

# ADDENDUM NO. TWO TO REAL ESTATE PURCHASE CONTRACT

**THIS IS AN**  **ADDENDUM**  **COUNTEROFFER** to that REAL ESTATE PURCHASE CONTRACT (the "REPC") with an Offer Reference Date of 29th day of October, 2020 including all prior addenda and counteroffers, between CW Urban or Assigns as Buyer, and Pineview Waterside LLC as Seller, regarding the Property located at 6391 E Highway 39, Huntsville, Weber County Ut 84317. The following terms are hereby incorporated as part of the REPC:

1. Purchase price to be \$1.5 million.
2. If Buyer receives approval of 20 units or more, purchase price to be \$1.6 million.
3. Seller shall convey water and sewer connections per attached Water and Sewer Connections Agreement dated September 6th, 2019 between Pineview Waterside LLC, Lakeview Water Corporation and Mountain Sewer Corporation.

To the extent the terms of this ADDENDUM modify or conflict with any provisions of the REPC, including all prior addenda and counteroffers, these terms shall control. All other terms of the REPC, including all prior addenda and counteroffers, not modified by this ADDENDUM shall remain the same.  **Seller**  **Buyer** shall have until 8:00  **AM**  **PM** Mountain Time on November 05, 2020 (Date), to accept the terms of this ADDENDUM in accordance with the provisions of Section 23 of the REPC. Unless so accepted, the offer as set forth in this ADDENDUM shall lapse.

DocuSigned by:  
Jon Hansen, manager 11/3/2020  
 Buyer  Seller Signature (Date) (Time)  Buyer  Seller Signature (Date) (Time)

### ACCEPTANCE/COUNTEROFFER/REJECTION

**CHECK ONE:**

- ACCEPTANCE:**  **Seller**  **Buyer** hereby accepts the terms of this ADDENDUM.  
 **COUNTEROFFER:**  **Seller**  **Buyer** presents as a counteroffer the terms of attached ADDENDUM NO. \_\_\_\_.

DocuSigned by:  
Colin Wright 11/5/2020  
 (Signature) DA36B66077F246E... (Date) (Time) (Signature) (Date) (Time)

**REJECTION:**  **Seller**  **Buyer** rejects the foregoing ADDENDUM.

(Signature) (Date) (Time) (Signature) (Date) (Time)

THIS FORM APPROVED BY THE UTAH REAL ESTATE COMMISSION AND THE OFFICE OF THE UTAH ATTORNEY GENERAL,  
EFFECTIVE JANUARY 1, 2020. IT REPLACES AND SUPERSEDES ALL PREVIOUSLY APPROVED VERSIONS OF THIS FORM.

Buyer's Initials <sup>DS</sup>  
CW Seller's Initials <sup>DS</sup>  
JHM

## WATER AND SEWER CONNECTIONS AGREEMENT

(Lakeview Water Corporation / Mountain Sewer Corporation)

THIS WATER AND SEWER CONNECTIONS AGREEMENT (this "Agreement") is made as of the 6<sup>th</sup> day of September, 2019 (the "Effective Date"), by and between PINEVIEW WATERSIDE LLC, a Utah limited liability company with a mailing address of 3051 W. Maple Loop Drive, Suite 325, Lehi, Utah 84043, its successors and assigns (the "Owner"), LAKEVIEW WATER CORPORATION, a Utah corporation with a mailing address of 5393 East 3850 North, Eden, Utah 84310 ("Lakeview Water"), and MOUNTAIN SEWER CORPORATION, a Utah corporation with a mailing address of 5393 East 3850 North, Eden, Utah 84310 ("Mountain Sewer"). Owner, Lakeview Water and Mountain Sewer are individually referred to as a "Party" and collectively referred to as the "Parties".

### RECITALS

A. Owner is the fee simple owner of that certain parcel situated at the corner of Utah State Highway 39 and Old Snowbasin Road located near Huntsville, Utah consisting of approximately 3.22 acres, which is identified as Weber County Parcel No. 20-036-0035 and is more particularly identified by the legal description that is attached to and made part of this Agreement as Exhibit "A" (the "Parcel").

B. Owner intends to develop the Parcel to include thirteen (13) lots (the "Lots") for single family residential houses (the "Project").

C. Lakeview Water is a privately-owned and operated utility company that provides water service to residential and commercial developments in the Huntsville area. Mountain Sewer is a privately-owned utility company that provides sewer service for the collection, treatment and disposal of sewage in the Huntsville area.

