

When Recorded, Mail to:

Corporation of the Presiding Bishop of  
The Church of Jesus Christ of Latter-day Saints  
50 East North Temple, 12<sup>th</sup> Floor  
Salt Lake City, Utah 84150  
Attn: Eric Allen (Prop. 500-2177)

Affecting TPNs: \_\_\_\_\_  
\_\_\_\_\_

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### IMPROVEMENTS AND REIMBURSEMENT AGREEMENT

THIS IMPROVEMENTS AND REIMBURSEMENT AGREEMENT (this "Agreement") is made and entered into this 13 day of AUGUST, 2013, by and between IVORY DEVELOPMENT, L.L.C., a Utah limited liability company ("Ivory"), and CORPORATION OF THE PRESIDING BISHOP OF THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS, a Utah corporation sole ("CPB").

#### RECITALS

A. CPB owns that certain real property located in Utah County, Utah, specifically described on Exhibit A, attached hereto and incorporated by reference herein (the "CPB Property").

B. Ivory owns that certain real property located adjacent to the CPB Property, being more particularly described on Exhibit B, attached hereto and incorporated herein by this reference (the "Ivory Property.")

C. In order to develop the CPB Property and the Ivory Property, Provo City (the "City") will require that CPB and/or Ivory construct portions of certain roads that benefit both the CPB Property and the Ivory Property as labeled 1390 North Street and Lake Shore Drive on the "Site Plan" attached hereto as Exhibit C and incorporated herein by this reference (the "Roads"), and certain utilities and other related improvements associated with the development of the Ivory Property and the CPB Property. The term Roads shall mean: (i) the entire width of that portion of 1390 North Street, beginning from Lake Shore Drive running north and west to the western boundary of the CPB Property, as shown on the Site Plans; (ii) the entire width of that portion of Lake Shore Drive, beginning at the southern boundary of the CPB Property up to the northern boundary of the CPB Property, as shown on the Site Plans; and (iii) that portion of 3100 West Street running north from 1390 Street, as shown on the Site Plans.

D. The Roads and other related improvements are required for and will benefit the development of the CPB Property and the Ivory Property. CPB and Ivory have agreed to install and construct portions of the Roads and other related improvements.

E. To ensure the construction of, and payment for, the aforementioned improvements, CPB and Ivory desire to enter into this Agreement.

## TERMS AND CONDITIONS

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, Ivory and CPB agree as follows:

1. Recitals. The recitals set forth above are true, correct and complete in all material respects, and the parties hereto incorporate the above recitals by this reference.

2. General Background. Both CPB and Ivory acknowledge that: (i) the other party may desire to develop, design, construct and install those improvements associated and required for the dedication of the Roads (as such improvements are more fully described in Section 3 below, the "Road Improvements"), and (ii) the construction of the Road Improvements by either CPB or Ivory will directly benefit the other party. As used in this Agreement, the party completing the development, design, construction, and/or installation of the Road Improvements, shall be referred to herein as the "Constructing Party," and the party not participating in the development, design, construction, and/or installation of the Road Improvements, shall be referred to herein as the "Reimbursing Party." Once the Constructing Party begins construction of the Road Improvements (defined below) the Constructing Party will have the obligation to complete the Road Improvements and the Reimbursing Party may not become a Constructing Party, unless pursuant to the self-help provisions of this Agreement.

