptable Purposes**

(a) In the event the Land, or any portion thereof, ever ceases to be used for parks and/or open space by the residents of Daybreak (collectively, the "**Acceptable Purposes**") during the Founder Control Period, and/or Grantee ever purports to transfer title to the Land or any portion thereof to any entity or person other than the Public Use Lands to the City, to Grantor or Grantor's affiliates, or Founder or Founder's affiliates during the Founder Control Period, fee title to such portions of Land shall automatically revert to Founder, free of all encumbrances placed on such land by Grantee or during the period of Grantee's ownership, unless otherwise approved by Founder in writing at the time of such reversion. Grantor intends this Deed to create a fee simple determinable in Grantee, with Founder retaining a possibility of reverter, so that fee simple title to the Land or portions thereof will be held and owned by Grantee, its successors and assigns, for so long as the Land is used for the Acceptable Purposes, but in the event any portion of the Land or portions thereof ceases being used for the Acceptable Purposes during the Founder Control Period, it is intended that all right, title and interest of Grantee, its successors and assigns, be automatically forfeited and that of the Land or portions thereof immediately revert to and vest in Founder without any further action being required by Founder, its successors and assigns. In the event the Land, or any portion thereof, shall cease being used for the Acceptable Purposes for a period of six months after Founder gives written notice to Grantee of such cessation, then such portions of the Land shall automatically revert to Founder, or to Founder's designees, successors and assigns; PROVIDED, HOWEVER, that any forbearance by Founder to notify Grantee of such cessation shall not be deemed or construed to be a waiver by Founder of any of Founder's rights under this Deed.

(b) After the Founder Control Period, if the foregoing possibility of reverter has not gone into possession of Founder, or its successors or assigns, it shall automatically lapse and Grantee, its successors or assigns, will own the Land in fee simple absolute.

(c) The foregoing possibility of reverter reflects the following facts: (i) Grantor transferring the Land to Grantee in order to provide the Land used for parks and/or open space by the residents of Daybreak; (ii) Founder does not want the Land used for any other purpose; and (iii) the Land is being quitclaimed without payment by Grantee.

(d) Founder and Founder's agents may enter upon the Land at reasonable times in order to monitor and confirm Grantee's compliance with the covenants and restrictions in this Deed, provided that such entry shall not unreasonably interfere with Grantee's use of the Land.

5. **Condition of Land.** Grantor deeds the Land to Grantee the "AS IS," "WHERE IS," "WITH ALL FAULTS" basis, and without any warranties, representations or guarantees, either express or implied, of any kind, nature, or type whatsoever, including, but not limited to, any warranty as to the fitness for a particular purpose or merchantability.

6. **Indemnification.** Grantee shall indemnify, defend and hold harmless Grantor and its affiliates from any claims, losses, damages, demands, liabilities, costs, expenses, actions and causes of action of every kind and nature whatsoever arising out of, in connection with, and or related to the ownership, use, development, construction, and/or maintenance, repair or replacement of the Land and/or any improvements thereon, from and after the date hereof.

7. **General Provisions.**

(a) Each Party shall, whenever and as often as it shall be requested by the other Party, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such further instruments and documents as may be necessary in order to complete and evidence the assignment, conveyance and transfer herein provided and to do all things as may be reasonably requested in order to carry out the intent and purpose of this Deed.

(b) If any provision herein shall be held invalid or unenforceable by any court of competent jurisdiction or as a result of future legislative action, and if the rights or obligations of any Party under this Deed will not be materially and adversely affected thereby, (i) such holding or action shall be strictly construed; (ii) such provision shall be fully severable; (iii) this Deed shall be construed and enforced as if such provision had never comprised a part hereof; (iv) the remaining provisions of this Deed shall remain in full force and effect and shall not be affected by the invalid or unenforceable provision or by its severance from this Deed; and (v) in lieu of such illegal, invalid or unenforceable provision, there shall be added automatically as a part of this Deed a legal, valid and enforceable provision as similar in terms to such illegal, invalid and unenforceable provision as may be possible.

(c) Nothing contained in this Deed shall be construed to create a partnership or joint venture between the Parties or their successors in interest.

(d) The execution, delivery, and performance of this Deed has been duly authorized by all necessary actions of the Grantor, and when duly executed and delivered, will be a legal, valid and binding obligation, enforceable in accordance with its terms.

(e) No change, modification, addition, or termination of this Deed shall be enforceable unless in writing and signed by Grantor.

(f) The headings of the Sections contained herein are for convenience only and do not define, limit, or construe their contents.

(g) This Deed shall be governed by and interpreted in accordance with the laws of the State of Utah.

(h) In the event of any litigation by any Party to enforce the terms of this Deed, the prevailing Party in such litigation shall be entitled to receive from the other Party payment of attorneys' fees incurred (whether before or after commencement of such litigation) by the prevailing Party.

(i) This Deed may be executed in any number of counterparts, each of which, when executed and delivered, shall be deemed an original, but all of which together shall constitute one and same instrument.

Witness, the hand of the duly authorized Grantor, this 15 day of March, 2023.

**DAYBREAK COMMUNITY ASSOCIATION, INC.,** a Utah non-profit corporation

By: [Signature]  
Name: S. Cameron Jackson  
Its: president, Board of Directors

STATE OF UTAH            )  
                                      :SS  
COUNTY OF SALT LAKE )

On March 15, 2023, personally appeared before me, a Notary Public, S. Cameron Jackson the President of the Board of Directors of DAYBREAK COMMUNITY ASSOCIATION, INC., a Utah non-profit corporation, 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 DAYBREAK COMMUNITY ASSOCIATION, INC., a Utah non-profit corporation.



[Signature]  
NOTARY PUBLIC

My Commission Expires:  
05.03.2023

Residing at:  
State of Utah

**EXHIBIT A**  
**"Legal Description"**

The following real property situated in Salt Lake County, Utah:

<b>Legal Description</b>	<b>Parcel No.</b>
BEG N 89°52'04" W 367.06 FT & N 0°07'56" E 95.43 FT FR S 1/4COR OF SEC 19, T 3S, R 1W, SLM; N 89°59'59" W 338.14 FT; N 245.70 FT; E 338.14 FT; S 245.71 FT TO BEG. ALSO BEG N 89°52'04" W 769.20 FT & N 0°07'56" E 94.51 FT FR S 1/4 COR OF SEC 19, T 3S, R 1W, SLM; N 89°59'59" W 523.41 FT; N 245.70 FT; E 523.41 FT; S 245.70 FT TO BEG. LESS LOTS. (BEING THE COMMON AREA OF DAYBREAK TOWNHOME 1 SUBDIVISON). 4.86 AC.	27-19-382-024-0000