

SUBDIVIDER'S ESCROW AGREEMENT

Agreement made this 17th day of September, 1998, between Pleasant View City, a municipal corporation of the State of Utah located in Weber County, hereinafter called "City", and WASHTECH VIEW LLC of Pleasant View, Utah, hereinafter called "Subdivider", and BANK ONE of Utah NA, Utah, hereinafter called "Escrow Agent".

Acct # 304.1646
Recitals

A. City and Subdivider have entered into a Subdivider's Agreement, dated September 17, 1998, for the subdivision of and construction of improvements on certain land in Pleasant View City to be known as the WASHTECH VIEW ESTATES Subdivision and has requested formal approval and acceptance thereof by the Pleasant View City Council.

B. Due to financial limitations, the Subdivider is unable to install all the improvements required by the Subdivision Ordinance of the City upon the entire proposed subdivision. He has, therefore, requested the City Council to permit a phased development of the subdivision in accordance with Chapter 17.20 of the Subdivision Ordinance of the City, whereby the subdivider may make improvements upon a portion of the proposed subdivision by filing necessary guarantees or deposit\ in escrow to cover the phased improvements.

C. Subdivider now desires to enter into this escrow agreement as security for his compliance with the ordinances, rules, regulations, requirements, and standards of the City and of the Subdivider's Agreement.

Now, therefore, the parties hereto mutually agree as follows:

1. Appointment of Escrow Agent. Bank One is hereby appointed Escrow Agent, and as Escrow Agent shall hold, in a separate escrow account, the sum specified in paragraph two (2) of this agreement, subject to the terms and conditions hereinafter set forth.

2. Deposit in Escrow. Subdivider shall deposit with Escrow Agent the sum of \$59,206.76, to cover 115% of the entire cost of all improvements required by Chapter 17 of the City Subdivision Ordinance. The 115% shall be divided as follows: \$51,562.40, which shall be equal to the cost of the improvements, and \$7,734.36 which shall be equal to the 15% reserve fund. Unless other appropriate security is provided, the 10% reserve fund shall be held in escrow to warrant and guarantee the

E# 1580774 BK1962 PG2029
DOUG CROFTS, WEBER COUNTY RECORDER
14-OCT-98 840 AM FEE \$0.00 DEP HB
REC FOR: WEBER COUNTY

improvements installed by Subdivider will remain in good condition for a period of two years after date of the final inspection as required by Chapter 17.20.090 of the City Subdivision Ordinance. The cost of the improvements shall be verified or determined by the City engineer for each offsite improvement item. Escrow Agent hereby certifies it has received and is in possession of \$59,296.76 dollars described herein. If at any time prior to completion of the subdivision or acceptance of the improvements by the City, the City determines the amount held in escrow (exclusive of the 10% reserve) is not sufficient to complete the needed improvements, Subdivider agrees to put such additional amounts into the escrow within 30 days of receiving written notice from the City.

3. Application of Escrow Funds. It is agreed by all parties to this agreement that the sum of money indicated in paragraph two (2) of this agreement shall be used exclusively for the purpose of paying for the costs and materials and the construction and installation of all improvements required by Chapter 17 of the City's Subdivision Ordinance. The undersigned further agree that the money held in the escrow account shall be distributed to appropriate contractors and sub\contractors only upon written authorization by the Subdivider and an authorized officer of the City. Such written authorization will be made upon the City's Stationary and bear the City's corporate seal, indicating review and approval by the City.

4. Limitation on Application of Funds. The Subdivider shall not withdraw from the escrow account, nor shall the Escrow Agent permit any withdrawal from the escrow account funds identified as reserve funds in paragraph two (2) above, except as provided in paragraph 6 herein.

