

**DEVELOPMENT IMPROVEMENTS AGREEMENT  
FOR  
-THE WOODS AT PARLEY'S LANE -"PROJECT"**

THIS AGREEMENT is made this 22<sup>nd</sup> day of November 2006 by and between Summit County, a political subdivision of the State of Utah ("the County"), and The Woods of Parley's Lane, Inc., ("Developer").

RECITALS:

A. Developer is the owner of certain property situated in the County of Summit, State of Utah, more particularly described in Exhibit A hereto and known as The Woods of Parley's Lane ("Project").

B. The Developer desires to develop "Project", hereinafter referred to as the ("Property") according to the recorded plat thereof (the "Plat") showing a proposed subdivision layout for said property.

C. Developer has further submitted to the County a portion of the site improvements plan, referred to as the "Construction Drawings", and will continue to submit plans for those improvements and landscaping plans as described in the Development Agreement being constructed by the Developer in connection with the Property, collectively the "Site Improvements Plans."

D. The Summit County Board of County Commissioners has approved the final subdivision plat submitted by the Developer subject to certain requirements and conditions, which involve the installation and construction of utilities and the improvements shown on the Site Improvements Plan for the Property.

NOW, THEREFORE, in consideration of the premises and the terms and conditions herein stated and for other valuable consideration, the adequacy of which is acknowledged by the parties hereto, it is agreed as follows:

**1. Developer's Guarantee and Warranty**

Developer hereby guarantees the installation, as hereafter provided and as necessary to serve the Property and payment therefore, of all private roads and private road improvements, all utility lines, storm drainage improvements, and any other improvements described in the Site Improvements Plan. Developer hereby warrants all road improvements and utility improvements constructed or installed by Developer against defects in materials and workmanship for a period of two full year's normal operation after acceptance by the County Engineer or the utility companies of such improvements. The County shall either retain ten percent (10%) or require a bond or escrow equal to ten percent (10%) of the required total improvement costs until twenty

four (24) months from the date of completion of the improvements and acceptance thereof by the County, as a guarantee should the improvements prove to be defective during said 24-month period. Developer agrees to promptly correct any deficiencies in installation in order to meet the requirements of the plans and specifications applicable to such installation. In the event such installation is not completed according to the specific plans set forth in the Site Improvements Plan, the County shall have the right to cause such work to be done as is necessary to complete the installation in such manner and Developer shall be liable for the cost of such additional work.

## **2. Water Lines and Sanitary Sewer Collection Lines**

(a) At the request of developer, The Snyderville Basin Sewer Improvement District (the "District") has entered into a Line Extension Agreement to provide for the installation of all sanitary sewer collection lines, whether such lines and other improvements are actually on the Property, bordering the Property or on other lands connecting the Property to the existing sewage collection system, in accordance with the standard specification of the District.

(b) At the request of developer, Summit Water Distribution Company ("Water Provider") has entered into a Development Agreement to provide for the installation of all water lines, whether such lines and other improvements are actually on the Property, bordering the Property or on other lands connecting the Property to the existing water distribution system, in accordance with the standard specification of the Water Provider.

(c) It is anticipated that the installation of said sanitary sewer lines and waterlines will be completed within two years from the date hereof.

(d) The cost of all said sanitary sewer lines shall be borne by Developer pursuant to an agreement between Developer and the District, and Developer shall enter into a separate guarantee and warranty to the District for such facilities.

(e) The Developer has agreed to construct and pay for culinary and fire protection waterlines to serve the Property, and to transfer maintenance and ownership of said waterlines and other water improvements to Water Provider, after acceptance and approval of said improvements by the Water Provider. The cost of all said waterlines and water improvements shall be borne and guaranteed by the Developer, pursuant to this Development Improvements Agreement.

## **3. Electric, Gas, Telephone and Cable TV Facilities**

(a) At the request of the Developer, Utah Power shall engineer and provide for the installation of all electric distribution lines and facilities required for the Property, and Developer shall pay for such work in accordance with the established charges of Utah Power.