3. The Road Improvements. The Constructing Party may design, install, construct, and/or develop at the Constructing Party's initial cost and expense, the following (collectively, the "Road Improvements"): (i) the Roads including the grading, paving, a temporary turn around, and all other aspects of road construction, as such is required by the City and/or any other applicable governmental authorities or agencies (the governmental entity or entities having authority or jurisdiction to approve specific matters set forth in this Agreement shall hereinafter be referred to as the "Governmental Entity"), and as may be shown on any general plans created by the Governmental Entity; (ii) fire hydrants, if any, curbs, street signs, gutters, landscape, berms, and sidewalks along the Roads, as required by the Governmental Entity; (iii) domestic water lines, sanitary sewer lines, storm drain lines, and all other utility lines required to service the property adjacent to Roads (including, without limitation, telephone, gas, and power lines, and three-phase power); (iv) the stubbing of the utilities referenced-above into any future street running off of the Roads; and (v) any other improvements, facilities, or infrastructure required by the Governmental Entity for the dedication and acceptance of the Roads. The Road Improvements shall be constructed and installed by the Constructing Party: (a) in a good and workmanlike manner; and (b) in accordance with the requirements, approvals, regulations, ordinances, specifications, standards, and other governing documents established by the Governmental Entity.

4. Completion. Once a Constructing Party begins construction of the Road Improvements, the Constructing Party agrees to complete the Road Improvements by May 31,

2015 (the "Completion Date"). The Reimbursing Party cannot become a Constructing Party until after the expiration of the Completion Date, and only in accordance with the self-help provisions described below. Should neither party begin construction of the Road Improvements prior to May 31, 2014, then the Completion Date will be extended one year from the date one of the parties becomes a Constructing Party.

5. Cooperation. The parties agree to fully cooperate with each other in the dedication, development, design, installation, and construction of the Road Improvements and the easement areas and improvements located within the proposed easement areas, which cooperation includes, but is not limited to, signing dedication documents (including dedication plats), easements and other instruments necessary for the Road Improvements and easements to be fully functional, installed, and dedicated pursuant to the requirements of the Governmental Entity.

6. Reimbursement to the Constructing Party by the Reimbursing Party. Pursuant to the procedures outlined below, if: (i) CPB is the Reimbursing Party, CPB agrees to reimburse Ivory in an amount equal to 50% of the "reasonable costs" incurred by Ivory in developing, designing, installing, and constructing the Road Improvements; or (ii) Ivory is the Reimbursing Party, Ivory agrees to reimburse CPB in an amount equal to 50% of the "reasonable costs" incurred by CPB in developing, designing, installing, and constructing the Road Improvements. The Reimbursing Party's payment obligation as it pertains to the Road Improvements is referred to herein as the "Reimbursing Party's Share." As used in this Section 6, "reasonable costs" shall mean costs that are equal to competitive bids from professional licensed contractors. The following provisions will govern the reimbursement process between the parties.

6.1 Limits on the Reimbursing Party's Share. Notwithstanding anything to the contrary set forth herein the Constructing Party agrees: (i) that the Reimbursing Party's Share will be limited to amounts that are reasonable in all aspects, including design and construction; (ii) to present to the Reimbursing Party all bids and cost estimates prior to the commencement of construction on the Road Improvements, in order to permit the Reimbursing Party to determine whether the Reimbursing Party's Share will be reasonable, which reasonableness will be presumed ten (10) days after the Reimbursing Party's receipt of the bids and costs estimates, and no objection has been received by the Constructing Party; and (iii) to present to the Reimbursing Party all invoices, received and paid, in connection with the Road Improvements associated with Reimbursing Party's Share.

6.2 Completion. Upon completion of the Road Improvements, the Constructing Party will: (i) present to the Reimbursing Party a letter from the Constructing Party's engineer stating that all work and the Road Improvements have been installed and completed pursuant to the terms and conditions of this Agreement; (ii) present to the Reimbursing Party a letter from the applicable Governmental Entity stating that all of the Road Improvements that have been completed and are in compliance with applicable local building codes, if the Governmental Entity is willing to issue such letter, and if not, correspondence from the Governmental Entity stating that it will not issue such a letter; (iii) present to the Reimbursing Party evidence that the Constructing Party has paid all invoices and payments due

