

## EASEMENT RIGHTS AND ASSIGNMENT AGREEMENT

THIS AGREEMENT is made this 3rd day of October, 2014, by and between Thunder Ridge Airpark LLC ("TRA"), Thunder Ridge Airpark Property Owners Association ("TRAPOA"), The Highlands at Thunder Ridge, LLC ("HTR"), and individually their successors in interest, collectively referred to herein as the "Grantee" and Bandanna Ranch Homeowners Association, (referred to herein as the "Grantor").

WHEREAS, Grantor is the owner of a certain runway easement shown in Appendix A and more fully described as the "6700 ft long Aircraft Landing Strip Easement" as shown on the Chuckwagon Phase, Bandanna Ranch Plat recorded at Duchesne County, (herein called the "Easement").

WHEREAS, Grantee has improved, operated, and maintained the runway contained within the Easement for the non-exclusive use of Grantee members, for more than seven years.

WHEREAS, Grantee and Grantor have entered into a Settlement Agreement dated October 2, 2014 that provides for a non-exclusive Easement assignment to the Grantee.

WHEREAS, as contained in the Settlement Agreement and for other good and valuable consideration, receipt of which is hereby acknowledged, Grantor and Grantee are willing to enter into an assignment of the Easement subject to the terms and conditions set forth herein.

NOW, THEREFORE, the parties hereto mutually agree as follows:

1. Grantor hereby grants a non-exclusive assignment of the Easement to the Grantee subject to the conditions, limitations, and responsibilities contained herein.
2. Grantor grants to Grantee the right to install, maintain, and operate facilities at or below runway grade within the Easement, and grants aircraft use of the runway by Grantee's members, employees, and guests (the "Operations"). Grantee agrees to assume sole responsibility for the Operations. Grantee agrees to repair any damage to Grantor's property occurring from Grantee's Operations. Grantee agrees to use reasonable efforts to implement policies and procedures to limit aircraft ground operations to the following:
  - a. General aviation aircraft shall be less than 10,000 lbs
  - b. An Aircraft shall contain at least one grantee member, employee, or guest.
  - c. Landings and takeoffs shall be between the ½ hour before sunrise and ½ hour after sunset.
3. Grantor reserves the right to use the easement in any manner and for any purpose not inconsistent with the aforesaid purpose.
4. Grantee agrees to defend, indemnify and hold harmless Grantor, its officers, agents and employees, from and against all claims, demands, judgments, costs and expenses (including reasonable attorney's fees) which may arise by reason of injury to any person or damage to any property attributable to the negligence of Grantee, Grantee's officers, agents and employees, in connection with Grantee's Operations.
5. Grantee shall carry reasonable and customary airpark aircraft operations insurance. A copy of the policy shall be provided to Grantor within 30 days of the beginning of each renewal period. The Easement rights of Grantee shall temporarily cease during the time period that insurance is lapsed, canceled, or not in effect.

6. This Agreement shall be subject to cessation upon the following: abandonment of the Easement or cessation of insurance, herein defined as a time period of any six (6) consecutive months, after which Grantor shall have the right to send certified notice to Grantee to cure or quit. Upon failure of Grantee to cure within 30 days of receipt of notice, this agreement is terminated and all interests granted herein shall revert to grantor, or its successor, upon such abandonment.

7. Each Grantee shall separately have the right to terminate this Agreement upon written notice to Grantor. The agreement shall continue in affect for the remaining Grantee's.

8. All notices shall be sent to the respective parties at the address stated below or to any subsequent provided address of record:

GRANTEE:

Tracy Livingston  
4320 E Lake Creek Farms Road  
Heber City, UT 84032

GRANTOR:

Bandanna Ranch Property Owners Association

Past Anlabaum - President

9. This Agreement may be amended from time to time, as may be necessary, by mutual consent of both parties; provided, however, that no amendment shall be effective unless in writing and signed by both parties.

10. All parties represent and warrant that they have the authority to execute this Easement Agreement.

IN WITNESS WHEREOF, the parties have executed this Easement Agreement to be effective on the day and year first above written.

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SIGNATURES APPEAR ON THE NEXT PAGE

GRANTEES:

Troy Livingston

Thunder Ridge Airpark POA

Its: President

Troy Livingston

Thunder Ridge Airpark, LLC

Its: Member Manager

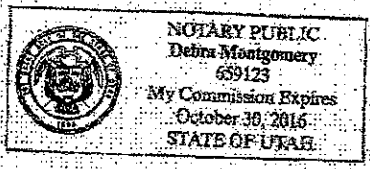
Troy Livingston

The Highlands at Thunder Ridge, LLC

Its: Member Manager

THIS IS TO CERTIFY that on this 3 day of Oct, 2014, before me, the undersigned Notary Public, in and for the State of Utah, duly commissioned and sworn as such, personally appeared the above persons and acknowledged to me the execution of the within Easement Agreement.

