

BISON MEADOWS PHASE I SUBDIVISION AGREEMENT

THIS AGREEMENT is entered into on this date by and between Hatch Homes and Communities, LLC, a Wyoming Limited Liability Corporation, and the City of Buffalo, Wyoming.

RECITALS

- A. Hatch Homes and Communities, LLC is the owner of that certain land within the City of Buffalo, Wyoming more particularly described on Exhibit "A" attached hereto. Said lands are commonly known as the Bison Meadows Phase 1 Subdivision, in the Hatch Addition to the City of Buffalo and hereinafter referred to as the "Subdivision".
- B. The planning commission for the City of Buffalo has approved and recommended for approval to the City Council the final plat of the Subdivision.
- C. The City of Buffalo, by its Mayor and City Council, has passed, approved and adopted on the ___ day of _____, 2007, the admission of the Subdivision to the City of Buffalo, Wyoming in accordance with the official plat thereof as filed in the office of the County Clerk for Johnson County, Wyoming.
- D. It is the parties' intent that the development of the Subdivision and the construction of improvements therein shall be in accordance with the provisions of this agreement and the Code of the City of Buffalo, Wyoming.

NOW, THEREFORE, it is mutually agreed that Hatch Homes and Communities, LLC and the City of Buffalo do agree as follows:

1. DEFINITIONS

The parties mutually agree to the following definition of terms for the purposes of this Agreement.

- A. "City" shall mean the governing body of the City of Buffalo, Wyoming, or such person, committee, organization or agency the City of Buffalo, Wyoming has or may appoint for the purpose referred to in this Agreement.
- B. "Developer" shall mean Hatch Homes and Communities, LLC, a Wyoming Limited Liability Corporation, or the owners of the Lots within the Bison Meadows Phase 1 Subdivision as defined below, which are being developed or improved for business purposes, their employees, agents, personal representatives, assigns or successors in interest.
- C. "Subdivision" shall refer to those lands described on Exhibit "A" attached hereto known as Bison Meadows Phase 1 Subdivision located within the Hatch Addition to the City of Buffalo.

2. WATER AND SEWER MAIN CONNECTIONS

The Developer will be allowed to connect to the existing City water distribution system. It shall be the responsibility of the Developer to supply and install, at the Developer's sole cost, all materials, equipment and machinery necessary and required in order to construct the water and sewer systems within the Subdivision and connect the same with the existing City services. All construction shall be in accordance with the specifications and requirements of the City in effect at the time of approval, as well as all State and Federal authorities, applicable to such construction.

The Developer will have the installation of the water and sewer systems supervised by a licensed engineer, hired at the expense of the Developer. When the installation of the water and sewer systems have been completed, the engineer must then certify, to the City, that the work has been completed according to the plans and specifications approved by the City. The City will be supplied with:

- A. An "as constructed" mylar showing all details of construction, including location of installed water and sewer taps.
- B. Two paper copies of the "as constructed" plans.
- C. A data disk including point, line, and polygon ESRI shapefiles in NAD 83, Wyoming State Plane coordinates, in a format verified to be compatible to the City's GIS database.
- D. A plan showing storm water flow.

At such time as the installation of the water and sewer systems have been completed, certified by the engineer, and approved by the City and any other applicable governmental agency, the Developer shall dedicate and transfer the same to the City, as provided for by the terms and conditions more specifically described in Section 12. Dedication and Developer's Warranty. There shall be no charge or fee to the Developer by the City for connecting the water and sewer systems within the Subdivision to the existing City services.

3. UNDERGROUND UTILITY EASEMENTS

The Developer shall dedicate all utility easements as indicated on the final plat of the Subdivision to the public for purposes of construction of underground utilities, including without limit, water, sewer, telephone, electric power, gas, television and other similar services available now or hereafter. All utility easements shall be permanently dedicated to the public, and all such utilities shall be installed underground in accordance with the specifications and requirements of the applicable utility provider as well as the City and other governmental agencies.

