



AGREEMENT FOR PAYMENT OF EXTRA EXPENSES

This Agreement For Payment of Extra Expenses is made and entered into on this 29 day of September, 2008, by and between ASH CREEK SPECIAL SERVICE DISTRICT, a special service district organized and existing under the laws of the State of Utah (hereinafter referred to as "Ash Creek"), and ELIM VALLEY PLANNING AND DEVELOPMENT, LLC, a limited liability company with it's office and principal place of business in Hurricane, Utah (hereinafter referred to as "Elim").

Recitals:

A. Ash Creek is the governmental entity responsible for providing sewer collection and disposal service to the residents of Hurricane, LaVerkin and Tropicville, Utah, respectively.

B. Elim is the developer of a residential real estate project in Hurricane, Utah known as "Marla at Elim Valley Phase I."

C. As a condition of approval of non-standard road widths within Marla, Elim agreed to reimburse Ash Creek for any maintenance or repair expenses incurred by Ash Creek which were attributable to said non-standard road widths.

D. Ash Creek and Elim desire to enter into a written agreement, setting forth the understanding and intent of the parties regarding this matter.

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants and obligations contained herein, the parties hereto agree as follows:

1. The provisions of this agreement shall apply to maintenance or repair work performed by Ash Creek, or its agents, to sewer lines or related facilities located in public roads within the following described real property located in Washington County, Utah:

Marla at Elim Valley, Phase I (hereinafter "Marla"), a subdivision according to the official map and plat thereof on file at the office of the Washington County Recorder.

Parcel # H-4-2-11-3103

2. The parties acknowledge and agree that Elim has obtained approval from the City of Hurricane for road widths within Marla which are narrower than standard road widths typically

required by the City of Hurricane for residential subdivisions, which in turn may result in maintenance or repair expenses which exceed those normally incurred in streets of standard width. For purposes of this agreement, such expenses shall be referred to as "extra expenses" and shall include expenses for blocking of entire streets, re-routing of traffic, towing of cars, notification of property owners of impending repair work, and for other reasons not enumerated herein.

3. Elim, its successors and assigns hereby agrees to reimburse Ash Creek for any extra expenses incurred by Ash Creek in performing maintenance or repair work to sewer lines or related facilities located in public roads in Marla.

4. Such reimbursement to Ash Creek for such extra expenses shall be paid by Elim in accordance with the following:

(a) Ash Creek shall, within 15 days of incurring such extra expense, send an itemized statement to Elim, containing the date, time, location, general description of the activity creating the extra expense, and the amount of the extra expense for which reimbursement is sought.

(b) Elim shall pay such amount to Ash Creek within 15 days of the date of receipt of said itemized statement.

(c) any amounts not paid by Elim within said 15 day period shall be deemed delinquent and shall bear interest at the rate of 1.5 % per month until paid in full.

(d) in the event that Ash Creek deems it necessary or desirable to resort to legal action to enforce payment of any delinquency, Elim agrees to pay all costs incurred by Ash Creek in the enforcement of payment, including but not limited to court costs and a reasonable attorney fee.

5. This agreement constitutes the entire agreement of the parties pertaining to the subject matter hereof. All other prior and contemporaneous agreements, representations and understandings of the parties, oral or written, are hereby superseded and merged herein.

6. Time is of the essence of this agreement.

7. This agreement shall be recorded at the office of the Washington County Recorder in St. George, Utah and shall be binding on both parties, their heirs, successors and assigns.

8. This agreement shall be construed under the laws of the State of Utah.