D. Owner wishes to obtain residential water connections and service from Lakeview Water and residential sewer connections and service from Mountain Sewer for each of the Lots in the Project.

NOW, THEREFORE, in consideration of the agreements and obligations set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Incorporation of Recitals. The above recitals are hereby incorporated into this Agreement as if fully set forth herein.

2. Water Impact Fee. Owner agrees to deliver to Lakeview Water an impact fee in the amount of One Hundred Thousand Dollars (\$100,000) (the "Water Impact Fee"). Lakeview Water intends to use the Water Impact Fee to pay various costs related to future expansion and maintenance of Lakeview Water's infrastructure as Lakeview Water deems necessary to provide the Project with water service including, for example but without limitation, increasing the size of the water line that currently connects Lakeview Water's ground wells to the container reservoirs that comprise the Lakeview Water gravity-fed system. Owner acknowledges and agrees that Lakeview Water may use the Water Impact Fee in Lakeview Water's sole discretion and will have no obligation to account for, or report to Owner, the manner in which all or any portion of the Water Impact Fee may be utilized. Notwithstanding the foregoing, Lakeview



Water covenants and agrees that: (i) it will provide water connections and water service to the Project as required Weber County, Utah, and any relevant governmental authority, (ii) the water service will be delivered in accordance with applicable codes, laws, regulations and ordinances, and (iii) any water system infrastructure and improvements owned, operated and maintained by Lakeview Water (which does not include the Project Water/Sewer Infrastructure, as defined below) will be designed, constructed and operated in accordance with applicable codes, laws, regulations and ordinances.

3. Sewer Impact Fee. Owner agrees to deliver to Mountain Sewer an impact fee in the amount of Eight Thousand Five Hundred Dollars (\$8,500) (the "Sewer Impact Fee"). Mountain Sewer will use the Sewer Impact Fee to pay various costs related to expansion and maintenance of Mountain Sewer's infrastructure in order to provide the Project with sewer service including, for example but without limitation, expanding the capacity of the lift station that will provide sewer service to the Project. Owner acknowledges and agrees that Mountain Sewer may use the Sewer Impact Fee in Mountain Sewer's sole discretion and will have no obligation to account for, or report to Owner, the manner in which all or any portion of the Sewer Impact Fee may be utilized. Notwithstanding the foregoing, Mountain Sewer covenants and agrees that: (i) it will provide sewer connections and sewer service to the Project as required by Weber County, Utah, and any other relevant governmental authority, (ii) the sewer service will be delivered in accordance with applicable codes, laws, regulations and ordinances, and (iii) any sewer system infrastructure and improvements owned, operated and maintained by Mountain Sewer (which does not include the Project Water/Sewer Infrastructure, as defined below) will be designed, constructed and operated in accordance with applicable codes, laws, regulations and ordinances.

4. Water Connections Fee. Owner agrees to deliver to Lakeview Water a connection fee of Three Thousand Five Hundred Dollars (\$3,500) for each of the Lots located within the Project totaling Forty-Five Thousand Five Hundred Dollars (\$45,500) (the "Water Connections Fee"). Lakeview Water will use a portion of the Water Connections Fee to purchase the Unit Meters described under Section 11, below.

5. Sewer Connections Fee. Owner agrees to deliver to Mountain Sewer a connection fee of Five Thousand Dollars (\$5,000) for each of the Lots located within the Project totaling Sixty-Five Thousand Dollars (\$65,000) (the "Sewer Connections Fee").

6. Total Payment. Owner agrees to deliver to Lakeview Water and Mountain Sewer the total amount of the Water Impact Fee, the Sewer Impact Fee, the Water Connections Fee, and the Sewer Connections Fee totaling Two Hundred Nineteen Thousand Dollars (\$219,000) (the "Total Payment") as follows:

(a) Owner will pay half of the Total Payment by delivering Seventy-Two Thousand Seven Hundred Fifty Dollars (\$72,750) to Lakeview Water and Thirty-Six Thousand Seven Hundred Fifty Dollars (\$36,750) to Mountain Sewer (collectively, the "Initial Payment"). The Initial Payment will be made in two installments: (i) the Owner will pay the first installment immediately upon the Parties' execution of this Agreement by delivering Sixteen Thousand Six Hundred and Ten Dollars (\$16,610) to Lakeview Water and Eight Thousand Three Hundred Ninety Dollars (\$8,390) to Mountain Sewer (collectively, the "First



Installment"); (ii) the Owner will pay the second installment by September 20, 2019 by delivering Fifty-Six Thousand One Hundred and Forty Dollars (\$56,140) to Lakeview Water and Twenty-Eight Thousand Three Hundred and Sixty Dollars (\$28,360) to Mountain Sewer (collectively, the "Second Installment"). Owner acknowledges and agrees that the entire Initial Payment is non-refundable.