Debra Montgomery  
Notary Public



GRANTOR:

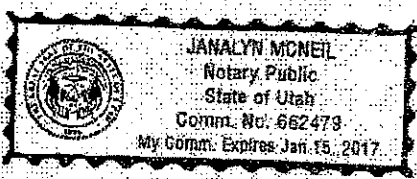
Pat Philabaum

Bandanna Ranch HOA

Its: President

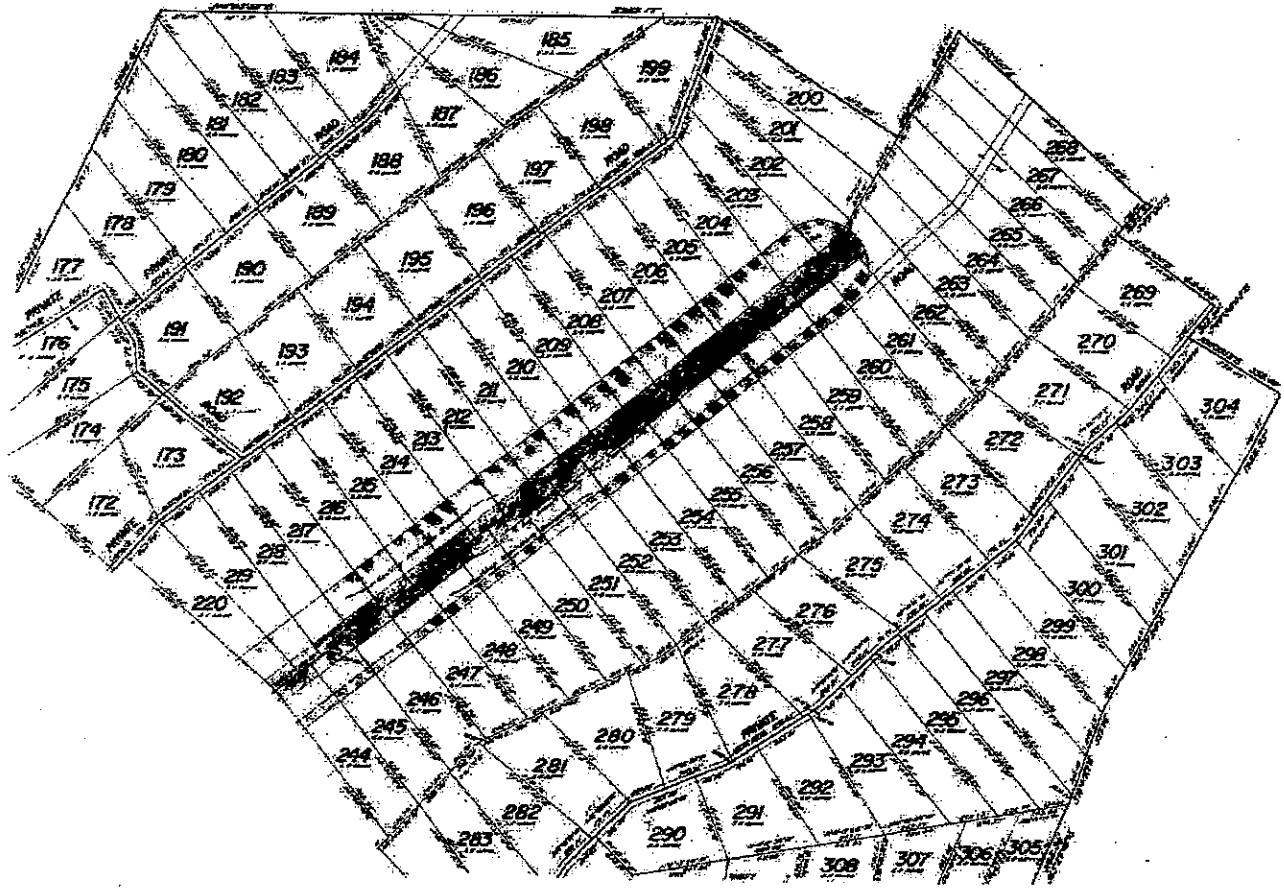
THIS IS TO CERTIFY that on this 22nd day of September, 2014, before me, the undersigned Notary Public, in and for the State of Utah, duly commissioned and sworn as such, personally appeared the above person and acknowledged to me the execution of the within Easement Agreement.