(b) At the request of Developer, Questar Gas Company shall engineer and

provide for the installation of all required gas lines and facilities required, and Developer shall pay for such work in accordance with the established charges of Questar Gas Company.

(c) At the request of Developer, U.S. West Communications shall engineer and provide for the installation of all required telephone lines and facilities and Developer shall pay for such work in accordance with the established charges of U.S. West Communications.

(d) At the request of the Developer, one of the following options shall be selected by the Developer for television service: (i) a service provider designated by the Developer shall engineer and provide for the installation of all cable television lines or comparable fiber optic facilities required for the Property, and Developer shall pay for such work in accordance with the established charges of said service provider; and/or (ii) Developer shall make arrangements with a service provider for individual satellite television reception.

(e) The installation of the electric, gas, telephone and cable television facilities is anticipated to be completed within two years from the date hereof.

#### **4. Storm Drainage Improvements**

(a) The Developer shall install all storm drainage facilities described in the Site Improvements Plan and in accord with Summit County Ordinance 381-A.

(b) Developer anticipates completing the installation concurrent or in advance of the completion of the subdivision roads.

#### **5. Trail Easements**

With respect to those public trail easements shown on the Plat which are to be dedicated by Developer to the Snyderville Basin Special Recreation District ("Rec District"), Developer agrees to contribute to the cost of improving such trails in accordance with the agreement between the Rec District and Developer.

#### **6. Roads**

Developer agrees to construct, at Developer's cost, all private roads and private road improvements, within the Property, in accordance with the plans and specifications of the Site Improvements Plan. Developer anticipates completing said road and road improvements construction within two years from the date hereof. Developer agrees to install any traffic control signs and standard street name signs as required by the County and to re-vegetate all cuts and fills resulting from construction in a manner which will prevent erosion. The construction of such roads shall be subject to inspection and

approval by the County Engineer and the cost of such inspection shall be paid by the Developer.

**7. Landscaping**

Developer shall install landscaping in accordance with the Site Improvements Plan, at Developer's expense, and within two years from the date hereof. All such landscaping is subject to approval by the Community Development Director.

**8. Weed Control**

The Developer agrees to comply with respect Summit County Ordinance 484 relative to control and elimination of all noxious species of plants as identified within the project boundaries. The Developer further agrees to coordinate with the Summit County weed department, prior to commencement of work, relative to inspections and importations of weed free project materials.

**9. Road Cuts**

Developer acknowledges that the County has adopted a road cut ordinance, the provisions of which shall apply to the alteration of any road necessitated by the installation of any utilities described in this Agreement.

**10. Traffic Control**

During the construction of any utilities or improvements described herein, Developer shall be responsible for controlling and expediting the movement of vehicular and pedestrian traffic through and around all construction sites and activity. Such control shall be according to the latest version of the Manual of Uniform Traffic Control Devices.

**11. Maintenance and Repair**

(a) Developer agrees that it shall repair or pay for any damage to any existing public improvements damaged during the construction of new improvements. The County shall notify Developer within a reasonable time after discovery of any claim hereunder, and Developer shall have a reasonable period of time within which to repair said damage.

(b) At such time as the County Engineer accepts, in writing, the improvements described in the Site Improvement Plan and the Developer records the Declaration of Covenants, Conditions and Restrictions in the office of the Recorder of Summit County, Utah, which obligates "Project" Owners Association to maintain any private roads within the Property, the Developer shall be released from the obligation and liability to provide maintenance services for the private roads or to be responsible for the cost of such maintenance. At such time as the Warranty Period is successfully completed, and/or all

required repairs are completed, the Developer shall be released from the obligation to provide further maintenance and/or repairs of any private roads or other improvements completed per the Site Improvement Plan.