with final lien waiver documentation in connection the Road Improvements; and (iv) present to the Reimbursing Party the amount of the Reimbursing Party's Share owed to the Constructing Party pursuant to detailed invoices and documentation provided to the Reimbursing Party. Collectively, the items described in subparagraphs (i) through (iv) shall hereinafter be referred to as the "Road Improvement Verification Materials." The Road Improvement Verification Materials shall be deemed conclusive in confirming that the Road Improvements have been constructed substantially in compliance with the terms and conditions of this Agreement and that there are no outstanding liens or the basis for any lien claims. The Reimbursing Party shall have ten (10) business days following receipt of the Road Improvement Verification Materials to notify the Constructing Party that it has objections to the Road Improvement Verification Materials (the "Claim Notice"). The Reimbursing Party shall be entitled to file such Claim Notice only if it believes, based on its reasonable knowledge, that the Road Improvement Verification Materials contain errors or omissions or the Road Improvements otherwise do not comply with the terms of this Agreement, and the Claim Notice shall describe such errors or omissions with particularity.

6.3 No Claim Notice. If the Reimbursing Party fails to provide the Constructing Party with a Claim Notice within the time period provided, the amount of the Reimbursable Party's Share provided by the Constructing Party pursuant to Section 6.2 shall become due and owing to the Constructing Party.

6.4 Mediation. If the Reimbursing Party delivers a Claim Notice to the Constructing Party, and the parties are unable to resolve their dispute within thirty (30) days following the Reimbursing Party's delivery of the Claim Notice, the parties shall meet with a mediator in an effort to mediate their dispute. If the parties cannot agree on a mediator for this purpose, as a pre-condition to formal arbitration, either party may submit the dispute to mediation in accordance with the rules of the American Arbitration Association ("AAA"). Submission of the dispute to arbitration shall be stayed for a period of thirty (30) days following the commencement of mediation, either with an agreed mediator or with a mediator appointed by the American Arbitration Association. The mediation shall be held in the City of Salt Lake, Utah.

6.5 Arbitration. If the parties are unable to resolve their dispute as a result of mediation under Section 6.4 above, the dispute shall be resolved by a single arbitrator before the AAA under the Arbitration Rules of the AAA, modified as follows: (i) the total time from date of demand for arbitration to final award shall not exceed forty-five (45) days; (ii) the arbitrator shall be chosen by the AAA without submittal of lists and subject to challenge only for good cause shown; (iii) all notices may be by telephone or other electronic communication with later confirmation in writing; (iv) the time, date and place of the hearing shall be set by the arbitrator in his or her sole discretion, provided that there be at least five (5) business days' prior notice of the hearing; (v) there shall be no post-hearing briefs; (vi) there shall be no discovery except by reasonable order of the arbitrator; and (vii) the arbitrator shall issue his or her award within seven (7) days after the close of the hearing. The arbitration shall be held in the City of Salt Lake, Utah. The decision of the arbitrator shall be binding on the parties, not subject to appeal, and judgment on the award rendered by the arbitrator may be entered in any court of competent

jurisdiction. The fees and expenses of the arbitrator shall be paid half by each party unless the arbitrator decides otherwise in its discretion. The parties shall each hold harmless and indemnify the arbitrator from any claims arising in connection with the arbitration. The prevailing party in the arbitration shall recover its costs and reasonable attorney's fees, which shall be determined and fixed by the arbitrator as part of the arbitration award. The arbitrator will establish the amount of the Reimbursable Party's Share and upon such a determination the Reimbursable Party's Share will become due and owing to the Constructing Party.

6.6 Experience. Any mediator or arbitrator selected or appointed under this Agreement shall be an independent party, and, unless otherwise agreed by the parties, shall have a minimum of ten (10) years of experience as an attorney and at least five (5) years of experience as a mediator or arbitrator, as applicable.

7. Payment of the Reimbursing Party's Share. Subject to the completion of the terms and conditions contained in this Agreement, the Reimbursing Party's Share will be paid, in readily available funds, as follows:

7.1 If CPB is the Constructing Party, Ivory will pay its Reimbursing Party's Share to CPB, as determined by Section 6, within sixty (60) days after the later of: (i) the completion of the Road Improvements; and (ii) the establishment of Ivory's Reimbursing Party's Share pursuant to Section 6.

