

When Recorded Mail To:
Fieldstone Utah Investors, LLC
12896 South Pony Express Road, Suite 400
Draper, UT 84020

ENT **85891:2011** PG 1 of 6
Jeffery Smith
Utah County Recorder
2011 Nov 30 01:09 PM FEE 20.00 BY EO
RECORDED FOR Bartlett Title Insurance Agent
ELECTRONICALLY RECORDED

File No. BT-10828
Tax ID No. 43:179:0674

**ADDENDUM TO MASTER CUSTOMER AGREEMENT
ONE YEAR OCCUPANCY PERIOD AND USE AS PRINCIPAL RESIDENCE**

Seller: Fieldstone Utah Investors, LLC

Buyer: Taylor J. Jackson and Valerie K. Jackson

Property Address:

830 South Oak Crest Drive
Lehi, UT 84043

Legal Description:

Lot 674, Plat "N", JORDAN WILLOWS II, A Planned Residential Development, Lehi, Utah County, Utah, according to the official plat thereof on file and of record in the Office of the Recorder.

Together with the right and easement of use and enjoyment in and to the common areas as set forth on the official plat.

**ADDENDUM TO
MASTER CUSTOMER AGREEMENT
ONE YEAR OCCUPANCY PERIOD AND USE AS PRINCIPAL RESIDENCE**

This Addendum ("Addendum") is made a part of the Master Agreement between the undersigned Buyer and Seller. Capitalized terms used, but not defined in this Addendum shall have the meaning given to them elsewhere in the Purchase Agreement.

Seller desires to sell the Property only to a buyer who will own and occupy the Property as a principal residence. Therefore, in order to induce Seller to agree to sell the Property to Buyer, Buyer represents and agrees as follows:

- 1) Use as Principal Residence for One (1) Year. Buyer represents and warrants to Seller (a) that Buyer is purchasing the Property for use as Buyer's principal residence; (b) that Buyer will occupy the Property as Buyer's principal residence upon the close of escrow; and that (c) Buyer shall neither attempt to transfer, sell, assign, convey or lease (collectively, a "Transfer") Buyer's rights under the Purchase Agreement nor enter into any agreement for any Transfer of the Property which would result in Buyer's failure to occupy the Property as Buyer's principal residence and hold title thereto in fee simple for a period of one (1) year from the close of escrow of Buyer's purchase of the Property (the "One Year Occupancy Period"). The provisions of this Section 1 and the accuracy of the above representations and warranties constitute a covenant of Buyer and a condition precedent to Seller's performance under the Purchase Agreement.
- 2) Transfer Prior to Close of Escrow. Except for "hardship" situations as described in Exhibit "A" to this Addendum, any attempt by Buyer to assign Buyer's rights under the Purchase Agreement and/or to lease, sell, convey or otherwise Transfer the Property prior to the close of escrow for the sale of the Property shall constitute both (i) a material breach of the Purchase Agreement, entitling Seller, at its sole election, to terminate the Purchase Agreement and retain Buyer's deposit pursuant to Paragraph 10 of the Master Agreement, and (ii) the failure of a condition precedent to Seller's obligation to sell the Property to Buyer.
- 3) Transfer Subsequent to Close of Escrow. Except for "hardship" situations as described in Exhibit "A" to this Addendum, any sale, lease, rental, conveyance or Transfer by Buyer prior to the expiration of the One Year Occupancy Period, shall constitute a material breach of this Addendum, entitling Seller at its sole option to the following remedies (in addition to the remedies for rentals or leases set forth in Section 4 below): (a) to damages in the amount of the appreciation of the Property after the close of escrow, which amount shall be due and payable on the date which is five (5) calendar days after the fair market value of the Property (as defined below) is determined; or (b) to the right, but not the obligation, to repurchase the Property from Buyer at the Total Purchase Price. For purposes of this Addendum, "appreciation" shall mean the difference between (a) the fair market value of the Property at the time of Buyer's sale thereof, less Buyer's customary costs of resale such as broker's commission, escrow fees and title costs, and (b) the Total Purchase Price plus the actual cost to Buyer of any improvements made by Buyer to the Property. In the event of an arm's length sale of the Property by Buyer during the One Year Occupancy Period, the sales price shall be determinative of the fair market value of the Property. Otherwise, the Property's fair market value may be determined by an appraisal from a licensed appraiser. Notwithstanding the foregoing provisions, the only improvement costs which will be considered in computing appreciation are those which can be verified by original receipts and invoices produced by Buyer, which shall be in a form reasonably satisfactory to Seller, or improvement costs which may be verified by Seller, at its sole discretion, by a physical inspection of the Property.
- 4) Remedy for Rentals or Leases. In the event that Buyer violates the provisions of Section 3 above by renting, leasing, or attempting to rent or lease the Property in any manner prior to the expiration of the One Year Occupancy Period, Seller shall be entitled to payment of liquidated damages in the amount of the net rent (i.e., the gross rent minus any actual expenses incurred for such rental, such as property management fees) received or owing from the tenant/renter during the One Year Occupancy Period.
- 5) Record Notice. At the close of escrow of Buyer's purchase of the Property, Buyer and Seller shall both execute the Notice of One-Year Occupancy Requirements (the "Record Notice") in the form attached hereto as Exhibit "B," and shall cause the same to be recorded against the Property together with the recording of the deed conveying title to the Property from Seller to Buyer. The Record Notice shall constitute a lien and encumbrance on the Property for the purpose of securing Buyer's compliance with the requirements of this Addendum and Seller's remedies in the event of any violation of the One Year Occupancy Period requirements. The Record Notice and the lien created thereby shall expire automatically without further action if and when the One Year Occupancy Period expires without any violations of this Addendum.
- 6) No Unreasonable Restraint. Buyer acknowledges that the purpose of this Addendum is to comply with Seller's intention to sell homes only to persons who will actually occupy them as a principal residence, to obtain a stabilized community of owner-occupied homes, and to prevent a shortage of available homes for permanent residents. Buyer agrees that the provisions and restrictions in this Addendum and of the Occupancy Policy Statement and Agreement do not constitute an unreasonable restraint upon alienation of the Property. Buyer also waives any and all rights and claims to challenge the enforceability and validity of the provisions of this Addendum and the amounts that Buyer shall be required to pay to