## **12. Financial Assurances**

To insure developer's performance under this Agreement, (except for the installation of the Sanitary Sewer Collection Lines described in Paragraph 2 above which are to be directly guaranteed to the District with separate financial assurances from Developer, the Developer shall, prior to the commencement of construction of any improvements, provide the County with sufficient security, to ensure completion of the required improvements, in the amount of 120% of the cost of construction determined in accordance with the schedule in Exhibit B. The security shall be in the form of either: 1) a letter of Credit drawn upon a state or national bank- said Letter of Credit shall: (1) be irrevocable, (2) be of a term sufficient to cover the completion and warranty periods, and, (3) require only that the County present the issuer with a signed draft and a certificate signed by an authorized representative of the County certifying to the County's right to draw funds under the Letter of Credit; or 2) Establishment of an Escrow Account or Completion Bond with the guarantee that all improvements shall be installed within two (2) years or the account or bond will be called by the County to complete the improvements. Acceptable escrow agents shall be the Summit County Treasurer's Office, or banks or savings institutions which are federally insured. This two (2) year deadline may be extended by the County upon showing of sufficient cause.

As portions of the improvements are completed in accordance with this Development Improvements Agreement, County regulations, and the approved Site Improvements Plan, the Developer may make application to the County Engineer to reduce the amount of the original letter of credit, cash escrow or completion bond. If the Board of County Commissioners is satisfied that such portion of the improvements has been completed in accordance with County standards, they may cause the amount of the letter of credit, cash escrow or completion bond to be reduced by such amount that they deem appropriate, so that the remaining amount of the letter of credit, cash escrow or completion bond adequately insures the completion of the remaining improvements.

## **13. Default**

If Developer shall default in the performance of Developer's obligation hereunder and shall fail to cure such default within thirty (30) days after receipt of written notice from the County specifying the nature of such default (or if such default cannot be cured within the aforesaid period of time, if the Developer shall fail to promptly commence to cure the same and to thereafter diligently proceed with such cure), then the County shall be entitled to undertake such work as may be necessary and appropriate to cure such default and the County shall be reimbursed for the reasonable costs thereof either by

payment of such costs to cure the default within 30 days of delivery of an invoice to Developer or by obtaining funds under the security.

**14. Limitation of Liability**

No recourse shall be had for any obligation of or default by Developer under this Agreement or for any claim with respect to this Agreement against any partner or joint venturer of Developer or seller of the Property or any other creditor or lender of Developer under any rule of law (including, without limitation, the rule of law that general partners and joint ventures are jointly and severally liable for the indebtedness of a partnership or joint venture, as applicable), contractual provision, statute or constitution or otherwise, it being understood that all such liabilities of the partners or joint ventures of Developer are to be, by the execution of this Agreement by the County, expressly waived and released as a condition of, and in consideration for, the execution and delivery of this Agreement. Nothing contained herein shall constitute a waiver of any obligation of Developer to the County under this Agreement or shall be taken to prevent recourse to or of the enforcement of any rights of the County as against the security posted by the Developer pursuant to this Development Improvements Agreement.

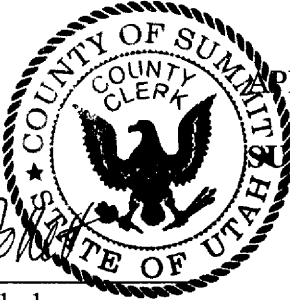
**15. Amendment**

This Agreement and the Site Improvements Plan referred to herein, may only be amended by written instrument signed by the County and the Developer.

**16. Binding Effect**

This Agreement and the covenants contained herein shall run with the land and shall be binding upon and shall inure to the benefit of the parties hereto and their successors, heirs and assigns of the property owners; provided that, except as provided in Paragraph 10 (b) above, purchasers of residential lots within the Property or any homeowner's association that receives title to any portion of the Property shall not incur any liability hereunder and no person or entity, including any homeowner's association that receives title to any portion of the Property, may claim to be a third party beneficiary of the terms, conditions, or covenants of this Agreement. This Agreement shall be recorded in the Office of the Summit County Recorder and on file with the Department of Community Development. All existing lien holders shall be required to subordinate their liens to the covenants contained in the Development Improvements Agreement.

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IN WITNESS WHEREOF, the parties have caused this Agreement to be signed  
the date and year first written above.



