

REAL ESTATE PURCHASE AGREEMENT

THIS REAL ESTATE PURCHASE AGREEMENT is made and entered into as of the ____ day of _____, 2014, by and between **EAGLE MOUNTAIN CITY**, a political subdivision of the State of Utah (hereinafter referred to as "Seller") and **UNIFIED FIRE SERVICE AREA** a political subdivision of the State of Utah (hereinafter referred to as "Buyer").

WITNESSETH

WHEREAS, Seller owns certain real property located in Eagle Mountain City, Utah County, State of Utah, which is the location of the two fire stations in Eagle Mountain City.

WHEREAS, Buyer desires to purchase from Seller, Seller's right, title and interest in and to the Property (as described in Section 1.1 herein below) to use as fire stations and to make available to the Unified Fire Authority of Greater Salt Lake for the provision of fire and emergency services.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, receipt and sufficiency of which are acknowledged, the parties hereto agree as follows:

ARTICLE I

AGREEMENT TO SELL AND PURCHASE THE REAL ESTATE

1.1 The Seller agrees to sell to the Buyer, and the Buyer agrees to purchase from the Seller, subject to the terms and conditions of this Agreement, Seller's right, title and interest to Utah County Parcel No. 58:034:0480 and 59:044:0098 located in Eagle Mountain City, Utah County, State of Utah, and graphically described upon Exhibit "A" attached hereto and incorporated herein by reference. The areas generally indicated by cross-hatching (which include a portion of Plum Creek Drive and the trailer housing the Utah County Sherriff's Department) shall be separately described and retained by Seller.

1.2 The Real Property shall include, except as otherwise provided herein, any and all appurtenances thereto and any and all easements and rights-of-way of record in favor of the Real Property over the adjoining real property (the Real Property and all of the foregoing included rights are hereinafter referred to as the "Property").

1.3 Buyer agrees that the deed transferring Fire Station #1 (Parcel No. 59:044:0098) shall reserve unto Seller an access easement over the north entry road and the right to use the 2 parking stalls directly south of the Sherriff's trailer; and the deed transferring the Fire Station #2 (Parcel No. 58:034:0480) shall require Buyer to maintain the grass area depicted on Exhibit "B" as improved open space accessible to the public until such time as it is developed by Buyer.

ARTICLE II

PURCHASE PRICE

2.1 The total purchase price which the Buyer shall pay for the Property shall be Five Hundred Thousand (\$500,000.00).

2.2. The Purchase Price shall be paid by Buyer at the Closing of the Property (as hereinafter defined).

ARTICLE III

TITLE, SURVEY AND INSPECTIONS

3.1 As soon as reasonably possible, but not later than thirty (30) days from the Effective Date hereof, Seller shall provide to Buyer a survey which identifies the Property (the "Property Survey"), copies of any and all plats, drawings, renderings, analysis, reports, contracts, instruments or encumbrance, environmental reports, tax notices, special improvement district notices and/or assessment, notices or documents related to zoning, and/or other information about the Property in Seller's possession (such documents herein referred to as the "Seller Documents").

3.2 On or before the expiration of fourteen (14) days after the date Seller provides the Property Survey, Seller shall deliver or cause to be delivered to Buyer (unless a delay is caused by the Title Company):

a. a current Commitment for an Owner's Policy of Title Insurance (hereinafter referred to as "Title Commitment"), issued by First American Title Insurance Agency, or such other title company acceptable to Buyer (the "Title Company"), whereby the Title Company commits to issue its standard Owner's Policy of Title Insurance on ALTA Form written in accordance with the terms of this Agreement; and

b. legible copies of all instruments shown as exceptions on the Title Commitment.

3.3 The Title Commitment shall identify the Real Property, shall list Buyer as the prospective named insured, and shall show as the policy amount, \$500,000.00. If Buyer elects (a) Buyer may apply for and obtain extended coverage and/or (b) the standard printed exceptions and other common exceptions generally included in Title Commitments shall be deleted. The premium costs of such extended coverage and/or deleting such exceptions shall be at the sole cost and expense of Buyer. When the legal description of the Property is determined by the Survey provided for in Section 3.3 below, such Title Commitment shall be amended to reflect such actual legal description.

