

## **MEADOW PARK Principals' Agreement**

THIS AGREEMENT between **REC, L.L.C.**, an Idaho limited liability company in good standing with a registered office at 509 S. Middleton Road #105, Middleton, Idaho 83644; **Meadow Park Subdivision, LLC**, an Idaho limited liability company in good standing with a registered office at 3271 North Milwaukee, Suite 4, Boise, Idaho 83704; **The Crossing at Purple Sage, L.L.C.**, a Nevada limited liability company in good standing with a registered office at 5365 S. Cameron Street, Las Vegas, Nevada 89118; and **Capital Development Inc.**, an Idaho corporation in good standing with a registered office at 6200 North Meeker Place, Boise, Idaho 83713, (individually and collectively "**Meadow Park Principals**") is entered into and deemed effective the 28th day of June, 2006.

### **RECITALS**

WHEREAS, Meadow Park Subdivision, LLC is the owner and developer of the portion of Meadow Park Subdivision known as "The Pines at Meadow Park" ("The Pines");

WHEREAS, The Crossing at Purple Sage, L.L.C. is the owner and developer of the portion of Meadow Park Subdivision known as "The Crossing at Meadow Park" ("The Crossing");

WHEREAS, Capital Development, Inc. is the owner and developer of the portion of Meadow Park Subdivision known as "The Estates at Meadow Park" ("The Estates");

WHEREAS, "The Pines", "The Crossing", and "The Estates" collectively make up Meadow Park Subdivision, a residential subdivision, and as such, agree to coordinate water, sewer, road, signage, private park, and other improvements that benefit the subdivision as a whole;

**NOW THEREFORE**, in consideration of the mutual promises of and benefits to the parties hereto, IT IS AGREED as follows:

### **SECTION 1 WATER AND SEWER**

1. Each Principal agrees to pay one-third (1/3) of the construction costs for the off-site water main line, off-site sewer main line, Municipal Well No. 8, and upgrades to Municipal Well No. 5, with reimbursement according to the Meadow Park Credit Agreement to be executed with the City of Middleton. In the event that Capital Development, Inc. does not utilize the section of the off-site sewer line extending east along Willis Road from Cemetery Road to North Fourth Avenue West, Capital Development, Inc. is under no obligation to pay one-third (1/3) for that section of the

sewer line, and the remaining principals agree to each pay one-half (1/2) of the construction costs for that improvement.

2. Each Principal, as part of its first phase, agrees to pay to construct the water and sewer lines to the east boundary of their respective portions of Meadow Park Subdivision. Meadow Park Subdivision, LLC and The Crossing at Purple Sage, L.L.C. agree to pay one-third (1/3) each to construct water and sewer lines on the land to be platted as The Estates Phase II (east boundary of The Estates Phase I to the west boundary of The Crossings). Capital Development, Inc. agrees to reimburse Meadow Park LLC one-third (1/3) of the construction costs and The Crossing at Purple Sage, L.L.C. one-third (1/3) of the construction costs of the water and sewer lines at the time it constructs The Estates Phase II.

3. If a Principal sells its portion of Meadow Park Subdivision prior to completely reimbursing the other Principal(s), the selling Principal agrees to pay at closing the balance due to the other Principal(s).

## **SECTION 2 OFF-SITE IMPROVEMENTS**

Each Principal agrees to pay its share of unforeseen additional off-site costs that arise during construction that will be addressed in future addendums to this agreement.

## **SECTION 3 SCHOOL SITE, PARK SITE, ETC.**

Each Principal agrees to pay one-third (1/3) of the costs associated with the twenty-one (21+) acres of land owned by the Principals with title in REC, L.L.C., i.e. the school site; park, pool and pavilion site; roads; and other improvements.

## **SECTION 4 ROADS AND UTILITIES**

1. Each Principal agrees to pay one-third (1/3) of the construction costs to build the collector street-section, platted as Meadow Park Boulevard, and utilities across the north boundary of the school site, Lot 1, Block 1 of The Crossing.

2. The Crossing at Purple Sage, L.L.C, at its sole expense agrees to pay to build the rural collector road, platted as Crossings Avenue, and utilities through The Crossings north to Purple Sage Road.

3. Meadow Park Subdivision, LLC, at its sole expense, agrees to build Meadow Park Boulevard and utilities through The Pines from the east boundary of The Crossing to the east to Middleton Road.

4. Capital Development, Inc., at its sole expense, agrees to pay to build Meadow Park Boulevard and utilities through The Estates Phase I. Meadow Park Subdivision, LLC and The Crossing at Purple Sage, L.L.C. agree to pay one-third (1/3) each to grade with road mix Meadow Park Boulevard and construct utilities on the land to be platted as The Estates Phase II (east boundary of The Estates Phase I to the west boundary of The Crossings). Capital Development, Inc. agrees to reimburse Meadow Park LLC one-third (1/3) of the construction costs and The Crossing at Purple Sage, L.L.C. one-third (1/3) of the construction costs of Meadow Park Boulevard and utilities at the time it constructs The Estates Phase II.

