

**RIGHT-OF-WAY AND SNOW STORAGE
EASEMENT AGREEMENT**

KNOW ALL MEN BY THESE PRESENTS, effective this ___ day of _____, 2014, that for Ten Dollars (\$10.00) and other good and valuable consideration, receipt whereof being hereby acknowledged by **Billie C. Schmidt**, of 4055 E. Post Road, Las Vegas, Nevada 89120, hereinafter called the "Grantor", hereby grants and conveys to **The Ridges at Chalet Village Homeowners Association** of 415 N. Main, Cedar City, Utah 84720, and its successors and assigns, hereinafter called the "Grantee", the following easement ("Easement"):

- (i) a non-exclusive right-of-way easement in, under, on, over, across, and through that property described as "Easement 2" on **Exhibit A**, attached hereto and incorporated herein, for the sole right to:

use for ingress and egress and for the right to plow, cast and store snow that has fallen in adjacent private rights-of-way, for ingress and egress for maintenance of Grantee's property and to allow a pre-existing encroachment of the corner of a recreation deck. Restrictions: 1) erecting a structure upon the easement, 2) excessive debris on the easement (i.e. trash, materials, uncontrolled fill); and 3) cutting down trees with a trunk larger than 6" in diameter without Grantor's written permission.

Grantee shall have the right to use that property described as "Easement 2" on **Exhibit A** for those purposes described above in item (i) and shall have no right to use Easement 2 for any other use. Grantee shall pay Grantor \$200 per year in advance for the uses provided in this Easement which amount shall be adjusted as provided herein. The first yearly Easement Fee in the amount of \$200 is due October 1, 2013. The yearly Easement Fee shall be paid on or before October 1st of each and every year thereafter. The yearly Easement Fee shall increase by three percent (3%) beginning with the October 1, 2018 payment and shall increase by an additional three percent (3%) each and every fifth year thereafter. For example, the October 1, 2018 yearly Easement Fee shall be increased from \$200 to \$206 and shall remain at \$206 each and every year thereafter until October 1, 2023, when it shall increase by another three percent (3%) to \$212.18 and shall remain at \$212.18 for the next five years when it shall increase by another three percent (3%) on October 1, 2028, etc.

Grantee shall repair any damage resulting from Grantee's construction on and use of the Easement as contemplated by this agreement. All work performed within the Easement by Grantee shall be performed in such a manner as to minimize interference with the use and enjoyment of the Easement by Grantor.

Grantee shall deliver to Grantor a Certificate of General Liability Insurance in the amount of \$1 million per occurrence, \$2 million in the aggregate naming Grantor as an additional insured to the policy and maintain said policy during the term of this Easement Agreement.

Grantor represents, warrants, covenants and agrees that it has good, right and lawful authority to execute and deliver this instrument. Grantor hereby further reserves unto itself, its heirs, successors and assigns, the right to grant additional easement in, under, over and across the Easement for any purpose as Grantor deems necessary in Grantor's sole discretion provided such additional easement do not materially impair, interfere with or obstruct the use of the Easement by Grantee.

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Grantee shall fully exonerate, indemnify and hold harmless Grantor from any and all claims, demands, damages, actions, causes of actions, suits, threats, liabilities, obligations, liens, costs, expenses and fees of any nature, character and description which arise out of Grantee's storage of snow on Grantor's property. Grantee shall indemnify, save and hold Grantor harmless from any loss, attorney fees, claim and liability arising out of, or attributable to the use of the Easement by Grantee, its employees, agents, invitees, contractors and representatives.

Grantor makes no representations or warranties, express or implied, in connection with this grant and the Easement, whether of title, fitness of use, condition, purpose, or of any other nature. Grantor represents and warrants that Grantor has the authority to grant the Easement contained herein. Grantee accepts each Easement in each of its present condition, "as-is", "where-is" and "with all faults" and subject to any and all existing liens, encumbrances, charges, easement, rights and covenants, conditions and restrictions of record.