4. SUBMISSION OF PLANS FOR DEVELOPMENT

Consistent with the plan of construction, the Developer covenants and agrees they shall:

A. Submit to the City for approval a scale map or drawing showing the location, detailed plans, and specifications for water and sanitary sewer facilities for the Subdivision, such facilities to be provided for each and every lot in the Subdivision; make such reasonable changes in design and materials as are necessary to obtain the approval of the City and the State of Wyoming Department of Environmental Quality and upon receiving written approval from the above referenced agencies, install said water and sanitary sewer facilities in conformance with said plans.

B. Negotiate with each of the various utility companies for the installation of all necessary electrical, gas, and telephone service lines within the Subdivision, such lines to be located below ground within utility easements or dedicated street rights-of-way as set forth on the plat.

C. Submit to the City for approval a scale map or drawing showing the location, detailed plans and specifications for street, curb, gutter, and sidewalk improvements along with typical cross sections; make any reasonable changes in design, alignment, specifications or materials as may be required by the City based upon applicable standards; and, after review and approval by the City, construct or install in accordance with said plans and specifications.

5. SALE OF LOTS PRIOR TO COMPLETED DEVELOPMENT

At such time as the final plat for the Subdivision is approved and adopted by the City and appropriately filed in the office of the County Clerk for Johnson County, Wyoming, the Developer shall have the right to sell or contract to sell lots within the Subdivision even though the construction of improvements for the Subdivision is not yet complete, provided the Developer, in agreement with the lot purchaser:

A. As the lots are sold, the Developer shall deposit the proceeds into a joint escrow account with the City of Buffalo, at American National Bank, of Buffalo, Wyoming, until an amount sufficient to cover the costs of developing the subdivision has been so deposited, which amount will be determined by the selected contractors bid. Proceeds beyond this amount may be held by the Developer and not deposited to the escrow account. With approval by the City of Buffalo, which shall not be unreasonably withheld, funds held in the escrow account shall be distributed by American National Bank to the Developer during construction, provided the distributed funds are only used for payment of costs incurred constructing the infrastructure improvements set forth in this Agreement. The funds remaining in said joint escrow account, together with all interest

earned on said account, shall be released from escrow to the Developer as soon as construction of the infrastructure improvements set forth in this Agreement are complete.

OR

B. Furnish an irrevocable letter of credit, to the City, guaranteeing the construction of the infrastructure improvements set forth in this agreement, to the City, from American National Bank of Buffalo, Wyoming, guaranteeing the construction of the infrastructure improvements set forth in this agreement. This letter of credit shall expire not earlier than December 31st, 2008.

6. CONSTRUCTION OF IMPROVEMENTS PRIOR TO COMPLETED DEVELOPMENT

The Developer shall have the right to obtain a building permit from the City for the construction of a business structure and related improvements upon any lot or combination of lots of the Subdivision prior to the completion of all development construction provided that the Developer and the Owner, if a lot has been sold, agrees in writing that such structure or may not be occupied for any period until such time as all utilities and street construction are complete and approved by the City.

7. STREET, CURB, GUTTER, AND SIDEWALK CONSTRUCTION

The Developer at their cost shall construct all street, curb, gutter, sidewalk, and walking path improvements according to the plans and specifications approved by the City. After road improvements have been completed, certified by the engineer, and approved the City and any other applicable governmental agency, the Developer shall dedicate and transfer the same to the City, as provided for by the terms and conditions more specifically described in Section 12. Dedication and Developer's Warranty.

8. APPROVAL OF PLANS FOR DEVELOPMENT

The City agrees to review all maps, plans and specifications submitted by the Developer in a timely manner and approve the same provided that such maps, plans and specifications meet the requirements of the City. In granting approvals, withholding approvals, or requiring modifications of design or material in any proposal submitted by the Developer, the City will be guided by the following considerations:

- A. The Comprehensive Plan for the City;
- B. The Code of the City of Buffalo, Wyoming.
- C. City Zoning Ordinances and Regulations;
- D. Standard design criteria established by the City;

E. Standard design criteria established by the Industry;

F. Terms and provisions of this Agreement; and

G. Exceptions, variances and waivers necessary to avoid unnecessary hardships provided the same are consistent with the intent and purpose of the comprehensive plan for the City.