5. Retention of Escrow Funds. A sum equal to 10% of the total required escrowed amount, or \$5,156.24, shall remain with Escrow Agent for a period of two (2) years after the final inspection and acceptance by the City. In the event the funds so provided herein do not pay for and complete in full all of the specified improvements required, then Subdivider agrees to forthwith place in escrow with Escrow Agent all additional amounts necessary to so complete such improvements. Subdivider may not use reserve funds to complete the improvements but must place additional money in escrow if the original amount placed in escrow is not sufficient to complete the improvements.

6. Default on Improvements. Should the Subdivider fail to make the improvements required by the City

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Subdivision Ordinance within two (2) years of the effective date of this agreement, the City may declare the funds on deposit with the Escrow Agent forfeited, and the proceeds of the account may be used to install the improvements required by the City Subdivision Ordinance.

At the end of the additional year, if the improvements have not been completed, the funds on deposit with the Escrow Agent shall be forfeited and the City may use the funds to install the improvements if sufficient funds are available to complete the improvements. If the funds remaining in escrow are not sufficient to complete the improvements the funds remaining in escrow shall be forfeited to the City and the City shall have no obligation to proceed with installation of improvements.

After the successful completion of the improvements and all other requirements of the City subdivision ordinance and this agreement, any funds in the escrow account not used to install the improvements or pay other costs associated with the completion of the subdivision shall be returned to the Subdivider. If at any time the money held by the Escrow Agent is not adequate to complete the subdivision improvements, the Subdivider shall deposit with the Escrow Agent such sums as determined by the City Engineer as are needed to complete the subdivision improvements and to fund the security amount required. The City shall not issue any building permits in the subdivision if the cost of improvements and the security amount falls below the amount required in this agreement.

7. Application and Return of 10% Security. All demands by the City to subdivider to perform corrections or completion of improvements shall be made by certified mail, with a copy also sent to the Escrow Agent. If the defect is not corrected or improvements are not completed within 30 days following service of such demand, the City may correct the defect or complete improvements and charge the Subdivider such costs, unless Subdivider requests in writing, served by certified mail, with a copy likewise served upon the Escrow Agent by certified mail, a hearing before the Pleasant View City Council within the aforementioned 30-day period of time respecting the alleged defects or incompletions. The Escrow Agent shall, upon receiving written notification from the City of the defect and that the City has incurred the cost of correcting the defect, shall pay to the City or to the subcontractor as specified by the City from the Escrow account the cost of correcting the defect, and the Escrow Agent shall be held harmless by the parties for its payments to the City or subcontractor.

Two (2) years after the City has made the final

inspection and accepted the improvements and if the required improvements remain substantially free from latent defects, the City shall certify such fact to the escrow agent, who shall release to the subdivider any monies still held in the escrow account, and the escrow agent shall be discharged of its obligations to the City.

In witness whereof the parties have executed this agreement the day and year first above written.

PLEASANT VIEW CITY, a Municipal Corporation of the State of Utah

By: *James R. Fisher*
Mayor

ATTEST:

Lynn Hansen
City Recorder

SUBDIVIDER:

By: *C. Velt*

IN WITNESS WHEREOF, the subdivider has caused these presents to be executed this 17, day of September, 1998, and has acknowledged to me that he executed the same.

Notary Public
TERESA W. HOWELL
4079 Riverdale Road
Jordan, Utah 84105
My Commission Expires
March 20, 2000
State of Utah

Teresa W. Howell
NOTARY PUBLIC

ACCEPTED BY:

[Signature]
ESCROW AGENT

IN WITNESS WHEREOF, the Escrow Agent has caused these presents to be executed this 17, day of September, 1998, and has acknowledged to me that he executed the same.