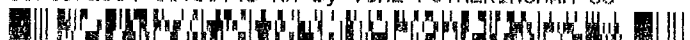
Termination Provision: Upon thirty (30) days written notice to the address written above or to a substituted address giving to Grantor by Grantee in writing, Grantor shall have the right to terminate this Easement for Grantee's failure to pay annual fees; violation of restrictions regarding excessive debris on the easement (i.e. trash, materials, uncontrolled fill), erecting a structure upon the Easement; not maintaining a Certificate of General Liability Insurance in the amount of \$1 million dollars per occurrence, \$2 million dollars in the aggregate and naming Grantor as an additional insured to the policy, or; cutting down trees with a trunk larger than 6" in diameter without Grantor's written permission. The provisions of this Easement do not go into effect until proof of insurance is delivered to Grantor. If, at any time, proof of insurance has been rescinded, this Easement may be terminated if after written notice Grantee does not have insurance reinstated and provide proof thereof to Grantor within ten (10) days. Except for the insurance provisions above, if, after the thirty (30) days written notice of default has been delivered to Grantee, the default by Grantee has not been cured, Grantor, in its absolute discretion may record a Notice of Termination of Easement terminating Grantee's easement under this Easement. Upon termination as specified herein, Grantor retains the right to pursue any and all other remedies which may be available to Grantor.

Partial Termination Provision: Grantor upon development of Grantor's property shall have the unilateral right to withdraw from, and terminate, a portion of Easement 1 necessary for the access and development of Grantor's property.

If any party is required to take action to enforce the terms and conditions of this Agreement, the defaulting party agrees to pay all costs incurred by the non-defaulting party, including attorney's fees whether suit is brought or not. This Easement shall be interpreted and enforceable under the laws of the State of Utah.

Mediation Clause. Within thirty (30) days of any party giving notice to the other of a dispute arising out of or related to this Agreement, or any party's performance hereunder, the parties shall engage in at least eight (8) hours of mediation before a mutually-acceptable mediator. Unless a party fails to participate in, and conclude the mediation process within such 30-day period, no party may initiate arbitration, litigation or any other binding or adjudicative dispute resolution process until mediation has first occurred. If the parties cannot agree upon a mediator, each party shall appoint a nominee and the nominees shall then collectively meet and appoint one mediator. The parties shall: (i) mediate in good faith; (ii) exchange all documents which each believes to be relevant and material to the issue(s) in dispute; (iii) exchange written position papers stating their position on the dispute(s) and outlining the subject matter and substance of the anticipated testimony of persons having personal knowledge of the facts underlying the dispute(s); and (iv) engage and cooperate in such further

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discovery as the parties agree or mediator suggests may be necessary to facilitate effective mediation. The fees of the mediator shall be shared equally by the parties. Venue of the mediation shall be the State of Utah. This provision shall be specifically enforceable according to its terms, including but not limited to an action to compel mediation. Any Notice required to be given under this Agreement shall be deemed received within three (3) days from the date placed in the U.S. regular mail or the date received if given by overnight mail, email or facsimile transmission.

Any Notice required to be given under this Agreement shall be deemed received within three (3) days from the date placed in the U.S. regular mail or the date received if given by overnight mail, email or facsimile transmission.

The within grants are easement running with the land and shall be perpetual so long as they are used for the above-described purposes. This Agreement shall be binding on the parties hereto, their heirs, successors and assigns.

IN WITNESS WHEREOF, we have hereunto set our hand this ____ day of _____, 2014, hereby waiving and releasing all rights under and by virtue of the homestead exemption laws of the State of Utah.


GRANTOR:

GRANTEE:
The Ridges at Chalet Village
Homeowners Association

Billie C. Schmidt
Billie C. Schmidt

By: _____
Name: _____
Title: _____

(Notary Page on Following Page)

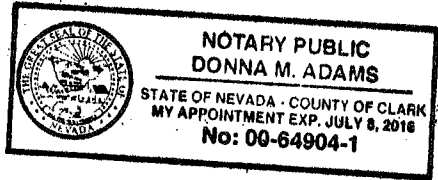
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B: 1289 P: 1411 Fee \$26.00
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STATE OF Nevada)
County of Clark) ss.

On the 23 day of April, 2014, personally appeared before me Billie C. Schmidt, the signer of the foregoing instrument, who duly acknowledged before me that he executed the same.

Donna M. Adams
NOTARY PUBLIC

STATE OF _____)
County of _____) ss.