7.2 If Ivory is the Constructing Party, CPB will pay its Reimbursing Party's Share to Ivory, as determined by Section 6, within sixty (60) days after the later of: (i) the completion of the Road Improvements; and (ii) the establishment of CPB's Reimbursing Party's Share pursuant to Section 6.

8. Self-Help. Absent *force majeure*, in the event the Road Improvements are not finished by the Completion Date by the Constructing Party, the Reimbursing Party may, upon not less than twenty (20) days written notice to the Constructing Party, undertake to complete construction of all or part of the Road Improvements. The Constructing Party agrees to assign its interest in any plans, to the extent assignable, in order to enable the Reimbursing Party to complete the Road Improvements. Should the Reimbursing Party exercise its self-help rights herein, the Reimbursing Party shall be reimbursed for costs incurred in constructing the Road Improvements as if the Reimbursing Party were the Constructing Party. The costs incurred by the Reimbursing Party in constructing the Road Improvements pursuant to this Section 8, shall be increased by five percent (5%) in order to cover the Reimbursing Party's administrative expenses in exercising its self-help rights.

9. Liens. The Constructing Party shall keep the Reimbursing Party's property free from any liens arising out of any work performed, materials furnished, or obligations incurred by, through, for or under the Constructing Party, and shall indemnify, hold harmless and agree to defend the Reimbursing Party from any liens that may be placed on the Reimbursing Party's property and/or the property pertaining to any work performed, materials furnished or obligations incurred by, through, for, or under the Constructing Party or any of the Constructing

Party's agents, servants, employees, consultants, contractors or subcontractors. Any such liens shall be released of record within thirty (30) days of recordation.

10. No Third-Party Beneficiary. No term or provision of this Agreement or the Exhibits attached hereto is intended to be, nor shall any such term or provision be construed to be, for the benefit of any person, firm, corporation, or other entity not a party hereto, and no such other person, firm, corporation, or entity shall have any right or cause of action hereunder.

11. Notices. Any notice required or permitted to be given or transmitted between the Parties pursuant to this Agreement shall be; (i) personally delivered; (ii) mailed, postage prepaid by certified mail, return receipt requested; (iii) sent for next business day delivery by a recognized overnight carrier; or (iv) sent by e-mail transmission addressed as follows:

If to Ivory: CHRIS GRAMBOULAS  
IVORY DEVELOPMENT  
978 WOODOAK LANE  
SALT LAKE CITY, UT 84117  
CHRIS@IVORYDEVELOPMENT.COM

If to CPB: Corporation of the Presiding Bishop of  
The Church of Jesus Christ of Latter-day Saints  
50 East North Temple, 4<sup>th</sup> Floor WW  
Salt Lake City, Utah 84150  
Attn: Eric Allen (Prop. 500-2177)  
e-mail: [eallen@ldschurch.org](mailto:eallen@ldschurch.org)

Either party may designate a different address for itself by giving written notice in the manner required by this Paragraph.

12. Miscellaneous.

12.1. Entire Agreement. This Agreement contains the entire agreement between the parties. All previous agreements, communications, discussions and negotiations relating to the subject matter hereof have been merged and finalized. This Agreement may only be modified or amended in writing by both parties hereto.

12.2. Successors and Assigns. The provisions of this Agreement shall be considered a covenant that runs with the land herein described and as such the terms, conditions, and provisions hereof shall extend to and be binding upon the heirs, executors, administrators, personal representatives, successors and assigns of the parties hereto

12.3. Interpretation. This Agreement shall be interpreted and construed only by the contents hereof, and there shall be no presumption or standard of construction in favor of or against either party.

12.4. Captions. The captions in this Agreement are for convenience only and do not constitute a part of the provisions hereof.

12.5. Severability. If any provision of this Agreement or any portion of any provision of this Agreement shall be deemed to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall not alter the remaining portion of such provision, or any other provision hereof, as each provision of this Agreement shall be deemed severable from all other provisions hereof so long as removing the severed portion does not materially alter the overall intent of this Agreement.