(b) No later than February 14, 2020 (the "Final Payment Date"), Owner will pay the remaining portion of the Total Payment by delivering Seventy-Two Thousand Seven Hundred Fifty Dollars (\$72,750) to Lakeview Water and Thirty-Six Thousand Seven Hundred Fifty Dollars (\$36,750) to Mountain Sewer (collectively, the "Final Payment").

7. Will-Serve Letters. Promptly upon the Parties' execution and delivery of this Agreement, and Owner's delivery of the Initial Payment as required under Section 6(a), Lakeview Water and Mountain Sewer shall each provide Owner with a "will-serve" letter (the "Will-Serve Letters") confirming that, pursuant to this Agreement, Lakeview Water and Mountain Sewer will provide the agreed upon residential water and sewer connections for each of the Lots located within the Project. The Will-Serve Letters shall be in form and substance satisfactory to both Weber County and Owner for purposes of the Project.

8. Final Payment Required. Notwithstanding delivery of the Will-Serve Letters to the Owner as set forth under Section 7, Lakeview Water and Mountain Sewer will have no obligation whatsoever to deliver the Unit Meters to Owner or to provide any water or sewer service whatsoever to the Project unless and until Owner has delivered the Final Payment as required under Section 6(b).

9. Location of "Stubbed" Water Connection. Owner acknowledges and agrees that:

(A) The connection providing water service to the Project will be "stubbed" to a boundary line along the east side of the Parcel.

(B) Lakeview Water will make reasonable efforts to "stub" the water connection to a particular location on the eastern boundary line of the Parcel as requested by Owner, although the exact location may be significantly or entirely dictated by existing utility easements and/or existing water system infrastructure.

(C) Lakeview Water will physically "stub" the water connection in the same or similar manner as Lakeview Water typically "stubs" water connections for residential subdivisions, provided the construction and installation complies with applicable codes, laws, regulations and ordinances.

10. Location of "Stubbed" Sewer Connection. Owner acknowledges and agrees that:

(A) The connection providing sewer service to the Project will be "stubbed" to a boundary line along the west side of the Parcel.

- (B) Mountain Sewer will make reasonable efforts to “stub” the sewer connection to a particular location on the western boundary line of the Parcel as requested by Owner, although the exact location may be significantly or entirely dictated by existing utility easements and/or existing sewer system infrastructure.
- (C) Mountain Sewer will physically “stub” the sewer connection in the same or similar manner as Mountain Sewer typically “stubs” sewer connections for residential subdivisions, provided the construction and installation complies with applicable codes, laws, regulations and ordinances.

11. Unit Meters. Lakeview Water will deliver to Owner thirteen (13) water meters which will measure the amount of water used by each house in the Project (the “Unit Meters”). Owner or its applicable successor will be solely responsible for causing a Unit Meter to be installed during the construction of each house on a Lot and will pay all costs of such installation. Lakeview Water shall have the right, but shall not be obligated, to inspect each Unit Meter at any time following installation. Regardless of whether or not Lakeview Water elects to inspect all or any of the Unit Meters, Owner is solely responsible for ensuring the Unit Meters have been properly installed consistent with any applicable building, plumbing and safety codes, or any other applicable rules, regulations, laws or ordinances.

12. Water and Sewer Infrastructure/Improvements. Owner acknowledges and agrees that, with the sole exception of Lakeview Water delivering the Unit Meters to Owner as described under Section 11, Lakeview Water and Mountain Sewer shall have absolutely no responsibility or liability whatsoever for the cost, design, planning, construction, installation, operation, maintenance, repair and/or replacement of any portion of any water or sewer system infrastructure or improvements located within the Parcel including, without limitation, any such infrastructure or improvements that may be constructed or installed as part of the Project (collectively, the “Project Water/Sewer Infrastructure”). After the Project has been completed, Owner may transfer ownership and/or assign or designate responsibility for the operation, maintenance, repair and replacement of such Project Water/Sewer Infrastructure to a homeowners association.