Notary Public
TERESA W. HOWELL
4079 Riverdale Road
Jordan, Utah 84105
My Commission Expires
March 20, 2000
State of Utah

Teresa W. Howell
NOTARY PUBLIC

GW ENGINEERING
Civil Engineers

**ENGINEER'S ESTIMATE
FOR
BONDING PURPOSES**

Project: Wasatch View Estates Subdivision
Location: Pleasant View, Utah

By: Blaine Womer
Date: August 18, 1998
(Rev. 9/29/98)

DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	AMOUNT
3" Asphalt Concrete	1,080	SF	\$0.95	\$1,026.00
6" Aggregate Base	1,176	SF	\$1.15	\$1,352.40
24" Concrete Gutter	49	LF	\$10.00	\$490.00
6" Sewer	1,010	LF	\$10.50	\$10,605.00
48" Dia. Manhole	4	EA	\$1,300	\$5,200.00
2" Dia. Waterline	1,010	LF	\$5.30	\$5,353.00
2" Gate Valve	1	EA	\$200	\$200.00
Regrade Basin Slope	1	LS	\$500	\$500.00
8" Waterline	1,178	LF	\$12.00	\$14,136.00
8" Detector Check Assembly	1	EA	\$5,000	\$5,000.00
Fire Hydrant Assembly	3	EA	\$1,900	\$5,700.00
Misc. Fittings and Thrust Blocks	1	LS	\$2,000	\$2,000.00
ESTIMATE TOTAL				\$51,562.40
	15%			\$7,734.36
	TOTAL			\$59,296.76

→ Total approved estimated
Mark L. Jull

19-125-0001 to 0003

BOUNDARY DESCRIPTION

A PORTION OF LOTS 12 AND 13 OF THE PARKLAND BUSINESS CENTER, PHASE 1 WITHIN SECTION 25, TOWNSHIP 7 NORTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTH QUARTER CORNER OF SAID SECTION 25, SAID POINT ALSO BEING ON THE CENTERLINE OF 2700 NORTH STREET;
THENCE SOUTH 89° 46' 42" WEST, ALONG SAID CENTERLINE, A DISTANCE OF 816.06 FEET;
THENCE NORTH 00° 33' 24" EAST A DISTANCE OF 1,849.53 FEET;
THENCE NORTH 23° 26' 57" EAST A DISTANCE OF 127.97 FEET TO A FENCE POST, SAID FENCE POST BEING THE SOUTHEAST CORNER OF PARCEL 1 PER WEBER COUNTY SURVEY MAP NO. 1289, SAID POINT ALSO BRING THE SOUTHEASTERLY CORNER OF LOT 12 OF SAID PARKLAND BUSINESS CENTER SUBDIVISION, PHASE 1 AND THE TRUE POINT OF BEGINNING;
THENCE NORTH 89° 47' 54" WEST, A DISTANCE OF 1,069.93 FEET;
THENCE NORTH 08° 32' 06" WEST A DISTANCE OF 54.94 FEET;
THENCE SOUTH 84° 59' 29" WEST A DISTANCE OF 149.07 FEET;
THENCE NORTH 18° 08' 29" WEST A DISTANCE OF 729.30 FEET;
THENCE SOUTH 89° 18' 21" EAST A DISTANCE OF 874.01 FEET;
THENCE NORTH 01° 11' 48" EAST A DISTANCE OF 69.98 FEET;
THENCE SOUTH 89° 17' 36" EAST A DISTANCE OF 322.44 FEET;
THENCE SOUTH 00° 42' 24" WEST A DISTANCE OF 170.26 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 540.00 FEET;
THENCE SOUTHERLY ALONG THE ARC OF SAID TANGENT CURVE THROUGH A CENTRAL ANGLE OF 55° 43' 56" A DISTANCE OF 525.26 FEET;
THENCE SOUTH 55° 01' 32" EAST A DISTANCE OF 33.79 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 347.55 FEET;
THENCE SOUTHEASTERLY ALONG THE ARC OF SAID TANGENT CURVE, THROUGH A CENTRAL ANGLE OF 14° 45' 39" A DISTANCE OF 89.54 FEET;
THENCE SOUTH 34° 57' 33" WEST A DISTANCE OF 115.46 FEET TO THE TRUE POINT OF BEGINNING.

AREA EQUALS 20.16 ACRES