9. OPEN SPACE

The Developer agrees to dedicate the "Open Space" as delineated on the Final Plat of the Subdivision which shall fulfill all open space requirements applicable to the Subdivision. Said lands will be maintained by the Subdivision's HOA.

10. SIGNS FOR STREETS AND INTERSECTIONS

Upon completion of the development of the Subdivision, the Developer agrees to install name signs on all street intersections within the subdivision, the installation and design of said signs to be in conformance with the plat and acceptable to the City. After installation, the repair, maintenance and replacement of said signs shall be the responsibility of City.

11. STREET LIGHTS

Street lighting shall be installed by the Developer in conformance with street lighting plans as approved by Rocky Mountain Power Corporation, the Developer, and the City.

12. DEDICATION AND DEVELOPER'S WARRANTY

The Developer agrees to dedicate, to the City, the streets, curbs, gutters, sidewalks, road rights-of-way, water and sewer systems installed within the limits of the Subdivision at such time as said improvements installation has been completed, certified by the engineer, and approved by the City, provided and on the condition that the Developer agrees to warrant and guarantee against defects in materials and workmanship of said street, water and sewer improvements, installed in the subdivision for a period of twelve months from the time such improvements are dedicated and accepted by the City. The Developer agrees for said twelve month period to make all necessary repairs to said street, water and sewer improvements, at no cost to the City when the cause of the defect is the result of poor workmanship during installation. In the event that other contractors have installed any improvements, including utilities, and those contractors have provided similar warranties, the City will cooperate with the Developer as to enforcement of said third party warranties. At the expiration of said twelve month period, the City agrees to accept the responsibility for all repair and replacement of said street, sewer and water improvements. Upon completion, certification by the engineer and approval by the City, of said street, sewer and water improvements, the City agrees to accept the responsibility

for all maintenance of said improvements.

13. WATER AND SEWER TAP FEES

At such time as the Developer shall install the water and sewer systems, the Developer shall also install the appropriate taps onto said systems for use by the business to be constructed within the subdivision. The City and Developer agree that this method of installation shall be the most economical. Until such time as the sewer and water taps are used, the Developer shall owe the City no sums in the form of water and/or sewer tap fees. At such time water and sewer are required for a structure, standard water and sewer tap fees shall be paid, to the City, by the property owner requesting service.

14. SPECIFIC ENFORCEMENT

The parties mutually agree that this Agreement shall be specifically enforceable in every respect by a court of competent Jurisdiction, provided however that any such dispute shall first be submitted to arbitration, with each party paying their respective costs and fees.

15. THIRD PARTY BENEFICIARIES

The parties mutually agree that those persons who have purchased or may purchase any lot or lots in the subdivision are third party beneficiaries of this Agreement.

IN WITNESS WHEREOF the parties have hereunto set their hands this ____ day of _____, 2007.

Homes and Communities, LLC City of Buffalo, Wyoming

By: _____ By: _____
Jacob Hatch Mayor

Attest: _____ Attest: _____
Managing Member City Clerk

STATE OF WYOMING)
)
COUNTY OF JOHNSON)

The foregoing was acknowledged before me this ___ day of _____, 2007, by Jacob _ Hatch, Managing Member of Hatch Homes and Communities LLC, a Wyoming limited liability Company, who represented to me she was duly authorized to execute the foregoing.

Witness my hand and official seal.

Notary Public

My commission expires: _____

STATE OF WYOMING)
)
COUNTY OF JOHNSON)

The foregoing was acknowledged before me this ___ day of _____, 2007, by _____, Mayor of the City of Buffalo, Wyoming, who represented to me he was duly authorized to execute the foregoing.

Witness my hand and official seal.

Notary Public

My commission expires: _____