3.4 Buyer shall have a period of thirty (30) days from the receipt of the Title Commitment and legible copies of all instruments shown as exceptions thereon, and the Property Survey to notify Seller of those matters and items to which Buyer objects (Non-Permitted Exceptions) and of those items subject to which Buyer is willing to accept title to the real property ("Permitted Exceptions"). All title encumbrances or exceptions set forth in such documents and to which Buyer does not object within such review period shall be deemed to be Permitted Exceptions. Seller, at Seller's discretion, may cure or remove any one or more of the Non-Permitted Exceptions, give Buyer written notice thereof, and deliver or cause to be delivered, within twenty (20) days of the date of Buyer's notice, an amended title commitment reflecting the cure of such matters, or Seller may notify Buyer that Non-Permitted Exceptions will not be cured. Any Non-Permitted Exception which is properly cured in the time and manner set forth herein shall be deemed a Permitted Exception. If Seller fails to so cure any such Non-Permitted Exception within said period or such additional periods which Buyer may grant to Seller in writing, Buyer shall have the following rights. Buyer shall either: (i) terminate this Agreement by giving Seller written notice thereof within twenty (20) business days after receipt of notice of Seller's intent not to cure such Non-Permitted Exceptions, in which event, the Earnest Money shall be returned to Buyer and neither party shall have any further rights, or obligations hereunder; or (ii) if Buyer shall fail to terminate this Agreement within such time, Buyer shall be deemed to have waived such Non-Permitted Exceptions and accepted title subject thereto, unless Buyer grants Seller additional time to cure.

Any monetary liens (other than taxes which shall be prorated at Closing) currently against the Property or against the Property at Closing shall be deemed Non-Permitted Exceptions to be discharged at Closing by Seller.

3.5 During the Due Diligence Period (defined in Section 4.2(A) below), Buyer and its agents, contractors or engineers shall have the right to enter upon the Property at all reasonable times for the purposes of making additional surveys, soil tests, test borings, topographical studies, feasibility studies and other engineering work desired by Buyer, all of which shall be done at the sole cost and expense of Buyer, and provided that said activities are conducted in such a manner as to not damage the Property, and provided further that if damage is done, Buyer shall repair and restore the Property to as near its former condition as reasonable at Buyer's expense. Notwithstanding any terms and conditions to the contrary in this Agreement, Buyer shall not be entitled to perform any intrusive or invasive testing or studies on or concerning the Property (including, without limitation, any phase II environmental report or testing) without Seller's prior written consent in each instance, which consent may not be withheld by Seller unless it unreasonably interferes with the operation of the properties. All reasonable efforts shall be taken by Buyer to avoid such disruption and interference. Buyer shall not permit any liens or encumbrances to be placed against the Property in connection with Buyer's investigation and inspection of the Property and/or the activities on or about the Real Property by Buyer or Buyer's agents, representatives, employees, and/or investigation persons or firms. Buyer hereby agrees to and shall indemnify, defend and hold harmless Seller and Seller's officers, directors, employees, agents, representatives, invitees, successors and assigns, from and against any and all claims, losses, damages, costs, and expenses, including reasonable attorney's fees, arising from or relating to Buyer's investigations, testing and inspection of the Property and/or the activities of Buyer or Buyer's agents, representatives, employees, and/or investigation persons or firms on or about the Real Property, including any damage to the Real Property or personal injury resulting from any of the activities which Buyer conducts or authorizes at the Real Property, and including but not limited to mechanic's and materialmen's liens. Buyer further hereby covenants and agrees, at Buyer's sole cost and expense, to immediately repair such damage to the Real Property caused by reason of Buyer's investigation or inspection of the Real Property and /or the activities of Buyer or Buyer's agents, representatives, employees, and/or investigation persons or firms on or about the Real Property.

ARTICLE IV

CONDITIONS PRECEDENT

4.1 Conditions Precedent to Obligations of Seller. Notwithstanding any other term or provision of this Agreement, except for Seller's obligation to provide to Buyer the Title Commitment pursuant to Section 3.1 and certain documents pursuant to Section 3.3, Seller shall have no obligations whatsoever under this Agreement, including but not limited to no obligation to sell the subject Property to Buyer or to close upon the subject sale/purchase of the Property, until the Buyer shall have first satisfied the following two conditions precedent:

4.2 Buyer's Conditions Precedent. The obligation of Buyer to acquire the Property from Seller is subject to Buyer's best efforts to achieve satisfaction of each of the following conditions (any of which may be waived, in writing, in whole or in part by Buyer at or prior to the dates specified below) and in the event any of such conditions are not satisfied or waived by the Closing Date or such earlier date as specified below, this Agreement shall terminate.