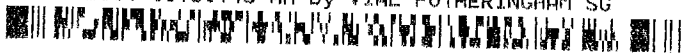


On this ___ day of _____, 2014, personally appeared before me _____, who is personally known to me (or satisfactorily proved to me), and who being by me duly sworn did say that he/she is the _____ of The Ridges at Chalet Village Homeowners Association, a Utah corporation, and that he/she executed the foregoing Right-Of-Way And Snow Storage Easement Agreement on behalf said corporation by authority of a resolution of its Board of Directors, and he/she acknowledged before me that the corporation executed the same for the uses and purposes stated therein.

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B: 1289 P: 1412 Fee \$26.00
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discovery as the parties agree or mediator suggests may be necessary to facilitate effective mediation. The fees of the mediator shall be shared equally by the parties. Venue of the mediation shall be the State of Utah. This provision shall be specifically enforceable according to its terms, including but not limited to an action to compel mediation. Any Notice required to be given under this Agreement shall be deemed received within three (3) days from the date placed in the U.S. regular mail or the date received if given by overnight mail, email or facsimile transmission.

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The within grants are easement running with the land and shall be perpetual so long as they are used for the above-described purposes. This Agreement shall be binding on the parties hereto, their heirs, successors and assigns.

IN WITNESS WHEREOF, we have hereunto set our hand this 21 day of February, 2014, hereby waiving and releasing all rights under and by virtue of the homestead exemption laws of the State of Utah.

GRANTOR:

Billie C. Schmidt

GRANTEE:

The Ridges at Chalet Village
Homeowners Association

By: Donald L. Evans

Name: DONALD L. EVANS

Title: PRESIDENT

(Notary Page on Following Page)

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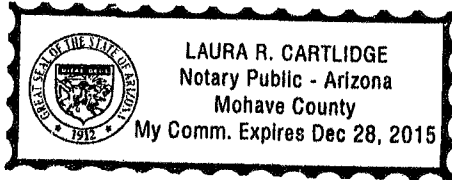
STATE OF _____)
) ss.
County of _____)

On the ____ day of _____, 2014, personally appeared before me Billie C. Schmidt, the signer of the foregoing instrument, who duly acknowledged before me that he executed the same.

NOTARY PUBLIC

STATE OF ARIZONA)
) ss.
County of MOHAVE)

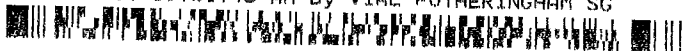
On this 21 day of February, 2014, personally appeared before me Donald L. Evans who is personally known to me (or satisfactorily proved to me), and who being by me duly sworn did say that he/she is the PRESIDENT of The Ridges at Chalet Village Homeowners Association, a Utah corporation, and that he/she executed the foregoing Right-Of-Way And Snow Storage Easement Agreement on behalf said corporation by authority of a resolution of its Board of Directors, and he/she acknowledged before me that the corporation executed the same for the uses and purposes stated therein.



[Signature]
NOTARY PUBLIC

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B: 1289 P: 1415 Fee \$26.00
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EXHIBIT "A"

Exhibit A

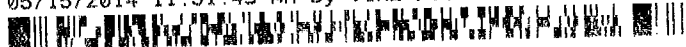
Beginning at a point being North 1,684.62 feet and East 1,168.50 feet from the Southwest Corner of Section 2, Township 36 South, Range 9 West, Salt Lake Base & Meridian, and running;

thence North 16°55'30" East 53.70 feet;
thence South 57°27'00" East 2.37 feet;
thence North 32°33'00" East 48.40 feet;
thence North 57°27'00" West 15.91 feet;
thence North 16°55'30" East 10.38 feet;
thence South 57°27'00" East 28.71 feet;
thence South 32°33'00" West 65.50 feet;
thence South 16°55'30" West 49.61 feet;
thence North 21°05'27" West 5.18 feet;
thence North 56°44'46" West 7.09 feet to the Point of Beginning.