13. Number of Connections. Owner is prohibited from connecting water and/or sewer service to any other part of the Project other than the 13 Lots; *provided, however*, that in the event Weber County requires open space (or similarly designated space) in connection with the Project, Lakeview Water will supply an additional connection and water service (“Open Space Water Connection”) for the irrigation of such space at a total cost to Owner not to exceed \$3,500. The Open Space Water Connection will be separately metered and billed either to the Owner or an assignee or designee of the Owner, such as a homeowners association.

14. Residential Service Only. Owner acknowledges and agrees that the water and sewer services described under this Agreement are for residential purposes only. Owner is strictly prohibited from utilizing such water and/or sewer service for commercial use or any other use that has not been explicitly approved by Lakeview Water and/or Mountain Sewer in advance and in writing (which approval may be denied in Lakeview Water’s and Mountain Sewer’s sole discretion).



15. Water Connections Only. Owner acknowledges, understands and agrees that this Agreement solely contemplates and provides for the Owner's purchase of water connections and delivery of water from Lakeview Water to the Project. Nothing in this Agreement shall be interpreted or construed to contemplate or provide for the purchase or sale of any water rights, water shares, or water certificates that may, at any time, be held, owned or controlled by Lakeview Water.

16. Water Rights; Infrastructure; Water Quality. Lakeview Water hereby warrants and represents to the Owner that Lakeview Water owns sufficient water rights, water shares, or water certificates (collectively, the "Water Rights") to provide the Project with sufficient water for all of the Lots. Moreover, Lakeview Water represents, warrants and covenants that it has or will have, no later than three (3) months following the Final Payment Date, the capacity, systems, facilities and infrastructure necessary to lift, store and deliver water to the Project. In addition, Lakeview Water represents, warrants and agrees that the water to be provided does and shall at all relevant times meet or exceed the drinking water standards promulgated by the relevant governmental authorities including, without limitation, the Utah Division of Water Rights.

17. Project Use Only. Owner acknowledges, understands and agrees that the water and sewer connections and services provided by Lakeview Water and Mountain Sewer pursuant to this Agreement may only be used for the Lots and open space (if any) that comprise the Project. Owner is prohibited from offering, selling or allowing such water and sewer connections or services to be used for any purposes whatsoever beyond the Parcel boundaries (e.g. irrigation of any land that surrounds the Parcel, providing water/sewer services to homes that are not part of the Project, etc.).

18. Maintenance, Repair, and Condition of Connections and Off-Site Systems. Lakeview Water warrants and represents to the Owner that the off-site water systems and relevant connections owned by Lakeview Water are in good working order and are able to deliver water to the Project. Mountain Sewer warrants and represents to the Owner that the off-site sewer systems and relevant connections owned by Mountain Sewer are in good working order and are able to handle sewer service to the Project. Lakeview Water and Mountain Sewer covenant and agree that they will maintain their respective systems and connections (including connections to the Project) including the repair of any faults, defects or errors in their respective systems and connections, in good working order, and remain in compliance with all applicable laws, regulations, codes and ordinances. Owner understand, acknowledges and agrees that the requirements of this Section 18 do not apply to any of the Project Water/Sewer Infrastructure, which is not owned by (and therefore will not be operated, maintained, repaired or replaced by) Lakeview Water or Mountain Sewer.

19. Due Organization; Valid Existence; Non-Contravention; Authorization. Each Party represents and warrants that it is duly organized and validly exists in good standing in the state in which it is organized and that this Agreement has been duly authorized by all necessary corporate or other applicable actions. Moreover, each Party represents and warrants that neither this Agreement nor the performance of any obligation hereunder violates or contravenes any law, organizational document, contract or agreement that is binding upon or applicable to such Party. The person executing and delivering this Agreement on behalf of each Party has been duly authorized to execute and deliver this Agreement and to take such other actions as may be necessary or appropriate to consummate the transactions contemplated hereunder.

20. Notices. All notices or other communications that may be required under this Agreement must be in writing and must be sent to each Party at that Party's mailing address provided in the opening paragraph to this Agreement.

21. Entire Agreement. This Agreement contains the entire understanding of the Parties with regard to the matters addressed herein and supersedes all prior and contemporaneous agreements and understandings, oral and written, between the Parties regarding such subject matter.

22. Severability. If any term of this Agreement is held to be invalid, illegal or unenforceable, such term shall be excluded to the extent of such invalidity or unenforceability; all other terms of this Agreement shall remain in full force and effect.

23. Waiver. No failure by any Party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute waiver of any such breach of any other covenant, duty, agreement or condition.