a. Buyer shall have determined, subject to the further provisions contained in this Agreement, that the Properties are suitable for Buyer's intended use as fire stations. As used in this paragraph, fit for its intended use shall mean that the fire stations can be operated and inhabited on a full time basis by fire fighters without the Buyer being in violation of any federal, state or other rule or

regulation governing workplace safety. Notwithstanding the foregoing, Buyer reserves the right to obtain within ninety (90) days from the Effective Date (as defined in Section 11.6 below) (such ninety day period referred to herein as the "Due Diligence Period"), the following reports: (i) a soils and engineering report of the Real Property; (ii) a hydrology report of the Real Property; (iii) a Phase I environmental report or a similar report of the environmental investigations of the Real Property; and (iv) an acoustical study of the Real Property to determine the noise levels of the Real Property (herein the "Reports"). If Buyer determines (in a commercially reasonable manner), based solely upon a negative condition disclosed by the Reports, that the Property is not suitable for its intended use, this Agreement can be terminated at Buyer's option upon giving Seller written notice of such termination within said Due Diligence Period, in which case this Agreement shall become null and void, the Earnest Money shall be returned to Buyer, and the parties hereto shall have no further liabilities or obligations hereunder.

ARTICLE V

REPRESENTATIONS, WARRANTIES AND COVENANTS OF SELLER

All references in this Agreement to knowledge and/or information of Seller (in whatever form the reference may be) shall mean and refer only to the knowledge and/or information actually known by the executive director of the Seller (imputed knowledge is excluded).

To induce Buyer to enter into this Agreement and to purchase the Property, Seller represents, warrants to its best knowledge and information, and covenants to Buyer as follows:

5.1 Seller has no knowledge that any condemnation, assessment or similar charge or proceeding affecting the Property or any portion thereof presently exists or is pending. Seller has no knowledge of having received any notice and has no knowledge that any such proceeding or charge is contemplated.

5.2 Seller has no knowledge of any action, suit or proceeding pending or threatened against or affecting the Property or any portion thereof, or relating to or arising out of the ownership or development of the Property, in any court or before or by any federal, state, county or municipal department, commission, board, bureau or agency or other governmental instrumentality.

5.3 Seller has full power and authority to enter into this Agreement and to consummate the sale provided for herein.

5.4 Except as set forth herein or in the Title Commitment, Seller has not granted any license, lease or other right relating to the use or possession of the Property other than specifically stated herein, and without the written consent of Buyer shall not hereafter grant any lease, license or other right to the use or possession of the Property that is not terminable prior to Closing.

5.5 The Properties were in compliance with all environmental laws or regulations as of the date Eagle Mountain ceased operating the Properties as fire stations and the Unified Fire Authority commenced operating the Properties as fire stations.

5.6 The Properties have access to a public street.

ARTICLE VI

REPRESENTATIONS, WARRANTIES AND COVENANTS OF BUYER

To induce Seller to enter into this Agreement and to sell the Property, Buyer represents, warrants and covenants to Seller as follows:

6.1 Buyer has full power and authority to enter into this Agreement and to consummate the sale provided for herein.

6.2 Except as represented and warranted to the contrary as set forth in this Agreement, Buyer is purchasing the Property in its current "as is" condition.

6.3 This Agreement constitutes the legal, valid and binding obligation of Buyer, enforceable in accordance with its terms.

ARTICLE VII

THE CLOSING

7.1 Provided the conditions precedent obligations of Seller set forth at the beginning of this Agreement have been timely satisfied, and provided Buyer has determined that the Properties are acceptable to it as provided in Section 4.1, the "Closing" with respect to the Properties shall be at the offices of Escrow Agent and shall take place within sixty (60) days after the timely satisfaction of the above-referenced conditions precedent to obligations of Seller set forth at the beginning of this Agreement, but no later than January 31, 2014.

7.2 At the Closing, the following shall occur, each action being considered a condition precedent to the others and all being considered as taking place simultaneously:

a. Seller shall convey and warrant to Buyer by Special Warranty Deed, marketable fee simple title to the Properties, subject only to the Permitted Exceptions applicable thereto referred to in Section 3.4 hereof. The Deed or Deeds to Buyer shall be substantially in the form set forth in Exhibit "C" hereto.

b. Buyer shall deliver to Seller cash (or certified funds) in the amount required pursuant to the provisions of Sections 2.1 and 2.2

c. All reasonable and customary prorations for the Properties purchased shall be made as of the Closing and appropriate credit shall be given for assessments, rents, and other matters, the nature of which properly require such treatment. The parties acknowledge that the Properties are held by Seller as tax-exempt property. Buyer shall be responsible for all property taxes from and after the date of the Closing.