ATTEST:

Susan F. [Signature]  
Summit County Clerk

APPROVED:

SUMMIT COUNTY

[Signature]  
By: Sally Elliott  
Robert Richer, Chair,  
Board of County Commissioners

APPROVED AS TO FORM:

[Signature]  
Jami Brackin, Deputy County Attorney

ACCEPTED:

**THE WOODS OF PARLEY'S LANE, INC. "Developer"**

By: [Signature]  
Roger J Knight  
Its: Representative

STATE OF UTAH:  
County of Salt Lake

Personally appeared before me this 8<sup>th</sup> date of September 2006 the following:

Roger J. Knight  
who acknowledged to me that he executed this agreement.

MY COMMISSION EXPIRES 08-11-2009  
NOTARY PUBLIC Brandi Golightly  
RESIDING IN Salt Lake



BK1833 PG0516

EXHIBIT "A"

BOUNDARY DESCRIPTION

Beginning at a found marked stone marking the Northwest Corner of Section 10, Township 1 South, Range 3 East, Salt Lake Base and Meridian, (basis of bearing North 89°45'18" East from said Northwest Corner to the North quarter corner of said Section 10) and running thence North 00°08'08" West 1062.97 feet; thence North 54°33'03" East 577.24 feet; thence North 81°45'27" East 153.53 feet; thence North 87°53'54" East 368.86 feet; thence North 63°20'25" East 635.48 feet; thence North 00°03'28" West 355.68 feet; thence North 77°41'07" East 405.46 feet to the southerly boundary of Amended Moose Hollow Subdivision; thence South 53°28'42" East 1246.92 feet along said southerly line to the westerly line of Revised Hidden Cove No. 1; thence along said westerly line of Revised Hidden Cove No. 1 the following 6 (six) courses: 1) South 18°49'59" West 78.31 feet; 2) South 31°49'59" West 576.43 feet; 3) South 43°49'59" West 465.44 feet; 4) South 29°49'59" West 191.51 feet; 5) South 09°49'59" West 261.64 feet; 6) South 00°10'01" East 85.74 feet to the North line of said Section 10; thence North 89°45'18" East 520.93 feet along said North line to the North Quarter Corner of said Section 10; thence North 89°49'13" East 1339.72 feet along said North line to the westerly boundary of South Ridge Subdivision (formerly known as Sunrise Hills Subdivision); thence South 00°12'39" East 923.63 feet along said westerly line to the northerly line of a Stock Easement being a part of Interstate 80 (Project No. 1-80-4(30)135); thence along said northerly line of the Stock Easement the following six (6) courses: 1) South 69°31'25" West 53.30 feet; 2) South 00°12'39" East 360.00 feet; thence 3) South 61°38'25" West 1315.70 feet thence (4) South 69°17'37" West 291.37 feet to a point of curvature of a 3564.72 foot radius non-tangent curve to the right, the center of which bears North 26°23'49" West; 5) westerly along the arc of said curve 649.49 feet through a central angle of 10°26'21"; 6) South 67°42'43" West 66.52 feet; thence North 22°17'17" West 398.37 feet; thence North 00°07'50" West 1912.89 feet to the North line of said Section 10; thence South 89°45'18" West 35.88 feet along said North line; thence North 00°14'42" West 320.00 feet; thence South 89°45'18" West 210.00 feet; thence South 00°14'42" East 320.00 feet to the North line of said Section 10; thence South 89°45'18" West 1480.12 feet along said North line to the point of beginning.

Containing 191.35 acres total.