24. No Construction Against Drafter. This Agreement has been negotiated, reviewed and/or prepared by the Parties and their respective legal counsel. Should any provision of this Agreement require judicial interpretation, the court interpreting or construing the provision shall not apply the rule of construction that a document is to be construed more strictly against one party, including the party responsible for drafting or causing the drafting of the agreement.

25. Successors and Assigns. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. The Owner shall be permitted to assign this Agreement, in whole or in part, to any buyer who buys all or a portion of the Project from the Owner, or to another entity affiliated with the Owner, without the prior written consent of the other Parties. Otherwise, this Agreement shall not be assigned by any Party without the prior written consent of the other Parties, and any assignment without such written consent shall be null and void. This Agreement is not intended to benefit, and shall not run to the benefit of or be enforceable by, any other person or entity other than the Parties and their successors and permitted assigns.

26. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

27. Further Assurances. Each Party shall do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, as the other party may reasonably request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

28. Headings. Any headings utilized in this Agreement are for convenience only and do not affect the interpretation of this Agreement.



29. Attorneys' Fees. In connection with any litigation, mediation, arbitration, special proceeding or other proceeding arising out of or relating to this Agreement, the prevailing Party shall be entitled to recover its litigation-related costs and reasonable attorneys' fees (through and including any appeals and post-judgment proceedings) from the non-prevailing Party or Parties.

30. Governing Law / Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Utah without reference to the conflict of law provisions thereof. Any disputes arising out of or related to this Agreement shall be addressed and resolved in Weber County, Utah.

IN WITNESS WHEREOF, the Parties have executed this Agreement and thereby caused this Agreement to be effective as of the Effective Date set forth above.

**OWNER:**

PINEVIEW WATERSIDE LLC,  
a Utah limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**LAKEVIEW WATER:**

LAKEVIEW WATER CORPORATION,  
a Utah corporation

By: Ray Bowden  
Name: Ray Bowden  
Title: President

**MOUNTAIN SEWER:**

MOUNTAIN SEWER CORPORATION  
a Utah corporation

By: Ray Bowden  
Name: Ray Bowden  
Title: President





Exhibit "A"  
to  
Water and Sewer Connections Agreement

Legal Description of Parcel

PART OF THE SOUTHWEST QUARTER OF SECTION 13 AND THE NORTHWEST QUARTER OF SECTION 24, TOWNSHIP 6 NORTH, RANGE 1 EAST, SALT LAKE BASE & MERIDIAN, US SURVEY, BEGINNING AT A POINT ON THE PROPOSED SOUTHERLY RIGHT OF WAY LINE OF STATE HIGHWAY U-39 WHICH IS 50.00 FEET PERPENDICULARLY DISTANT SOUTH FROM THE CENTERLINE OF SAID STATE HIGHWAY U-39 AND 42.00 FEET PERPENDICULARLY DISTANT WEST FROM THE CENTERLINE OF SNOW BASIN ROAD, SAID POINT ALSO BEING 720.02 FEET SOUTH 89D36'57" EAST ALONG THE NORTH SECTION LINE OF SAID SECTION 24 AND 41.13 FEET SOUTH FROM THE NORTHWEST CORNER OF SAID SECTION 24, AND RUNNING THENCE TWO (2) COURSES ALONG THE PROPOSED WESTERLY RIGHT OF WAY LINE OF SNOW BASIN ROAD AS FOLLOWS: SOUTH 4D48'23" WEST 312.86 FEET AND SOUTHWESTERLY ALONG THE ARC OF A 1134.18 FOOT RADIUS CURVE TO THE RIGHT A DISTANCE OF 117.20 FEET (CENTRAL ANGLE EQUALS 5D55'15" AND LONG CHORD BEARS SOUTH 7D46'00" WEST 117.15 FEET) THENCE NORTH 77D56'13" WEST 457.05 FEET, THENCE NORTH 12D03'47" EAST 156.00 FEET, THENCE SOUTH 77D56'13" EAST 158.81 FEET, THENCE NORTH 13D01'42" EAST 259.93 FEET TO A NON-TANGENT CURVE 50.00 FEET PERPENDICULARLY DISTANT FROM THE CENTERLINE OF SAID STATE HIGHWAY U-39, THENCE SOUTHEASTERLY ALONG THE ARC OF A 1959.86 FOOT RADIUS CURVE TO THE LEFT A DISTANCE OF 245.98 FEET (CENTRAL ANGLE EQUALS 7D11'28" AND LONG CHORD BEARS SOUTH 80D34'02" EAST 245.82 FEET) TO THE POINT OF BEGINNING.

Exhibit "A" 