d. Seller shall pay, in full, the cost of recording the Deed(s), if any, to Buyer and the premium (or arrange for the payment of such premium prior to issuance) for the standard coverage title insurance. Seller and Buyer shall each pay one-half of all other closing costs and escrow costs.

e. The parties shall execute and deliver to each other statements reflecting the adjustments, payments and credits described in this Section 7.2.

f. Seller shall deliver to Buyer possession of the Properties.

g. Seller and Buyer agree to execute and deliver such other documents and instruments and take such other action as may be reasonably necessary or appropriate to consummate the transactions contemplated by this Agreement.

7.3 In conjunction with the Closing, Seller shall arrange for the issuance and delivery to Buyer of a standard coverage Owner's Policy of Title Insurance in the amount of the Purchase Price insuring that fee simple title to the Properties is vested in Buyer and subject only to the Permitted Encumbrances. The policy of title insurance shall be issued by First American Title Insurance Company. Seller's arrangements for such title insurance shall be such that Buyer is assured, prior to its payments of the amounts to be paid at Closing, that the policy of title insurance in the required form will in fact be issued so long as Buyer pays such amounts. In the event that Buyer elects to obtain extended coverage or any additional endorsements to the title policy above those which would commonly be part of a standard coverage owner's policy, Buyer shall be solely responsible for the premium cost of such extended coverage and endorsements.

ARTICLE VIII

DEFAULT AND REMEDIES

8.1 In the event of a default by a party to this Agreement in the performance of its obligations, the non-defaulting party shall give written notice to the other designating such asserted default. The defaulting party shall have a period of five (5) business days from the receipt of notice of default within which to correct the default. In the event that the defaulting party shall fail to correct such default within five (5) business days from the receipt of notice of default, the non-defaulting party shall have the right:

a. To terminate this Agreement and all rights, duties, and obligations of the parties hereunder, by giving written notice thereof to the other; or

b. By legal action to compel performance by the defaulting party of its obligations hereunder.

8.2 Except as limited in Section 8.1 above, the rights and remedies of any of the parties in this Agreement shall not be mutually exclusive, and the exercise of one or more of the provisions of this Agreement shall not preclude the exercise of any other provisions. Each of the parties confirms that damages at law may be an inadequate remedy for a breach or threatened breach of any provisions hereof. The respective rights and obligations hereunder shall be enforceable by specific performance.

ARTICLE IX

REAL ESTATE COMMISSIONS

Each of the parties represents to the other that they have not engaged the services of any broker or real estate agent, and have not entered into any arrangement for any commission to be paid to any person or entity, regarding the subject transaction. Buyer shall indemnify the Seller against all liabilities arising from any claims for brokerage or agent commissions or finders fees in connection with this Agreement or the sale/purchase the Property that may be made under any agreement or arrangement with Buyer or by, through or under the Buyer, including attorneys' fees in connection therewith. Seller shall indemnify the Buyer against all liabilities arising from any claims for brokerage or agent commissions or finders fees in

connection with this Agreement or the sale/purchase the Property that may be made under any agreement or arrangement with Seller or by, through or under the Seller, including attorneys' fees in connection therewith.

Buyer discloses to Seller that one or more managers and/or members of Buyer (or the managers and/or members of Buyer's Manager and members) are licensed real estate brokers or agents.

ARTICLE X

MISCELLANEOUS

10.1 Notices. All notices and other communications provided for in this Agreement shall be in writing and shall be sufficient for all purposes if personally served or if mailed by certified or registered U.S. Mail, return receipt requested, postage prepaid, and addressed as follows:

a. If to Seller, to:

EAGLE MOUNTAIN CITY
1650 E. Stagecoach Run
Eagle Mountain, UT 84005
Attn: Ifo Pili, City Manager

or such other address or addresses as Seller may hereafter designate by notice to Buyer as herein provided; and

b. If to Buyer, to:

UNIFIED FIRE SERVICE AREA
3380 South 900 West
Salt Lake City, UT 84119
Attn: Fire Chief

or such other address or addresses as Buyer may hereafter designate by notice to Seller as herein provided.

c. If personally served, notices or other communications under this Agreement shall be deemed to have been given and received and shall be effective when personally served. If sent by mail in the form specified herein, notices and other communications under this Agreement shall be deemed to have been given and received and shall be effective when deposited in the U.S. Mail in the form specified in this paragraph.