**Exhibit B  
The Woods of Parley's Lane**

**SUMMIT COUNTY BONDABLE TASKS  
Eningeer's Estimate for bonding**

Qty	Unit	Item #	Description	Unit	Amount
<b>Demolition</b>					
1	EA	1	Demolition of existing buildings	\$ 9,500.00	\$ 9,500
<b>Storm Sewer</b>					
3711	LF	2	15" IPS SDR 17 HDPE Strom Drain Pipe	\$ 37.00	\$ 137,307
7	EA	3	End Sections	\$ 1,700.00	\$ 11,900
15	EA	4	Combination Boxes	\$ 4,268.00	\$ 64,020
300	LF	5	18" HDPE Storm Drain Pipe	\$ 40.00	\$ 12,000
7	EA	6	Cleanout Boxes	\$ 2,811.00	\$ 19,677
12	EA	7	Inlet Boxes	\$ 1,746.00	\$ 20,952
<b>Culinary Water</b>					
1	EA	8	10" Hot Tap	\$ 3,000.00	\$ 3,000
880	LF	9	12" Ductile Iron CL350 Pipe	\$ 44.40	\$ 39,072
4470	LF	10	10" Ductile Iron CL350 Pipe	\$ 41.65	\$ 186,176
3860	LF	11	8" Ductile Iron CL350 Pipe	\$ 32.45	\$ 125,257
14	EA	12	10" Gate Valve	\$ 1,450.00	\$ 20,300
10	EA	13	8" Gate Valve	\$ 1,100.00	\$ 11,000
13	EA	14	Hydrant Assembly	\$ 3,864.00	\$ 50,232
48	EA	15	3/4" Culinary Water Services	\$ 766.00	\$ 36,768
2	EA	16	PRV Assemblies	\$ 20,492.00	\$ 40,984
<b>Road Improvements</b>					
4800	lf		silt fence	\$ 2.15	\$ 10,320
14	acres		Erosion blankets and seeding	\$ 7,200.00	\$ 100,800
20	acres	17	Grubbing Vegetation	\$ 4,500.00	\$ 90,000
30000	CY	18	Top Soil Removal & Stockpile on Site (6" Max	\$ 1.83	\$ 54,900
27000	CY	19	Cut/Fill	\$ 2.68	\$ 72,360
7886	CY	20	Import Fill	\$ 31.68	\$ 249,828
15000	CY	21	Subgrading 14" depth	\$ 31.68	\$ 475,200
18750	LF	22	Curb Grading	\$ 4.40	\$ 82,500
22000	LF	23	30" Highback Curb & Gutter	\$ 15.25	\$ 335,500
5000	SF	27	Retaining walls	\$ 20.00	\$ 100,000
207000	SF	28	Asphalt and Road Base	\$ 2.72	\$ 563,040
<b>Trailhead Building</b>					
		29	Earthwork	\$	1,900
		30	Concrete	\$	4,700
		30	Masonry	\$	2,800
		31	Steel	\$	1,500
		32	Carpentry	\$	3,100
		33	Overhead Doors	\$	1,200
		34	Finish	\$	2,800
		35	HVAC	\$	3,000
		36	Electrical	\$	3,100
<b>Park Area, Pond and Trails</b>					
EA		37	Sprinkler System with 1½" Point of Connection	\$ 20,000.00	\$ 20,000
11	TON	38	Top Soil for Play Area 4"	\$ 325.00	\$ 3,575
20,000	SF	39	Grading for Play Area	\$ 0.16	\$ 3,200
20,000	SF	40	Hydroseeding Play Area	\$ 0.08	\$ 1,600
3	EA	41	Fertilize Play Area 3 times	\$ 120.00	\$ 360
154	EA	42	Trees 1" Cal	\$ 50.00	\$ 7,700
342	EA	43	Shrubs 5 Gallon	\$ 28.00	\$ 9,576
167000	SF	44	Native Seeding using Park City Specs.	\$ 0.07	\$ 11,690
7200	SF	45	Parking Lot Asphalt Paving (6" Base & 3" Asphalt	\$ 1.96	\$ 14,112
30000	CY	46	Import fill, grading for park and pond ½" DM AC-10 mix)	\$ 31.68	\$ 950,400
1752	LF	47	8' Trail Paving (6" Base 3" Asphalt - ½ DM AC-10 mix)	\$ 19.80	\$ 34,690
	LS	48	Soft Surface Trails		\$ 84,000
Sutotals				\$	4,087,596
Bond Contingency at 20%					817,519
<b>BOND GRAND TOTAL</b>					<b>4,905,115</b>

Summit County  
Escrow Fund Agreement

\_\_\_ Irrevocable Letter of Credit XX Escrow Fund \_\_\_ Cash Deposit Escrow  
(Check One)

THIS AGREEMENT, made and entered into this Nov. 1st 2006, by and between The Woods of Parley's Lane Inc., a Utah limited liability company hereinafter referred to as "Developer"; Summit County, a body corporate and politic of the State of Utah, hereinafter referred to as "County"; and Bank of American Fork, a Utah corporation hereinafter referred to as "Depository".