12.6. Applicable Law. This Agreement, and the interpretation, validity, effect and performance hereof, shall be governed by the laws of Utah.

12.7. Attorneys' Fees and Costs. If any action at law or in equity, or any special proceeding (including bankruptcy proceedings and appeals from lower court rulings), be instituted by either party against the other party to enforce this Agreement or any rights arising hereunder, or in connection with the subject matter hereof, the prevailing party shall be entitled to recover all costs of suit and reasonable attorneys' fees. For purposes of this Paragraph, the term "prevailing party" shall, in the case of a claimant, be the party who is successful in obtaining substantially all of the relief sought, and in the case of the defendant or respondent, the party who is successful in denying substantially all of the relief sought by the claimant.

12.8. Authority. The individuals executing this Agreement represent and warrant that they have the power and authority to do so and to bind the entities for which they are executing this Agreement.

12.9. Non-Fiduciary or Agency Relationship. The parties hereto expressly disclaim and disavow any partnership, joint venture, fiduciary, agency or employment status or relationship between them and expressly affirm that they have entered into this Agreement as part of an "arms-length" transaction. No party hereto has the authority to make any representation or warranty or incur any obligation or liability on behalf of any other party hereto, nor shall they make any representation to any third party inconsistent with this Paragraph. Both parties acknowledge that: (i) CPB has only entered into this Agreement to facilitate the construction of religious facilities; (ii) CPB will not make a profit from constructing the Road Improvements; and (iii) CPB is not a developer.

12.10. Counterparts; Signatures. The parties may sign this Agreement in multiple identical counterparts, all of which taken together shall constitute one and the same agreement. Further, the parties shall treat a copy of an original signature to this Agreement for all purposes as an original signature. The parties shall consider a copy of the signed Agreement for all purposes as an original of the Agreement to the maximum extent permitted by law, and no party to this Agreement shall have any obligation to retain a version of this Agreement that contains original signatures in order to enforce this Agreement, or for any other purpose.

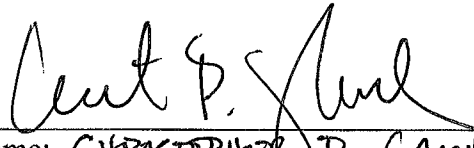
12.11. Recordation. The parties may record this Agreement in the recorder's office in Utah County, Utah. Once the terms of this Agreement have been met, then CPB or Ivory may prepare and deliver a "Release of Development Agreement," indicating that the obligations set forth in this Agreement have been met. The recipients of said "Release of Development Agreement" agree to timely execute and return said Notice of Release if the terms of this Agreement have been met.

IN WITNESS WHEREOF, each of the parties hereto has duly signed and sealed this Agreement or caused such to be done, effective as of the date of this Agreement.

CPB: CORPORATION OF THE PRESIDING  
BISHOP OF THE CHURCH OF JESUS  
CHRIST OF LATTER-DAY SAINTS,  
a Utah corporation sole

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Authorized Agent

Ivory: IVORY DEVELOPMENT, L.L.C.,  
a Utah limited liability company

By:   
Name: CHRISTOPHER P. GAMVOULAS  
Title: PRESIDENT



STATE OF UTAH )  
 :ss  
COUNTY OF SALT LAKE )

On this \_\_\_\_ day of \_\_\_\_\_, 2013, personally appeared before me \_\_\_\_\_, personally known to me to be the Authorized Agent of CORPORATION OF THE PRESIDING BISHOP OF THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS, a Utah corporation sole, who acknowledged before me that he signed the foregoing instrument as Authorized Agent for CORPORATION OF THE PRESIDING BISHOP OF THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS, a Utah corporation sole, and that the seal impressed on the within instrument is the seal of said corporation; and that said instrument is the free and voluntary act of said corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument on behalf of said corporation and that said corporation executed the same.