10.2 Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors, and assigns.

10.3 Attorneys' Fees. In the event of default by either party, or if any action is brought because of any breach of or to enforce or interpret any of the provisions of this Agreement, the party prevailing in such action shall be entitled to recover from the other party reasonable attorneys' fees, costs and expenses.

10.4 Time. Time is of the essence with respect to all time periods contained herein.

10.5 Effective Date. The "Effective Date" of this Agreement is the date that the last of the parties signs this Agreement.

IN WITNESS WHEREOF, Seller and Buyer have executed this Real Estate Purchase Agreement as of the day and year first above written.

EAGLE MOUNTAIN CITY, a political subdivision of the State of Utah

By: _____
Name: _____
Title: _____

DATE SIGNED _____

Attest:

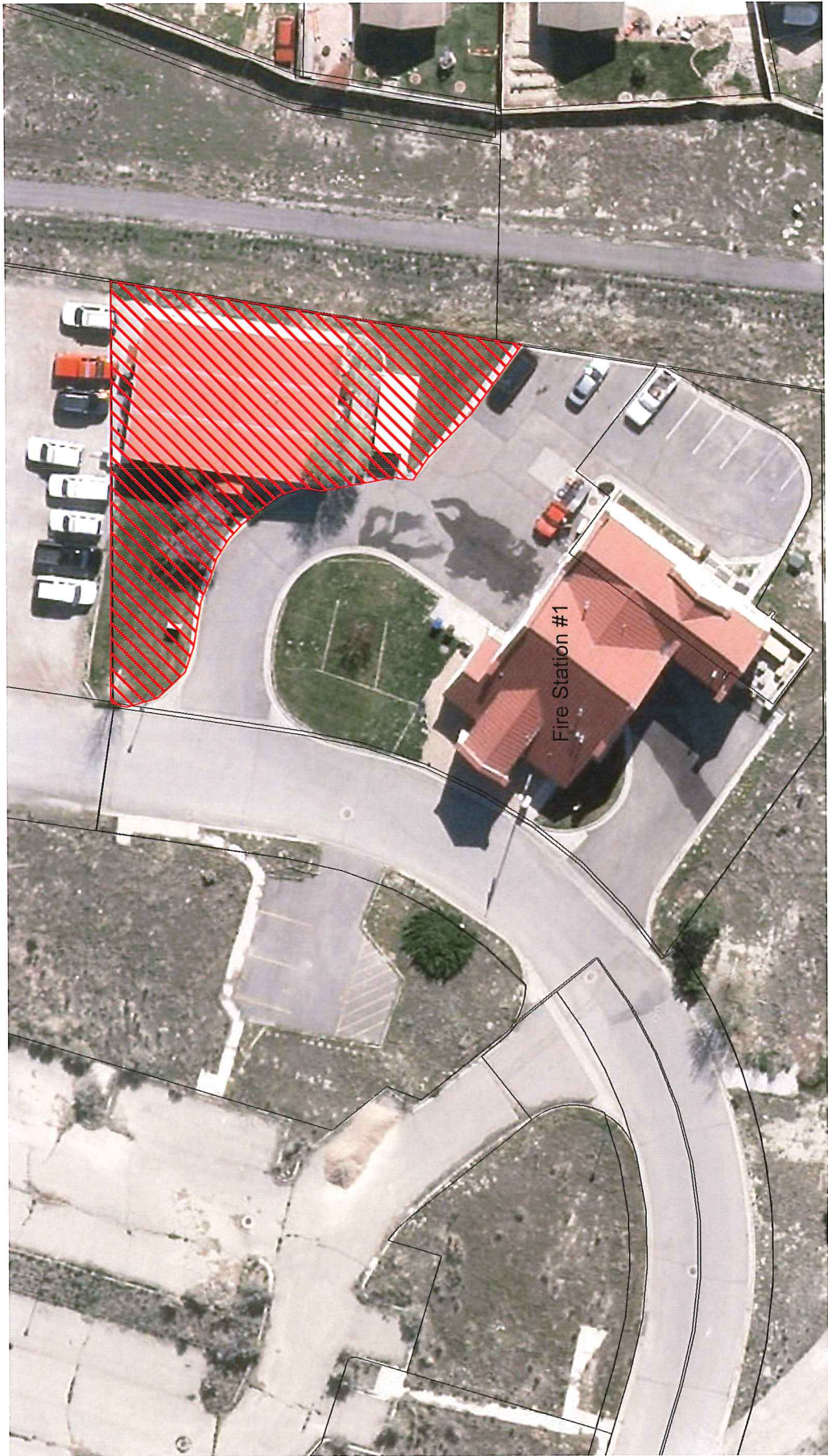
City Recorder

UNIFIED FIRE SERVICE AREA, a political subdivision of the State of Utah

By: _____
Name: _____
Title: _____

DATE SIGNED _____

EXHIBIT "A"
GRAPHIC DESCRIPTION OF PROPERTIES



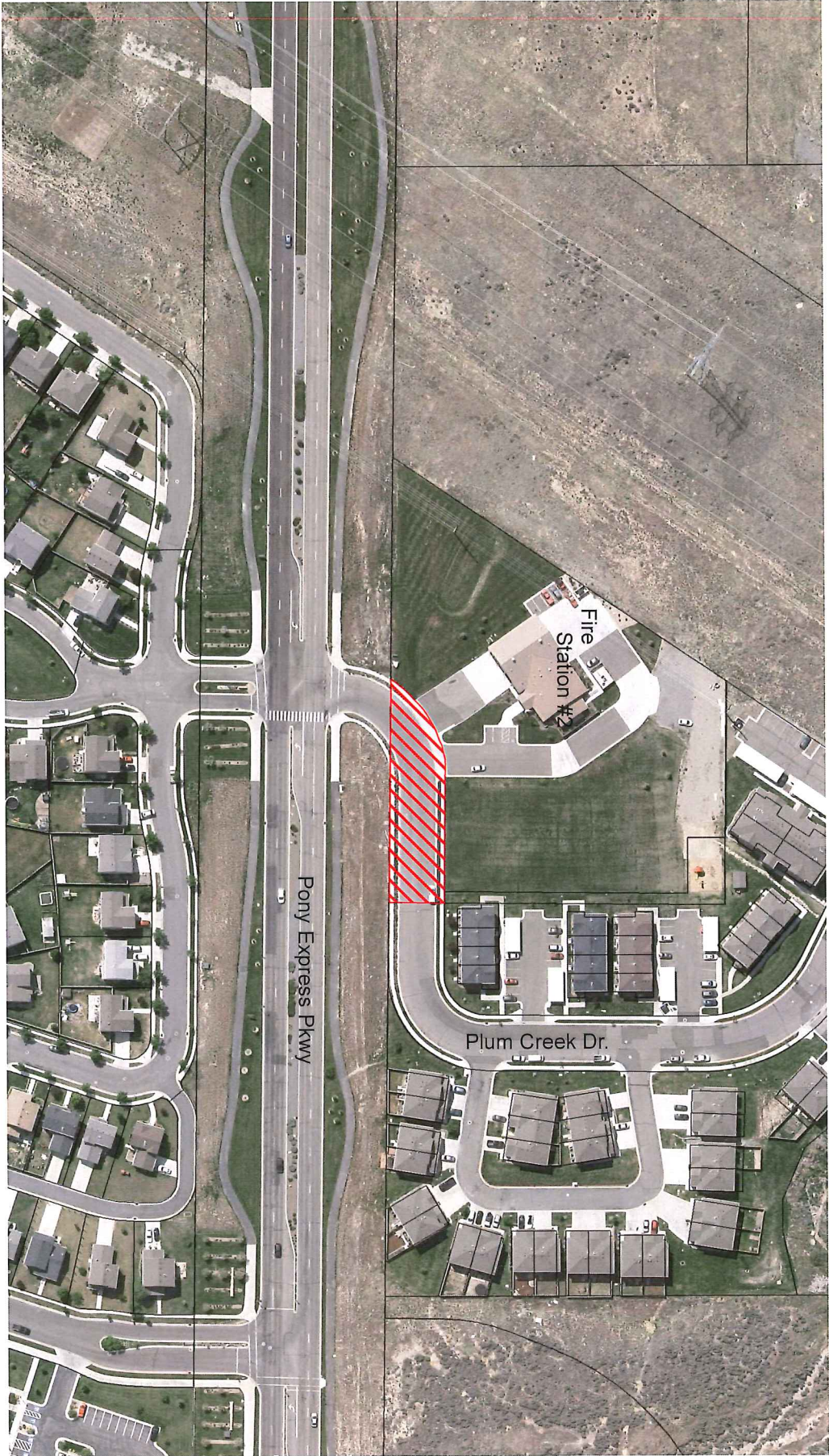


EXHIBIT "B"
OPEN SPACE AREA



EXHIBIT "C"
FORM OF DEED