WITNESSETH:

WHEREAS, the Developer has agreed to undertake certain and various improvements in the development of real properties know as The Woods of Parley's Lane, in Summit County, Utah; and

WHEREAS, the County, in the best interest of its citizens, desires to assure timely and full completion of said improvements and will not permit the recording of the final plat of said real properties unless adequate provisions are made for the guaranteed installation of said improvements; and

WHEREAS, the parties hereto now desire to formalize this agreement:

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein the parties agree as follows:

1. **IMPROVEMENTS.** The Developer agrees to complete, within a period of twenty-four (24) months from the date of final approval by the Board of County Commissioners of the official plat of the subject properties, those improvements, excavation and constructions which are specifically described and set forth in the Description of Improvements which is attached as Exhibit "A" and incorporated by reference herein.
2. **ESCROW.** To help guarantee the timely completion of said specified improvements, the Developer herein assigns and sets over to the County all its right, title, and interest in the principle of that escrow account with the Depositor entitled #30363238 and in the amount of \$ 4,905,115.00, said amount being maintained and withdrawn in accordance with the articles and terms of this agreement.
3. **MAINTENANCE OF ESCROW.** The escrow shall be maintained for the Developer unless said escrow is terminated in favor of the County upon a failure of the Developer as herein approved, and the County agrees to make no demand upon said escrow until such failure by the Developer.

**WITHDRAWALS FROM ESCROW.** Monies may be withdrawn from time to time as the need arises, for the purpose of payment of valid debt incurred by the Developer as a result of the completion of said improvements on the subject properties. This disbursement shall only be made when the need to do so is demonstrated to the satisfaction of the County, and said disbursement shall be made only after written authorization of the County to do so, but in no event shall the funds deposited be reduced below a balance of 10% of the total escrow amount except upon termination of the escrow as herein provided.

4. **INSPECTION OF IMPROVEMENTS.** The County shall have the right to inspect all improvements during construction. The Developer shall inform the County when water and sewer lines and other underground improvements are ready to be backfilled and agrees not to backfill said trenches and excavations until said improvements have been inspected by the County.
5. **TERMINATION OF ESCROW.** In the event the improvements listed herein have been installed to the satisfaction of the County and said twenty-four (24) month period, the County agrees to execute a written release of the remainder of said escrow account authorizing the remaining funds

(Continued)

to be disbursed to the Developer. Provided, however, the County shall retain ten percent (10%) of the escrow total until twenty four (24) month period. In the event the improvements listed herein are not completed to the satisfaction of the County within said twenty four (24) month period, the County shall have the option to: 1) Certify in writing to the Depository that the said improvements have not been completed and directing the Depository to disburse the remainder of the funds to the County without co-signature of other authorization of the Developer, thereafter to be used by the County for the completion of said improvements, or 2) Give the Developer an extension of time at the discretion of the County in which to complete the improvements.

6. DEFICIENCY. The monies hereby escrowed do not preclude the County from seeking additional deposits from the Developer in the event that there occurs a deficiency under the terms of this agreement of the circumstances as they now exist.
7. FAILURE OF DEVELOPER. It is expressly understood and agreed upon among the parties that this Agreement shall not relieve Developer from the obligation to properly install the improvements described herein. Should Developer fail to properly install such improvements, Developer agrees to compensate County for all the costs, including construction, engineering and legal costs incurred by the County to install the improvements required hereunder to the extent that these costs are not adequately covered by the funds in the escrow account.
8. ACKNOWLEDGMENT OF DEPOSITORY. The Depository hereby acknowledges that there is on deposit at Bank of American Fork, to the credit of the Developer the cash sum of \$ 4,905,115.00 and it agrees to hold and dispose of the same in accordance with the terms and conditions set forth herein.
9. LIABILITY OF DEPOSITORY. The Depository shall not be bound in any way by the requirements of any permit or approval described herein and its only duty, liability and responsibility shall be to hold the funds on deposit and to pay and deliver the funds to such parties and under such conditions as are herein set forth.