Parcel # A-1150-0003-0001-02

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B: 1289 P: 1416 Fee \$28.00
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DATE: 1/15/2014
 JOB NO.: 0297-14
 DRAWN BY: B.E.A.
 DESIGNED BY: B.E.A.
 SCALE: 1"=20'
 DWG: SURVEY-BASE

| DATE | REVISIONS |
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ROSENBERG
 ASSOCIATES
 CIVIL ENGINEERS • LAND SURVEYORS

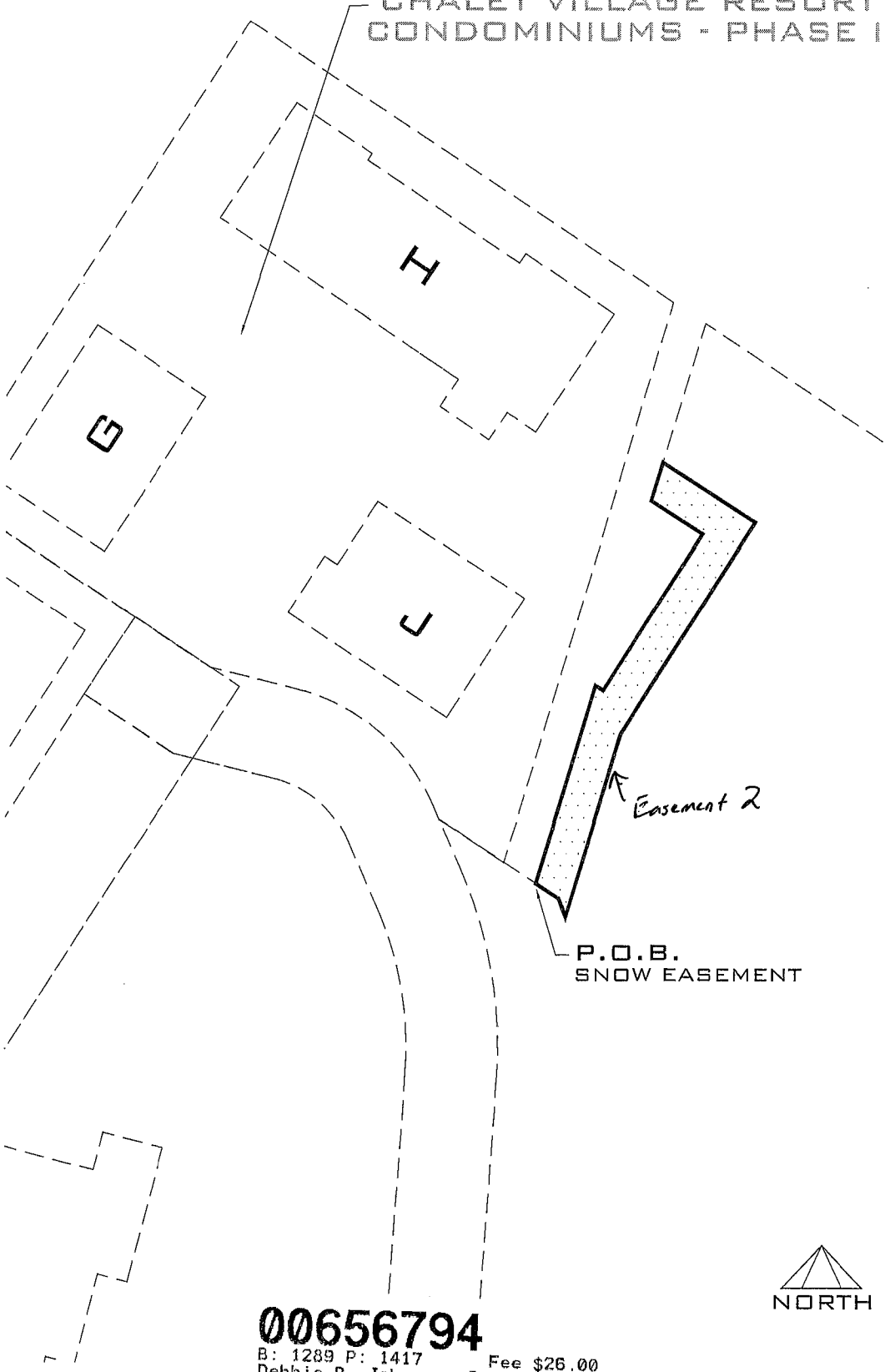


352 EAST RIVERBIDE
 DRIVL, SUITE A-2 ST.
 GEORGE, UTAH 84790
 PH (435) 673-8566
 FX (435) 673-8597
 WWW.RACIVIL.COM

EXHIBIT MAP

SHEET
1
 OF 1 SHEETS

CHALET VILLAGE RESORT CONDOMINIUMS - PHASE II



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