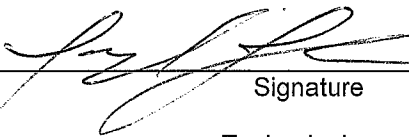
Buyer: Taylor Jackson
Community: Jordan Willows FUI
Phase: 004 Lot: 0672

Seller in the event of any violation of the provisions of this Addendum.

- 7) Survival; Severability. All of the covenants contained in this Addendum shall survive the closing and delivery and recordation of the deed conveying the Property from Seller to Buyer.
- 8) Subordination. Buyer hereby acknowledges and agrees that a violation of this Addendum by Buyer shall not defeat or render invalid the lien of any first mortgage or deed of trust made in good faith and for value by Buyer, and that the covenants and provisions of this Addendum, as well as the Record Notice to be filed against the Property, shall be inferior and subordinate to the lien of any such first mortgage or deed of trust recorded concurrently with the deed conveying the Property to Buyer.
- 9) Entire Agreement. This Addendum, Exhibit "A" hereto, Exhibit "B" hereto, and the Occupancy Policy Statement and Agreement signed by Buyer, contain the entire agreement between Buyer and Seller concerning the matters set forth herein. All prior discussions, negotiations and agreements, if any, whether oral or written, are hereby superseded by these documents.
- 10) No Waiver. Seller's failure to enforce any of Seller's rights or remedies under this Addendum or any similar Addendum with other buyers shall not be deemed to be a waiver of Seller's rights to enforce the terms of this Addendum at a later time or for a different violation.

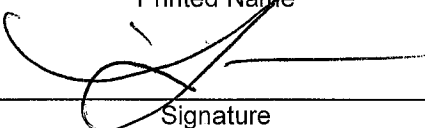
Buyer acknowledges that he, she or they have read the provisions of this Addendum and that the provisions are understood as well as reasonable.

BUYER:



Signature
Taylor Jackson

Printed Name




Signature
Valerie Jackson

Printed Name

Signed on: 7/9/2011

SELLER

Fieldstone Utah Investors, LLC,
a Utah limited liability company

By: 

Name: _____

Signed on: 7/14/11

Address:

Fieldstone Utah Investors, LLC
12896 S. Pony Express Road, Suite 400
Draper, UT 84020

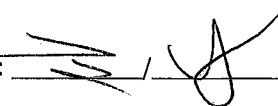
Buyer's Initials: 

EXHIBIT "A" TO ADDENDUM

The following events shall be deemed to constitute "hardship" situations under which Buyer may transfer, sell, assign, convey or lease (collectively, "a Transfer") its right, title and interest in the Property prior to either (a) close of escrow, or (b) occupying and holding title to the Property for a period of one (1) year from close of escrow:

1. A Transfer resulting from the death of Buyer;
2. A Transfer by Buyer where the spouse of Buyer becomes the only co-owner of the Property with Buyer;
3. A Transfer resulting from a decree of dissolution of marriage or legal separation or from a property settlement agreement incident to such decree;
4. A Transfer by Buyer into a revocable inter vivos trust in which Buyer is a beneficiary;
5. A Transfer, conveyance, pledge, assignment or other hypothecation of the Property to secure the performance of an obligation, which transfer, conveyance, pledge, assignment or hypothecation will be released or reconveyed upon the completion of such performance;
6. A Transfer by Buyer where necessary to accommodate a mandatory job transfer required by Buyer's employer (not including Buyer, if Buyer is self-employed);
7. A Transfer necessitated by a medical or financial emergency, proof of which emergency has been delivered to Seller, and has been approved by Seller in its reasonable discretion; and
8. A Transfer which, in the reasonable judgment of Seller, constitutes a "hardship" situation consistent with the intentions of this Addendum.