Approved as to form:  
Summit County Attorney

By 

DEVELOPER:  
The Woods of Parley's Lane, Inc.

ADDRESS:  
2660 West 2590 South  
Salt Lake City, UT 84119

By 

Its: pres

BOARD OF COUNTY COMMISSIONERS  
OF SUMMIT COUNTY, STATE OF UTAH:

By 

DEPOSITORY:  
Bank of American Fork  
ADDRESS:

195 East 6100 South  
Murray, UT 84107

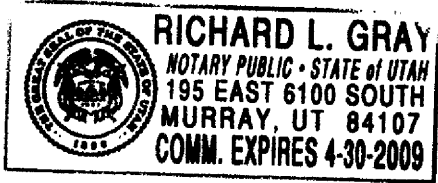
By 

Richard L. Gray, Senior Vice President

BK1833 PG0520

STATE OF UTAH )  
 :SS  
COUNTY OF SUMMIT )

On this 1<sup>st</sup> day of November, 2006 personally appeared before me Roger Knight,  
to be duly sworn and say for himself that he is the President of The Woods & Parley's Lane, Inc.  
and that within the foregoing instrument was signed in behalf of said Corporation by the authority of the resolution  
of its Board of Directors and said Roger Knight Acknowledge to me that said Corporation executed  
the same.

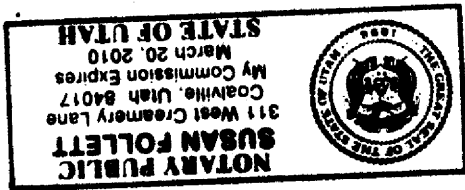


A handwritten signature in black ink, appearing to read "Richard L. Gray".

NOTARY PUBLIC  
Residing at:  
My Commission Expires:

STATE OF UTAH )  
 :SS  
COUNTY OF SUMMIT )

On this 22 day of Nov, 2006 personally appeared before me Sally Elliott,  
to be duly sworn and say for himself that he is the Chairman of the Board of Commissioners of Summit County,  
State of Utah, and that within the foregoing instrument was signed in behalf of said County by the authority of the  
resolution of its Board of Commissions and said she Acknowledge to me that said County  
executed the same.



NOTARY PUBLIC Susan Follett  
Residing at: Summit County  
My Commission Expires:  
20 March 2010

STATE OF UTAH )  
 :SS  
COUNTY OF SUMMIT )

On this 1<sup>st</sup> day of November, 2006 personally appeared before me Richard L. Gray,  
to be duly sworn and say for himself that he is the Senior Vice President of Parley of American Fork  
Company and that within the foregoing instrument was signed in behalf of said Corporation by the authority of the  
resolution of its Board of Directors and said Richard L. Gray Acknowledge to me that said Corporation  
executed the same seal affixed is the seal of said Corporation.

NOTARY PUBLIC  
Residing at:  
My Commission Expires:

A handwritten signature in black ink, appearing to read "M. Cherie Westover".

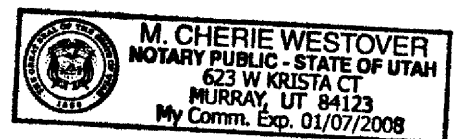


EXHIBIT "A"