## **SECTION 5 IRRIGATION**

Each Principal agrees to pay the costs of installing pressurized irrigation to their respective portions of Meadow Park Subdivision.

## **SECTION 6 ENTRANCES**

Each Principal agrees to pay the costs to design and install monument signs, and other landscape improvements at their respective entrances to Meadow Park Subdivision. Each sign shall be similar in font and lettering, and may not be identical.

## **SECTION 7 CREDIT AGREEMENT WITH CITY OF MIDDLETON**

The Principals agree to execute a latecomers' agreement with the City of Middleton for credits due for construction of reimbursable improvements required by the City to service an area exceeding Meadow Park Subdivision boundaries.

This Agreement is binding on the parties and their respective representatives, heirs and successors in interest.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the date first set forth above.

REC, L.L.C.

By Mickey Stratton  
Mickey Stratton, Managing Member  
REC, L.L.C.

THE CROSSING AT PURPLE SAGE, L.L.C.

By Mickey Stratton  
Mickey Stratton, Managing Member  
The Crossing at Purple Sage, LLC

MEADOW PARK SUBDIVISION, LLC

By Nate Mitchell  
Nate Mitchell, Managing Member  
Meadow Park Subdivision, LLC

CAPITAL DEVELOPMENT, INC.

By David Yorgason  
David Yorgason, Vice-President  
Capital Development, Inc.

**CORPORATE ACKNOWLEDGEMENT**

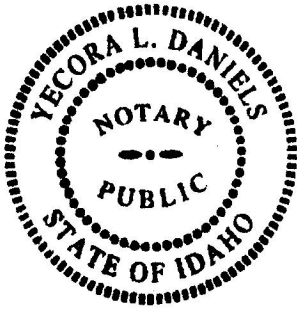
STATE OF IDAHO )

s.s.

County of Canyon )

On this 22<sup>nd</sup> day of June, in the year of 2006, before me, a notary public in and for the State of Idaho, personally appeared Mickey Stratton, Managing Member of REC, L.L.C., an Idaho limited liability company, known or identified to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he is a managing member of REC, L.L.C., that he has the authority to execute and did execute the same as Managing Member of REC, L.L.C.

Yecora L. Daniels  
Notary Public for Idaho  
My Commission expires 5/19/2012



**CORPORATE ACKNOWLEDGEMENT**

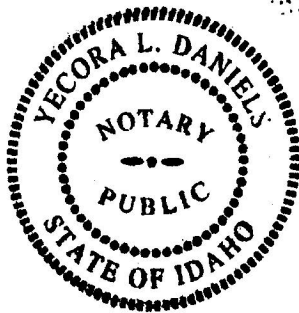
STATE OF IDAHO )

s.s.

County of Canyon )

On this 22<sup>nd</sup> day of June, in the year of 2006, before me, a notary public in and for the State of Idaho, personally appeared Mickey Stratton, Managing Member of The Crossing at Purple Sage, L.L.C., a Nevada limited liability company, known or identified to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he is a managing member of The Crossing at Purple Sage, L.L.C., that he has the authority to execute and did execute the same as Managing Member of The Crossing at Purple Sage, L.L.C.

Yecora L. Daniels  
Notary Public for Idaho  
My Commission expires 5/19/2012



### CORPORATE ACKNOWLEDGEMENT

STATE OF IDAHO )

s.s.

County of Canyon )



On this 23<sup>rd</sup> day of June, in the year of 2006, before me, a notary public in and for the State of Idaho, personally appeared Nate Mitchell, Managing Member of Meadow Park Subdivision, LLC, an Idaho limited liability company, known or identified to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he is a managing member of Meadow Park Subdivision, LLC, that he has the authority to execute and did execute the same as Managing Member of Meadow Park Subdivision, LLC.

Yecora L. Daniels  
Notary Public for Idaho

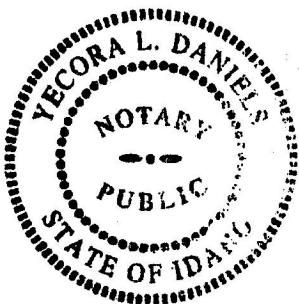
My Commission expires 5/19/2012

### CORPORATE ACKNOWLEDGEMENT

STATE OF IDAHO )

s.s.

County of Canyon )



On this 25<sup>th</sup> day of June, in the year of 2006, before me, a notary public in and for the State of Idaho, personally appeared David Yorgason, Vice-President of Capital Development, Inc., an Idaho corporation, known or identified to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he is the vice-president of Capital Development, Inc. that he has the authority to execute and did execute the same as Vice-President of Capital Development, Inc.

Yecora L. Daniels  
Notary Public for Idaho

My Commission Expires 5/19/2012