EXHIBIT "B" TO ADDENDUM

Taylor J. Jackson and Valerie K. Jackson
830 South Oak Crest Drive
Lehi, UT 84043
File No. BT-10828

NOTICE OF ONE-YEAR OCCUPANCY REQUIREMENTS

NOTICE is hereby given that the real property described below is subject to the re-sale restrictions and owner occupancy requirements set forth in that certain Addendum to Master Customer Agreement – One Year Occupancy Period and Use as Principal Residence, dated as of **November 16, 2011**, by and between Fieldstone Utah Investors, LLC as “Seller” and Taylor J. Jackson and Valerie K. Jackson as “Buyer,” a copy of which may, at Seller’s sole discretion, be attached hereto. The obligations and remedies described in said Addendum are secured by a lien, as described therein. The real property against which this Notice shall be recorded is located in Utah County, State of Utah, and is more fully described as:

Legal Description:

Lot 674, Plat "N", JORDAN WILLOWS II, A Planned Residential Development, Lehi, Utah County, Utah, according to the official plat thereof on file and of record in the Office of the Recorder. Together with the right and easement of use and enjoyment in and to the common areas as set forth on the official plat.

WITNESS, the hands of both parties to said Addendum, this 16th day of November, 2011.

Seller: Fieldstone Utah Investors, LLC

By: [Signature]
Its: Assistant Secretary

Buyer:

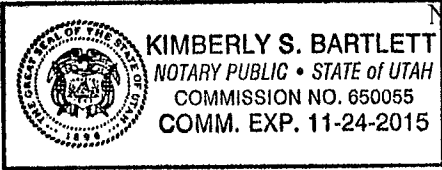
By: [Signature]
Taylor J. Jackson

By: [Signature]
Valerie K. Jackson

STATE OF UTAH)
 :ss.
COUNTY OF UTAH)

On this 16th day of November, 2011, personally appeared Taylor J. Jackson and Valerie K. Jackson and **Jed Stewart**, whose identities are personally known to me (or proven on the basis of satisfactory evidence) and who being duly sworn did say that they did sign the foregoing instrument in the capacities indicated, and who acknowledged to me that they executed the same.

SEAL: [Signature]
NOTARY PUBLIC



OCCUPANCY POLICY STATEMENT

It is Seller's policy to discourage speculation and to provide as many people as possible with the opportunity for home ownership. Thus, Seller desires to sell homes only to people who intend to own and occupy the home as their primary residence for a minimum of one (1) year from the close of escrow.

Consistent with this policy, the undersigned Buyer(s) (referred to herein in the singular as either "I" or "me"), (a) represent that I intend to occupy the home ("Property") which I am acquiring from Seller in this project as my principal residence for a minimum of one (1) year from the close of escrow of the Property (the "One Year Occupancy Period") and to hold title to the Property in fee simple during the One Year Occupancy Period and (b) agree that these representations will be incorporated into an Addendum to the Master Agreement. Further, I acknowledge that the foregoing representation is a material inducement to Seller to sell the Property to me in view of Seller's stated objective of avoiding the sale of homes to speculative purchasers.

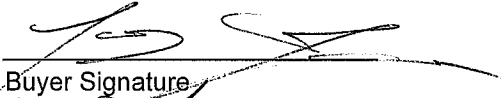
I understand and agree that Seller has the unilateral right, in its sole discretion, to cancel the Purchase Agreement and/or to rescind any sale to me (except in the event of a hardship as defined in the Addendum), if I take or have taken any of the following actions:

- A. Assign my Purchase Agreement to another person prior to close of escrow.
- B. Advertise, list or otherwise offer the Property for sale or rent to others at a time or manner which would result in my failure or inability to reside in the Property for the full One Year Occupancy Period.
- C. Enter an agreement to sell or rent the Property which would result in my failure to comply with the requirements of the One Year Occupancy Period.
- D. Take any other action which indicates to Seller that I do not have a bona fide intention of residing in the Property as my principal residence for the full One Year Occupancy Period.

If Seller suffers damages of any nature as a result of the falsity of my representations set forth above or the breach of my agreement to occupy the Property as my principal residence for the One Year Occupancy Period, I agree to indemnify and hold Seller harmless from any and all such damages, including without limitation, attorneys' fees.

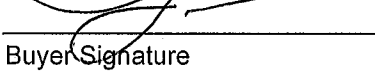
The failure of Seller to enforce any of its rights hereunder on any occasion shall not constitute a waiver of the right to enforce the same thereafter.

Taylor Jackson
Buyer Name (print)


Buyer Signature

7/9/2011
Date

Valerie Jackson
Buyer Name (print)


Buyer Signature

7/9/2011
Date

Buyer Name (print)

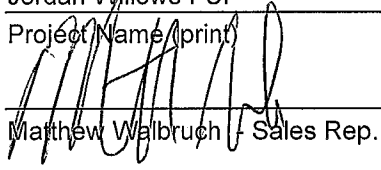
Buyer Signature

Date

Jordan Willows FUI
Project Name (print)

004
Phase

0672
Lot Number


Matthew Walbruch - Sales Rep.

Buyer's Initials: 