WITNESS my hand and official seal.

\_\_\_\_\_  
Notary Public for the State of Utah

STATE OF UTAH )  
 ) ss.  
COUNTY OF Salt Lake )

The foregoing instrument was acknowledged before me this 13 day of August, 2013, by Christopher Gramvoulas, in the capacity indicated.



\_\_\_\_\_  
Notary Public for the State of Utah




12.11. Recordation. The parties may record this Agreement in the recorder's office in Utah County, Utah. Once the terms of this Agreement have been met, then CPB or Ivory may prepare and deliver a "Release of Development Agreement," indicating that the obligations set forth in this Agreement have been met. The recipients of said "Release of Development Agreement" agree to timely execute and return said Notice of Release if the terms of this Agreement have been met.

IN WITNESS WHEREOF, each of the parties hereto has duly signed and sealed this Agreement or caused such to be done, effective as of the date of this Agreement.

CPB:

CORPORATION OF THE PRESIDING BISHOP OF THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS, a Utah corporation sole



By: Terry F. Rudd   
Name: TERRY F. RUDD  
Title: Authorized Agent

Ivory:

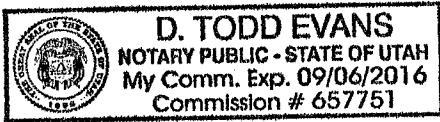
IVORY DEVELOPMENT, L.L.C., a Utah limited liability company

By: Christopher P. Gamboa  
Name: CHRISTOPHER P. GAMBOA  
Title: PRESIDENT

STATE OF UTAH )  
 :ss  
COUNTY OF SALT LAKE )

On this 13 day of August, 2013, personally appeared before me TERRY F. RUDD, personally known to me to be the Authorized Agent of CORPORATION OF THE PRESIDING BISHOP OF THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS, a Utah corporation sole, who acknowledged before me that he signed the foregoing instrument as Authorized Agent for CORPORATION OF THE PRESIDING BISHOP OF THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS, a Utah corporation sole, and that the seal impressed on the within instrument is the seal of said corporation; and that said instrument is the free and voluntary act of said corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument on behalf of said corporation and that said corporation executed the same.

WITNESS my hand and official seal.



*[Handwritten Signature]*

Notary Public for the State of Utah

STATE OF UTAH )  
 ) ss.  
COUNTY OF Salt Lake )

The foregoing instrument was acknowledged before me this 13 day of August, 2013, by Christopher Gramvoulas, in the capacity indicated.

*[Handwritten Signature]*

Notary Public for the State of Utah



**EXHIBIT A**

(Legal Description of the CPB Property)

That certain real property located in Utah County, Utah, specifically described as:

Lot 1, Plat "A", Provo Parkway Subdivision, Utah County, Utah.

**EXHIBIT B**

(Legal Description of the Ivory Property)

That certain real property located in Utah County, Utah, specifically described as:

Commencing at a point located South 00°50'03" East along the section line 281.72 feet and West 295.46 feet from the East 1/4 Corner, Section 33, Township 6 South, Range 2 East, Salt Lake Base and Meridian; thence South 89°19'36" West 1026.70 feet; thence North 00°54'00" West 383.63 feet; thence North 89°19'00" East 1301.98 feet; thence South 00°36'37" East 96.70 feet; thence along an arc of a 372.00 foot radius curve to the right 69.61 feet (chord bears South 04°45'02" West 69.51 feet); thence South 10°06'41" West 37.44 feet; thence along an arc of a 23.00 foot radius curve to the right 33.45 feet (chord bears South 51°46'33" West 30.58 feet); thence along an arc of a 416.00 foot radius curve to the left 29.41 feet (chord bears North 88°35'06" West 29.40 feet); thence South 89°23'23" West 206.28 feet; thence South 00°36'37" East 163.84 feet to the point of beginning.

Area = 453,685.82 sq.ft. / 10.415 acres

EXHIBIT C

(Site Plan)