BOUNDARY DESCRIPTION

Beginning at a found marked stone marking the Northwest Corner of Section 10, Township 1 South, Range 3 East, Salt Lake Base and Meridian, (basis of bearing North 89°45'18" East from said Northwest Corner to the North quarter corner of said Section 10) and running thence North 00°08'08" West 1062.97 feet; thence North 54°33'03" East 577.24 feet; thence North 81°45'27" East 153.53 feet; thence North 87°53'54" East 368.86 feet; thence North 63°20'25" East 635.48 feet; thence North 00°03'28" West 355.68 feet; thence North 77°41'07" East 405.46 feet to the southerly boundary of Amended Moose Hollow Subdivision; thence South 53°28'42" East 1246.92 feet along said southerly line to the westerly line of Revised Hidden Cove No. 1; thence along said westerly line of Revised Hidden Cove No. 1 the following 6 (six) courses: 1) South 18°49'59" West 78.31 feet; 2) South 31°49'59" West 576.43 feet; 3) South 43°49'59" West 465.44 feet; 4) South 29°49'59" West 191.51 feet; 5) South 09°49'59" West 261.64 feet; 6) South 00°10'01" East 85.74 feet to the North line of said Section 10; thence North 89°45'18" East 520.93 feet along said North line to the North Quarter Corner of said Section 10; thence North 89°49'13" East 1339.72 feet along said North line to the westerly boundary of South Ridge Subdivision (formerly known as Sunrise Hills Subdivision); thence South 00°12'39" East 923.63 feet along said westerly line to the northerly line of a Stock Easement being a part of Interstate 80 (Project No. 1-80-4(30)135); thence along said northerly line of the Stock Easement the following six (6) courses: 1) South 69°31'25" West 53.30 feet; 2) South 00°12'39" East 360.00 feet, thence 3) South 61°38'25" West 1315.70 feet thence (4) South 69°17'37" West 291.37 feet to a point of curvature of a 3564.72 foot radius non-tangent curve to the right, the center of which bears North 26°23'49" West; 5) westerly along the arc of said curve 649.49 feet through a central angle of 10°26'21"; 6) South 67°42'43" West 66.52 feet; thence North 22°17'17" West 398.37 feet; thence North 00°07'50" West 1912.89 feet to the North line of said Section 10; thence South 89°45'18" West 35.88 feet along said North line; thence North 00°14'42" West 320.00 feet; thence South 89°45'18" West 210.00 feet; thence South 00°14'42" East 320.00 feet to the North line of said Section 10; thence South 89°45'18" West 1480.12 feet along said North line to the point of beginning.

Containing 191.35 acres total.

**SUBDIVISION BOND #109140**

November 1, 2006

Bank of American Fork  
195 East 6100 South  
Murray, Utah 84107

Summit County  
PO Box 128  
Coalville, UT 84017

Re: Subdivision Bond

Dear Sirs:

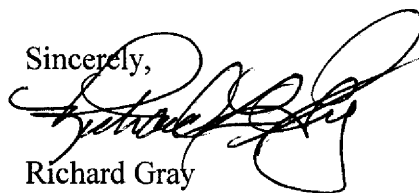
We hereby establish a Subdivision Bond in favor of Summit County for the account of The Woods of Parley's Lane, Inc., in the aggregate amount of Four million, nine hundred five thousand, one hundred fifteen and 00/100 Dollars (\$4,905,115.00) available to Summit County when accompanied by a statement from Summit County acknowledging that the improvements covering the Woods of Parley's Lane Subdivision, located at Parley's Canyon, Summit County, State of Utah, have not been completed. Upon receipt of this Subdivision Bond, Summit County agrees to acknowledge to Bank of American Fork in writing that all previous other bonds issued for the same purpose have been released.

We hereby acknowledge that under the terms of this Subdivision Bond document, Summit County exclusively, reserves the right to take the following actions:

1. Authorize portion release of funds for work completed and inspected by Summit County.
2. Authorize a full release of funds for work completed and inspected by Summit County.
3. Foreclose on the Subdivision Bond, and collect all funds therein for the work which has not been completed by the developer in the time required by Summit County.

This bond shall expire within twenty four (24) months from the date issued and if the project has not been completed by that date, then the bond shall automatically be considered foreclosed upon. All remaining funds shall be thereafter remitted to the City as set forth in the Escrow Fund agreement. We hereby agree with bona fide holders that all demands drawn under and in compliance with the terms of this Subdivision Bond shall meet with due honor upon presentation and delivery of a demand letter.

Sincerely,



Richard Gray  
Senior Vice President

BK1833 PG0523