Janalyne McNeil  
Notary Public



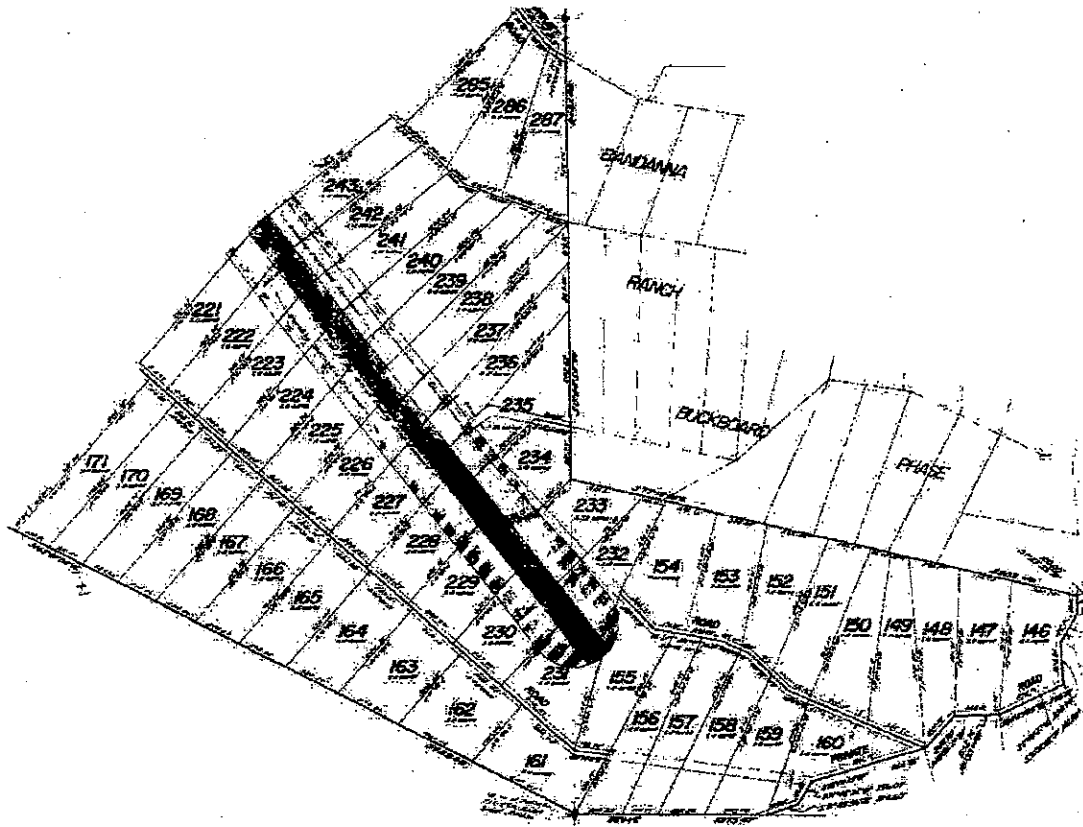
Appendix A:

Excerpt from Chuckwagon Plat – Northwest End of Runway



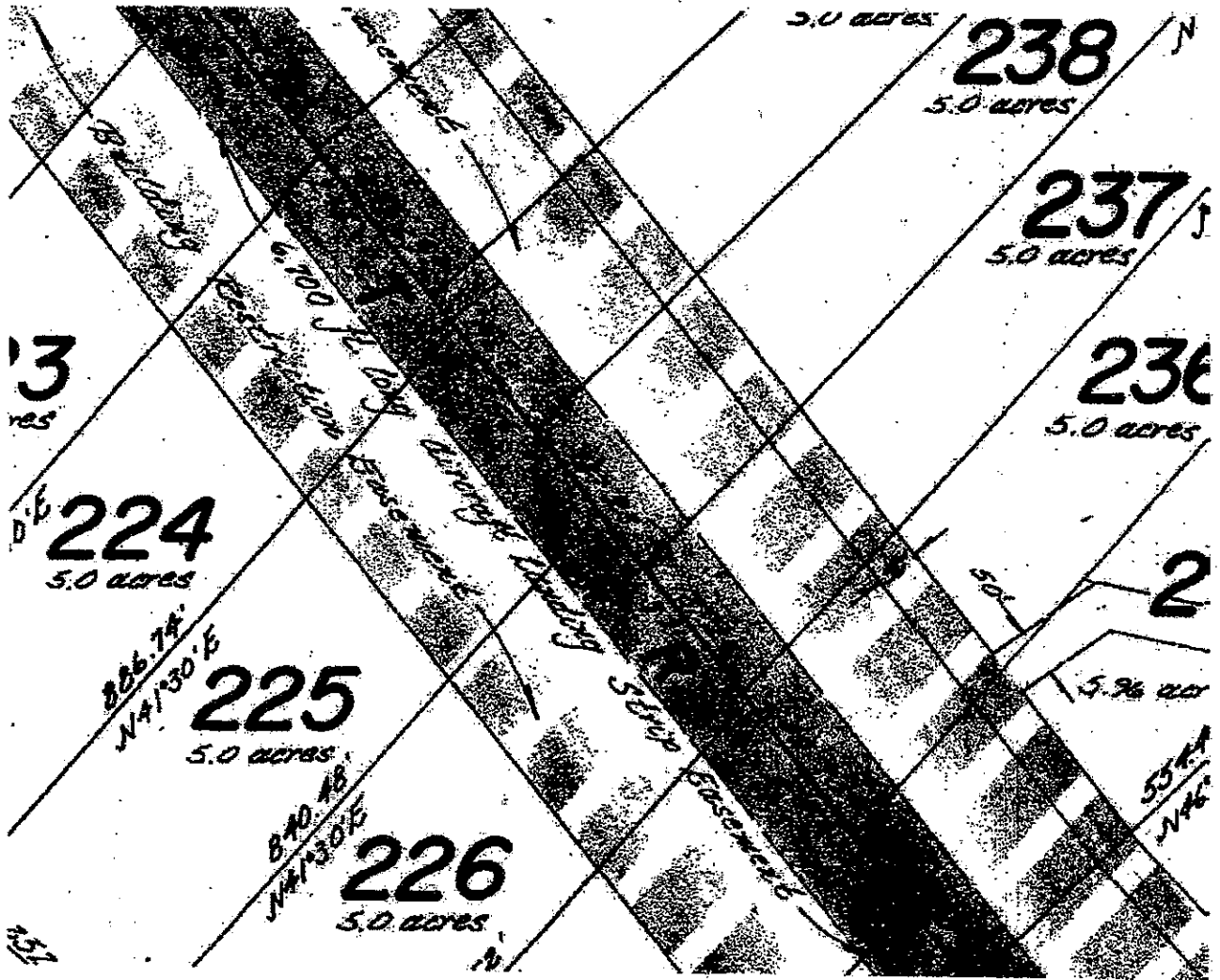
Appendix A continued:

Excerpt from Chuckwagon Plat - Southeast end of runway



Detailed Description, Bandanna Chuckwagon Plat

Describing Runway Easement



## SETTLEMENT AGREEMENT

This Settlement Agreement ("**Agreement**") is entered into as of the date signed below, by and between Thunder Ridge Airpark LLC ("**TRA**"), Thunder Ridge Airpark Property Owners Association ("**TRAPOA**"), The Highlands at Thunder Ridge, LLC ("**HTR**") and each of their successors and assigns collectively referred to herein as the "**TRA Parties**" with the Bandanna Ranch Home Owners Association ("**BRHOA**"), collectively referred to herein as the "**Parties**."

### RECITALS

A. WHEREAS, TRA or its affiliates own certain real property identified as Phase 1 lots 155-159, 200-202, 211, 212, 169-171, 192-195, 197, 198, bordering the improved Bandanna Ranch Road commonly known as Thunder Ridge Road and comprising 19 lots, and Phase 2 lots prior to the August 2014 plat amendment identified as lots 174-191, comprising 18 lots and after plat amendment comprising 4 lots identified as 174A, 177A, 181A, and 185A (collectively the "**Properties**"), with both Phase 1 and Phase 2 located within the master developed known as Bandanna Ranch, and subject to the Bandanna Ranch Declaration of Covenants, Conditions and Restrictions;

B. WHEREAS, a Dispute arose concerning the payment of certain assessments on the Properties levied by BRHOA against TRA (the "**Dispute**");

C. WHEREAS, BRHOA initiated a lawsuit against TRA as a result of the Dispute, which lawsuit is identified as Case No. 120800038 in the Duchesne Division of the Eighth District Court for Duchesne County (the "**Lawsuit**");

D. WHEREAS, HTR, owns property comprising Duchesne tax parcels 00-0034-9504, 00-0007-1914, 00-0007-1930, 00-0035-0536, and 00-0034-9502 comprising approximately 880 acres adjacent to Bandanna Ranch (the "**HTR Properties**").

E. WHEREAS, the Parties now desire to settle the matter without further litigation and further desire to formalize in writing the settlement terms in the Agreement below.

NOW THEREFORE in consideration of the mutual promises of the Parties set forth herein, the sufficiency and receipt of which is hereby acknowledged, the Parties covenant and agree as follows: