

ANNEXATION AND DEVELOPMENT AGREEMENT

This Annexation and Development Agreement (the "Agreement") is entered into this 2nd day of May, 1997 between Lehi City, a Utah Municipal Corporation (the "City") and Utah Valley Land Company, a Utah Limited Partnership, ("UVLC").

RECITALS

- A. The City is a municipality and political subdivision of the State of Utah classified as a third-class city under provisions of § 10-2-301 Utah Code Ann. and located within Utah County, State of Utah.
- B. UVLC is the owner of certain real property which it holds for investment purposes more particularly described in Exhibit A" attached hereto (the "UVLC Property"), which is located contiguous to the northern boundaries of the City.
- C. The UVLC Property and adjoining other property ("Annexation Property") has been properly surveyed in accordance with the requirements for annexation to the City as set forth in § 10-2-401 et. seq. Utah Code Ann.
- D. The Annexation Property proposed for annexation into the City is located within the boundaries of the Lehi City Master Policy Declaration dated November 1995, and issued in accordance with § 10-2-414, Utah Code Ann.
- E. As a condition of annexation and in order to insure that future development of the UVLC Property is properly planned and coordinated with Lehi City policies and goals, the City is requiring UVLC to cooperate in the preparation of a Concept Plan and an Area Plan for the UVLC Property.

F. On September 3, 1996, UVLC filed a petition with the City in accordance with § 10-2-416, Utah Code Ann. for annexation of the Annexation Property to be developed in accordance with this Agreement and other applicable ordinances of the City.

G. The City is legally authorized to enter into annexation and development agreements in appropriate circumstances in order to promote orderly development of property proposed to be annexed and property within its boundaries, to implement the Lehi City General Plan and to provide necessary physical public facilities and other benefits in connection with development.

H. The Lehi City Council, having considered the petition for annexation after appropriate notice and all necessary public hearings in compliance with the requirements of State law, has by resolution, accepted the petition and authorized the City to enter into this Agreement with certain conditions as specified herein below.

I. Lehi City has re-zoned the UVLC Property as "Planned Community" as defined in Chapter 06 of the Lehi City Development Code.

J. UVLC intends to continue to hold the UVLC Property for investment purposes. Accordingly, UVLC does not currently intend to undertake any development activities but may transfer the UVLC Property or portions thereof to third parties for development purposes (UVLC and/or third party transferees referred to herein as "Owner").

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing goals and objectives and in consideration of the long-term goals of the City which include the annexation of the Annexation Property, and in accordance with the conditions and covenants of the City and UVLC as set forth herein, the parties agree and agree to be legally bound as follows:

I. PROPOSED LAND USES

1. Scope of Proposed Land Uses. The Annexation Property includes approximately 2,629 acres of land owned by UVLC ("UVLC Property"). The proposed land uses for the UVLC Property shall include 3,500 dwellings as defined in the Lehi City Development Code, commercial buildings composed of up to 3,700,000 square feet of gross building area, institutional land uses (including public uses and churches as defined in the Lehi City Development Code), an 18-hole golf course, and related facilities ("Concept Plan"). The Concept Plan is further described in the attached Exhibit 1 which depicts the approximate location of the residential, commercial and institutional land use areas on the UVLC Property. The Concept Plan shall be a general guide for the density, location and scope of the residential, commercial and institutional land use areas as further refined in an Area Plan to be mutually agreed to by the City and UVLC. The Area Plan shall be prepared in accordance with acceptable engineering standards and take into account unique terrain conditions and other appropriate constraints or conditions on the UVLC Property. Accordingly, the Concept Plan may be modified in regard to the final density, location and scope of the residential, commercial and institutional land use areas. Notwithstanding any modification of the Concept Plan, development on the UVLC Property shall not exceed a maximum of 3,500 dwellings and 3,700,000 square feet of commercial gross building area. Further, the allowed density for high density residential shall be up to 20 dwellings per acre.

2. Phasing of Development of the UVLC Property. The parties acknowledge that the most efficient and feasible development of the UVLC Property is dependent on factors such as market demand, interest rates, general economic growth, competition and other applicable factors. Accordingly, the timing of development of the UVLC Property shall be determined by Owner in its sole subjective business judgement and discretion. The sequencing and phasing of land use areas shall be determined by the owner.

3. Special Circumstances of UVLC Property. The parties hereby acknowledge that the scale and scope of development on the UVLC Property requires consideration of the special geographic, economic and terrain conditions requiring flexibility and creative design techniques. Accordingly, the City and Owner agree to mutually develop through the Area Plan process reasonable design and engineering standards in harmony with the scale and special circumstances on the UVLC Property, the approval of which shall not be unreasonably withheld. Specifically, the City agrees to develop with Owner reasonable alternate standards for portions of the Lehi City Development Code including but not limited to the following:

- a. General landscaping requirements including, but not limited to size and height of landscape materials, setbacks, and percentage of parking area landscaping;
- b. Roadway design including, but not limited to, horizontal and vertical alignment criteria, functional classification of roadways, design speeds and roadway cross sections in accordance with sound engineering and safety standards;
- c. Fencing and barrier height limits;
- d. Maximum building heights for commercial and residential construction;
- e. Parking requirements in areas of shared use.

Due to the scale and unique attributes of the UVLC Property, the parties acknowledge that these proposed modifications to the Lehi City Development Code or Area Plan Approval shall not be considered as a precedent for other property in Lehi.

4. Approval of Concept Plan. Upon completion of the obligations of Owner in this Agreement and the occurrence of the conveyance described in paragraph II.1 hereinbelow, Owner shall have the vested right to have preliminary and final site plans and subdivision plats approved

and to have the UVLC Property developed consistent with this Agreement and the approved Area Plan as mutually developed by the City and Owner.

II. WATER SERVICE AND FACILITIES

1. Withdrawal from Salt Lake County Water Conservancy District ("SLCWCD").

As a condition required by the City for annexation, UVLC shall petition to exclude the UVLC Property from the SLCWCD as a condition subsequent to the annexation and the obligation for proceeding with the exclusion of the UVLC property from SLCWCD in accordance with applicable provisions of the Utah Water Conservancy Act shall be solely that of UVLC. UVLC shall petition the Board of Directors of the SLCWCD following execution of this Agreement to exclude the UVLC Property from the SLCWCD in accordance with certain conditions and covenants acceptable to SLCWCD and UVLC. These conditions and covenants shall include the conveyance from the SLCWCD back to UVLC of certain water rights, wells and well sites described in Exhibit 2 attached hereto ("Water Rights and Well Sites") which were conveyed to SLCWCD in accordance with that certain agreement dated April 6, 1983. Upon the final exclusion of the UVLC Property from the boundaries of the SLCWCD, UVLC agrees to convey to the City any and all of its interest in the Water Rights and Well Sites as a precondition for any approvals for development of the UVLC Property.

2. City Acceptance. The City shall accept the conveyance of the Water Rights and Well Sites without any precondition or other anticipatory change, approval, transfer, or modification thereto. UVLC makes no representation as to the status of the Water Rights and Well Sites. The City shall bear all responsibility for preservation and development of the Water Rights and Well Sites.

3. No Obligation of City. The City shall have no obligation nor is the City herein obligated to commit to any grant of approvals, authorizations or other vesting of rights with Owner prior to the occurrence of the conveyance of the Water Rights and Well Sites to the City.

4. Commitment of City. Upon the conveyance of the Water Rights and Well Sites to the City and the approval of the Area Plan, the City hereby commits to construct sufficient water sources, storage and transmission to timely support development of the UVLC Property as specified in the Area Plan, including pressurized irrigation facilities ("City Water Improvements"). This commitment shall include delivery of the culinary and irrigation water service by the City.

5. Reimbursement Agreements. Owner agrees to fund the City Water Improvements pursuant to a Reimbursement Agreement between the City and Owner to provide for reimbursement of such expenditures to Owner. Any oversizing of the City Water Improvements shall be the sole obligation of the City.

6. Commitment of Owner. In order to receive water service from the City Water Improvements, Owner shall construct all necessary water distribution facilities on the UVLC Property.

7. Additional Development. Notwithstanding the City's commitment herein, the City is not obligated to provide water sources for dwellings in excess of 3,000. Any approval for development of the UVLC Property beyond the above-described 3,000 dwellings shall not occur until and only when Owner provides the City with water rights now acceptable to the City under the Lehi City Development Code. The amount of water necessary for such approvals shall be one acre foot of water for each dwelling.

8. Institutional Water Supply. Water source requirements for any public institution or ecclesiastical organization proposed for development on the UVLC Property shall be the sole obligation of that institution or organization.

III. TRANSPORTATION

1. Utah Department of Transportation ("UDOT") Agreement. UVLC shall enter into an agreement with UDOT for access to Utah State Route 92 from the UVLC Property at points identified in Exhibit 3, attached hereto. The City shall be a beneficiary of such agreement.

2. No Access. Owner agrees to enter into Relinquishment of Access Rights Agreements with UDOT and the City to restrict access to Utah State Route 92 from the UVLC Property in areas other than those access points specified in Exhibit 3.

3. Public Road Designation. All roads within the UVLC Property shall be public roads where feasible. Provided, however, that roads may be changed from public to private roads within certain residential areas or commercial areas which desire limited access as determined by Owner consistent with the Area Plan process.

IV. SEWER SERVICES

1. Commitment of City. The City agrees to provide in a timely manner sufficient transportation and conveyance facilities to accept and deliver sewage from the UVLC Property to a treatment facility capable of treating such sewage ("City Sewer Improvements") as the UVLC Property is developed pursuant to the phasing of the Area Plan.

2. Commitment of Owner. As a condition for acceptance and delivery of sewage from the UVLC Property to the City Sewer Improvements, Owner agrees to construct and develop all required on site sewer improvements and off site sewer improvements as described in Exhibit 4, attached hereto. These commitments shall be phased wherein the capacity of the

improvements shall allow the UVLC Property to be developed up to that constructed capacity in accordance with the Area Plan.

3. Reservation of Capacity. The City shall provide sufficient capacity in the City Sewer Improvements to allow development of the UVLC Property consistent with the Area Plan.

4. Reimbursement Agreements. If Owner agrees to fund any sewer improvements which are oversizing of capacity beyond the needs of the UVLC Property, the City and Owner shall enter into a Reimbursement Agreement to provide for reimbursement of such expenditures to Owner.

V. DRAINAGE

1. Owner Obligations. Owner shall construct and develop sufficient drainage facilities on the UVLC Property in compliance with requirements of the Lehi City Development Code.

2. Cooperation for Off-Site Drainage. The City and Owner shall cooperate in obtaining necessary rights of way and/or easements located off the UVLC Property including, if necessary and as mutually agreed by Owner and City, the exercise of condemnation by the City to insure the ultimate disposal of the drainage water from the UVLC Property. All costs for such condemnation and acquisition shall be the obligation of Owner.

3. Reimbursement Agreements. For any drainage improvement oversizing of capacity beyond the needs of development of the UVLC Property, Owner will be reimbursed by the City in accordance with the Lehi City Development Code.

VI. TRANSFERABILITY

Any transfer by UVLC of certain portions or all of the UVLC Property to a new entity(ies) or third parties shall be binding upon the new entity(ies) or third parties and all

provisions and conditions of this Agreement shall be applicable to such transferred property. Subject to the foregoing, this Agreement is not intended to benefit or provide any right to any other person or entity other than Owner and the City and shall not create any rights, claims, or causes of action in or for the owner of any adjoining property or other parties.

VII. MISCELLANEOUS PROVISIONS

1. Binding Effect. This Agreement shall be binding upon UVLC's successors and assigns. The rights of the City under this Agreement shall not be assigned.
2. Further Assurances. Each party hereto shall take all further acts reasonably necessary in order to carry out more effectively the intent and purposes of the Agreement and the actions contemplated hereby.
3. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Utah.
4. Merger. This Agreement, together with all Exhibits and attachments hereto, hereby incorporated herein by reference constitutes the entire Agreement between the City and UVLC and supersedes any prior understandings, agreements or representations verbal or written. Except as expressly provided herein, this Agreement shall not be amended except in a written form signed and executed by an authorized officer of UVLC and by the Mayor of the City after approval by the City Council.
5. Severability. If any part or provision of this Agreement shall be adjudged unconstitutional, invalid or unenforceable by a court of competent jurisdiction such adjudgment shall not affect any other part or provision of this Agreement except that part or provision so adjudged to be unconstitutional, invalid or unenforceable. If any condition, covenant, or other

provision of this Agreement shall be deemed invalid, due to its scope or breadth such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

6. Extinguishment and Enforceability. The rights and obligations of the parties hereto shall be of no effect nor enforceable against the parties if the events described in section 2.1 do not become final. Accordingly, the City and UVLC agree that they will proceed to implement the extinguishment by mutually cooperating in the appropriate judicial disconnection proceeding wherein the parties shall waive any unnecessary proceedings, including the appointment of a Commission.

7. Force Majeure. Either party hereto shall be liable for any delay or failure in the keeping or performance of its obligations under this Agreement during the time and to the extent that any such failure is due to causes beyond the control and without the fault or negligence of the party affected which shall include acts of God, acts of the United States Government or the State of Utah, fires, floods, strikes, embargoes or unusually adverse weather conditions not contemplated herein. Upon the occurrence of such cause, the party affected shall promptly give written notice to the other party and shall promptly resume the keeping and performance of the affected obligations after such cause has come to an end. During the existence of such an event, each party shall bear its own costs resulting therefrom.

IN WITNESS WHEREOF, the parties have hereunder executed this Agreement by their authorized representatives effective as of May 2, 1997.

LEHI CITY



Attest:

Evelyn W. Yates
Evelyn W. Yates, City Recorder

By William L. Gibbs
William L. Gibbs, Mayor

UTAH VALLEY LAND COMPANY
LIMITED PARTNERSHIP

By R. Steven Romney
R. Steven Romney
President, General Partner, Inc.,
General Partner of Utah Valley Land
Company Limited Partnership

Utah Valley Land Company

Exhibit A- Utah Valley Land Company Boundary

May 28, 1997

BEGINNING on the North line of State Highway 92, said point being South $56^{\circ}54'46''$ East 1573.67 feet from the Southeast Corner of Section 30, Township 4 South, Range 1 East, Salt Lake Base and Meridian; from which the South Quarter Corner of said Section 30 bears North $89^{\circ}46'40''$ West and the Mount Timponogas tower bears South $75^{\circ}14'18''$ East and running thence

South $00^{\circ}09'01''$ West 459.07 feet; thence

North $89^{\circ}52'49''$ West 5466.51 feet to the South line of said State Highway 92 and the LEHI CITY BOUNDARY thence along said boundary the following thirteen (13) calls:

- 1). North $49^{\circ}31'35''$ West 1561.61 feet; thence
- 2). North $48^{\circ}59'01''$ West 1749.45 feet; thence
- 3). South $00^{\circ}14'09''$ East 123.38 feet; thence
- 4). South $48^{\circ}09'00''$ East 544.00 feet to a point on a 1396.60 foot radius curve to the right (center bears North $41^{\circ}41'10''$ East and has a central angle of $20^{\circ}21'30''$) thence
- 5). Along to arc of said curve 496.24 feet; thence
- 6). North $68^{\circ}54'52''$ West 29.58 feet; thence
- 7). North $21^{\circ}09'59''$ East 481.04 feet; thence
- 8). North $57^{\circ}08'50''$ East 19.61 feet; thence
- 9). North $19^{\circ}46'00''$ West 119.64 to a point on a 2764.79 foot radius curve to the left (center bears South $70^{\circ}14'03''$ West and has a central angle of $04^{\circ}23'00''$) thence
- 10). along the arc of said curve 211.52 feet; thence
- 11). North $24^{\circ}08'57''$ West 202.15 feet to a point on a 2764.79 foot radius curve to the left (center bears South $65^{\circ}51'03''$ and has a central angle of $5^{\circ}48'00''$) thence
- 12). Along the arc of said curve 279.88 feet; thence
- 13). North $29^{\circ}56'59''$ West 341.95 feet; thence

North $60^{\circ}03'15''$ East 196.25 feet to the East right-of-way line of the Union Pacific Rail Road; and the following five (5) calls being on said right-of-way line; thence

- 1). North $29^{\circ}56'45''$ West 173.92 feet; thence
- 2). North $23^{\circ}48'19''$ West 361.28 feet; thence
- 3). North $13^{\circ}27'01''$ West 1753.92 feet to a point on a 476.03 foot radius curve to the right (center bears South $76^{\circ}32'59''$ West and has a central angle of $15^{\circ}57'53''$); thence
- 4). along the arc of said curve 132.64 feet to the North line of Section 25, Township 4 South Range 1 West, Salt Lake Base and Meridian; thence
- 5). South $89^{\circ}45'05''$ East 962.66 feet along said section line to a point North $89^{\circ}45'05''$ West 1326.09 feet from the Northeast Corner of said section 25; thence

North $00^{\circ}05'33''$ West 5153.33 feet to a point south of the Utah/Salt Lake County line; thence North $78^{\circ}50'26''$ East 539.85 feet on a line south of, and parallel to, the said County line to a point on the North line of Section 24, Township 4 South Range 1 West, Salt Lake Base and Meridian; thence North $89^{\circ}27'40''$ East 829.70 feet along said North line to the Southeast Corner of Section 13, Township 4 South, Range 1 West, Salt Lake Base and

Meridian; thence

North 00°05'33" West 78.87 feet along the East line of said Section 13 to a point south of the Utah/Salt Lake County line and the following calls being South of, and parallel to, the platted Utah/Salt lake County line and / or the ridge line which defines said county line: thence

North 00°16'17" East 156.01 feet; thence

North 78°50'26" East 74.64 feet; thence

North 36°33'00" East 777.22 feet; thence

North 50°58'34" East 306.10 feet; thence

North 41°07'26" East 301.46 feet; thence

North 74°44'21" East 244.28 feet; thence

North 45°36'11" East 227.28 feet; thence

North 09°45'02" East 317.71 feet; thence

North 19°39'41" East 147.29 feet; thence

North 39°11'07" East 234.22 feet; thence

North 58°28'00" East 811.12 feet; thence

North 33°47'00" East 220.09 feet to a point on the North line of the South half of Section 18, Township 4 South, Range 1 West, Salt Lake Base and Meridian; thence

South 89°53'16" East 2817.10 feet to the East Quarter Corner of said section 18; thence

South 00°28'51" West 2632.27 feet along the East line of said section 18 to the Southeast Corner of said Section 18; thence

South 89°45'45" East 3479.39 feet along the North line of Section 20 ; thence

South 30°43'27" West 1584.11 feet to an old fence corner ; thence the following nine (9) calls being on an established fenceline thence

1). South 12°36'57" West 1532.30 feet; thence

2). South 32°15'47" West 816.58 feet; thence

3). South 34°59'54" West 490.30 feet; thence

4). South 03°01'38" West 836.45 feet; thence

5). South 09°45'13" East 749.76 feet; thence

6). South 32°26'27" East 880.21 feet; thence










7). South 25°01'34" East 455.66 feet; thence

8). South 00°57'30" West 1165.88 feet; thence

9). South 00°09'01" West 3692.78 to the point of BEGINNING.

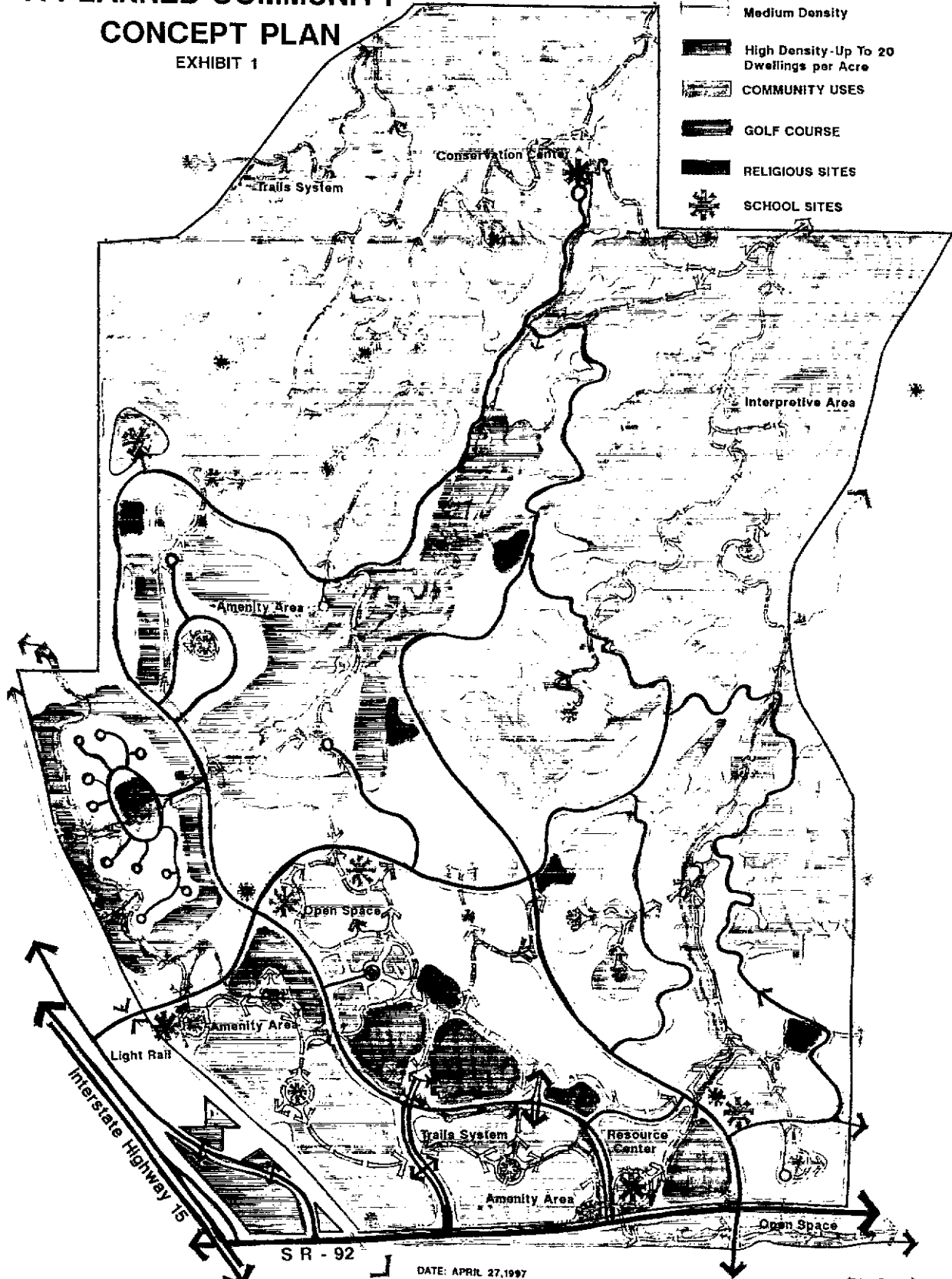
<LESS THAN AND EXCEPTING portions deeded to canals
and dedicated roads . >

LEGEND:

-  COMMERCIAL/OFFICE
-  COMMERCIAL RETAIL
- RESIDENTIAL:
 -  Low Density
 -  Medium Density
 -  High Density - Up To 20 Dwellings per Acre
-  COMMUNITY USES
-  GOLF COURSE
-  RELIGIOUS SITES
-  SCHOOL SITES

A PLANNED COMMUNITY CONCEPT PLAN

EXHIBIT 1



DATE: APRIL 27, 1997

**UTAH VALLEY
LAND COMPANY**

ASWN
ALLRED SOFFE WILKINSON & NICHOLS INC.



UVLC Property Summary of Land Uses

Residential Uses	659 acres	3,500 dwellings
Commercial Uses	177 acres	3,700,000 square feet of gross building area
Institutional and Religious Uses	99 acres	
Golf Course	190 acres	
Buffer, Primary Roadways and Greenspace	227 acres	

Utah Valley Land Company Exhibit #2

Water Right 57-8038

WRNUM: 57-8038 APPLICATION/CLAIM NO.: A44840 CERT. NO.:
 OWNERSHIP***** OWNER MISC: *****
 NAME: Salt Lake County Water Conservancy District
 ADDR: P.O. Box 70
 CITY: West Jordan STATE: UT ZIP: 84084-0070 INTEREST:
 NAME: Salt Lake Water Conservancy District OWNER MISC:
 ADDR: Box 70
 CITY: West Jordan, STATE: UT ZIP: 84084-0070 INTEREST:
 NAME: Salt Lake Water Conservancy District OWNER MISC:
 ADDR: Box70
 CITY: West Jordan, STATE: UT ZIP: 84084-0070 INTEREST:
 LAND OWNED BY APPLICANT? Yes
 LOCATION OF WATER RIGHT***** SOURCE: Underground Water Well *****
 FLOW: 6.0 cfs
 COUNTY: Salt Lake COMMON DESCRIPTION: 3 miles North of Camp Williams
 POINTS OF DIVERSION -- UNDERGROUND:
 (1) N 315 ft W 910 ft from SE cor, Sec 10, T 4S, R 1W, SLEB DIAM: 20 ins. DEPTH: 300 to 900 ft. YEAR DRILLED: 1980 WELL LOG? Y
 Comment:
 (2) N 450 ft E 1215 ft from SW cor, Sec 11, T 4S, R 1W, SLEB DIAM: 20 ins. DEPTH: 300 to 900 ft. YEAR DRILLED: WELL LOG?
 Comment:
 USES OF WATER RIGHT*****
 CLAIMS USED FOR PURPOSE DESCRIBED: 8038
 Referred to: Claims Groups: Type of Reference Claims: Purpose: Remarks:
 ##IRRIGATION: Diversion Limit: PERIOD OF USE: 01/01 TO 12/31
 Tot Irr. Acrg.: 385.71
 ##DOMESTIC: 1286 Families
 ##INDUSTRIAL: Water to be used for miscellaneous light industrial development. PERIOD OF USE: 01/01 TO 12/31
 OTHER COMMENTS*****
 able flow.
 However, due to sprinkler irrigation, there will be no concentrated or defin-
 Some water will be returned to the source through underground percolation.

Water Right 57-8108

WRNUM: 57-8108 APPLICATION/CLAIM NO.: A44840a CERT. NO.:

OWNERSHIP***** OWNER MISC:

NAME: Salt Lake County Water Conservancy District
ADDR: P.O. Box 70
CITY: West Jordan
LAND OWNED BY APPLICANT?

STATE: UT ZIP: 84084-0070 INTEREST:
LOCATION OF WATER RIGHT***** SOURCE: Underground Water Well
FLOW: 8.0 cfs OR 4114.29 acre-feet
COUNTY: Salt Lake COMMON DESCRIPTION:

POINTS OF DIVERSION -- UNDERGROUND:
(1) N 315 ft W 910 ft from SE cor, Sec 10, T 4S, R 1W, SLEB DIAM: ins. DEPTH: 480 to ft. YEAR DRILLED: 1984 WELL LOG? Y
Comment:
(2) N 450 ft E 1215 ft from SW cor, Sec 11, T 4S, R 1W, SLEB DIAM: ins. DEPTH: to ft. YEAR DRILLED: WELL LOG? N
Comment:

USES OF WATER RIGHT*****
##IRRIGATION *---NORTH WEST QUARTER---NORTH EAST QUARTER---SOUTH WEST QUARTER---SOUTH EAST QUARTER--- Section
Tot Irr. Acreg.: 514.29* NW NE SW SE * NW NE SW SE * NW NE SW SE * Totals
or a Total of .00 acres.

Sole Supply: acres Diversion Limit: PERIOD OF USE: 04/01 TO 10/31
##STOCKWATERING: 286 Cattle or Equivalent Diversion Limit: PERIOD OF USE: 01/01 TO 12/31

This Right was Segregated from 57-8038, with Appl#: A44840, Approval Date: 05/07/1976 under which Proof is to be submitted.
This Right as originally filed:

OTHER: Industrial	FLOW IN CFS	QUANTITY IN ACRE-FEET	W A T E R U S E S		
			IRRIGATED ACREAGE	STOCK (BLUs)	DOMESTIC (FAMILIES)
	8.0	OR 4114.29	514.2900	286	1714

EXHIBIT A TO AGREEMENT BETWEEN SALT LAKE COUNTY WATER
CONSERVANCY DISTRICT AND UTAH VALLEY LAND COMPANY

PARCEL I: BEGINNING at a point North 89° 49' 10" East, 1274.12 feet and North 257.80 feet from the Southwest corner of Section 11, Township 4 South, Range 1 West, Salt Lake Base and Meridian; running thence North 48° 44' 34", West, 262.78 feet along East Canal Bank; thence North 24° 54' 49" East, 214.79 feet along said Canal Bank; thence North 34° 09' 10" East, 190.72 feet along said Canal Bank; thence South, 525.92 feet along the 1/4 Section line to the point of BEGINNING.

PARCEL II: BEGINNING at a point North 403.82 feet and West 721.41 feet from the Southeast corner of Section 10, Township 4 South, Range 1 West, Salt Lake Base and Meridian; running thence South 29° 17' 00" West, 366.44 feet along the U.P. & L. Co. Right of Way line; thence South 73° 11' 15" West, 104.04 feet along the North bank of the Jordan River; thence North 2° 58' 50" West 379.39 feet; thence South 84° 25' 28" East 300.0 feet along said U.P. & L. Co. Right of Way line to the point of BEGINNING.

TOGETHER WITH a Right of Way for reasonable access and to run power and water lines to and from the above described Parcels 1 and 2 across the property described as follows:

PARCEL A: BEGINNING at a point on a county road and the North Right of Way line of U.P. & L. Co.; said point being North 282.58 feet and East 575.55 feet from the Southwest corner of Section 11, Township 4 South, Range 1 West, Salt Lake Base and Meridian; running thence North 25° 12' East, 424.09 feet along said county road to an existing fence; thence North 18° 38' 18" East, 71.21 feet along said fence; thence North 15° 43' 57" West, 312.01 feet along said fence; thence North 30° 48' 43" West, 880.14 feet to an old existing fence; thence South 76° 40' 43" West, 982.02 feet along said fence; thence South 12° 54' 00" East, 44.52 feet along the fence; thence South 75° 34' 10" West, 57.82 feet; thence South 33° 02' 15" West, 379.43 feet; thence South 75° 30' 54" West, 161.04 feet to an existing fence on the East Bank of the Jordan River; thence South 25° 19' 21" West, 290.80 feet along said fence and East Bank; thence South 57° 25' 08" West, 213.39 feet along said fence and East Bank; thence South 23° 50' 03" West, 111.61 feet along said East Bank; thence South 30° 10' 33" East 331.32 feet along said East Bank; thence South 13° 49' 59" East, 348.78 feet along said East Bank; thence North 87° 57' 14" East, 190.19 feet along said East Bank, thence North 73° 11' 15" East, 33.89 feet along said East Bank to the U.P. & L. Co. Right of Way; thence North 2° 58' 50" West, 379.39 feet along said Right of Way; thence South 84° 25' 28" East, 1600.72 feet along said Right of Way to the point of BEGINNING.

PARCEL B: BEGINNING at a point on a county road and the North Right of Way line of U.P. & L. Co. said point being North 282.58 feet and East 575.55 feet from the Southwest corner of Section 11, Township 4 South, Range 1 West, Salt Lake Base and Meridian, running thence North 25° 12' East, 424.09 feet along said county road to an existing fence; thence North 18° 38' 18" East, 71.21 feet along said fence; thence South 53° 29' 06" East, 173.05 feet along an existing fence to the D & RGWRR Westerly Right of Way line; thence South 38° 57' 30" West, 128.96 feet along said Right of Way line; thence South 64° 45' 00" East, 50.0 feet along said Right of Way line; thence South 25° 15' 00" West, 265.35 feet along said Right of Way line to the North Right of Way line of U.P. & L. Co.; thence North 84° 25' 28" West, 191.85 feet along said North Right of Way line to the point of BEGINNING.

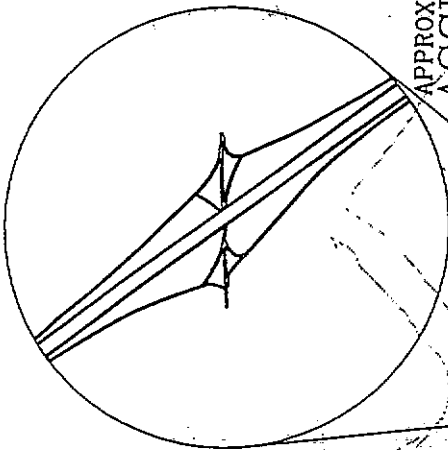
SUBJECT to a canal Right of way over the Easterly 100 feet of the Parcel.

PARCEL C: BEGINNING at a point North 214.15 feet and East 1278.88 feet from the Southwest Corner of Section 11, Township 4 South, Range 1 West, Salt Lake Base and Meridian; running thence North 84° 25' 28" West, 408.60 feet along the North Right of Way line of U.P. & L. Co. to the Easterly Right of Way line of the D & RGWRR; thence North 25° 15' 00" East, 229.58 feet along said Railroad Right of Way; thence South 64° 45' 00" East, 50.00 feet along said Railroad Right of Way line; thence South 85° 37' 19" East, 66.15 feet to the East bank of said canal; thence South 48° 44' 34" East, 262.78 feet along said East Canal Bank to the quarter Section line; thence South 47.67 feet along said line to the point of BEGINNING.

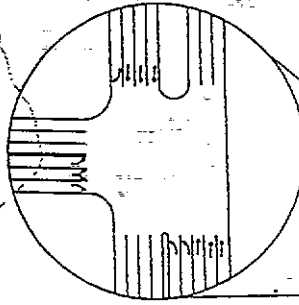
SUBJECT to a canal Right of Way over the Easterly 66 feet of the Parcel.

UTAH VALLEY LAND COMPANY PROPERTY

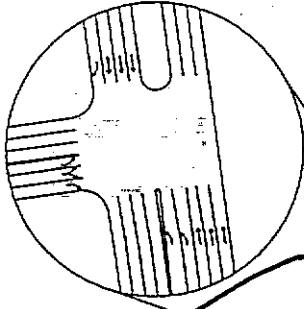
I-15



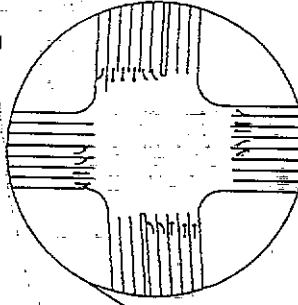
APPROX. STA. 38+58
ACCESS 3



APPROX. STA. 52+83 ± 500 FT.
ACCESS 2



APPROX. STA. 73+63
ACCESS 1



NOTE: STATIONING BASED ON 1988AIP PLANS FOR SR-92 DATED 22 JULY 1988.

ECKHOFF WATSON AND PREATOR ENGINEERING

ENGINEERS PLANNERS SURVEYORS

UTAH VALLEY LAND COMPANY

TRAFFIC STUDY

EXHIBIT 3

UDOT-UTAH VALLEY LAND COMPANY AGREEMENT



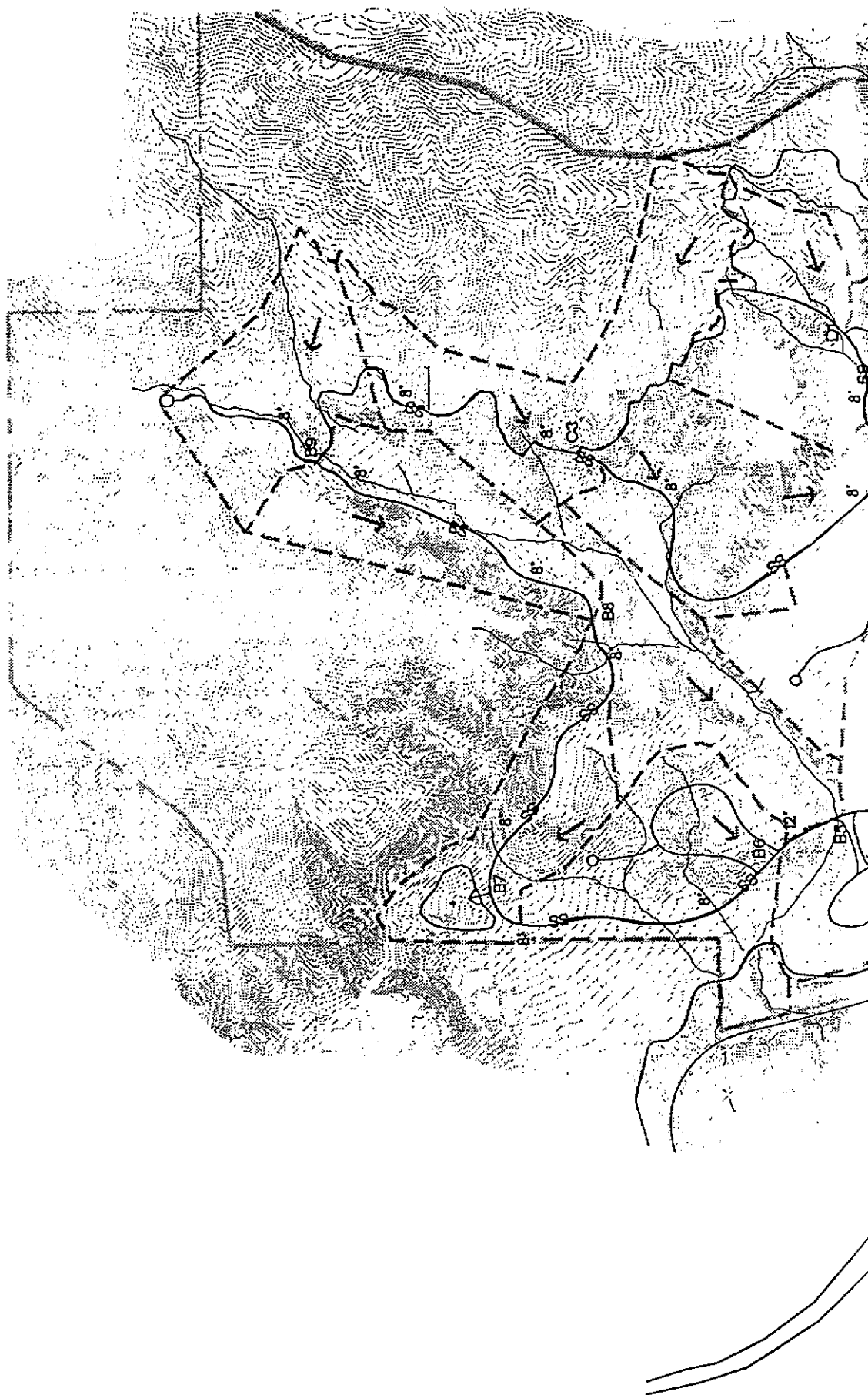


Table 4
ESTIMATED SEWER FLOWS

MANHOLE NUMBER	PIPE SIZE (INCH)	PIPE SLOPE (%)	PIPE (GPM)	AVERAGE DAILY FLOW (GPM)	FLOW W/ PEAKING FACTOR* (GPM)
A3				99	
A2	8	5.0%	1212	219	396
A1	8	5.0%	1212	357	876
	10	5.0%	2198		1428
B9				17	
B8	8	5.0%	1212	51	68
B7	8	5.0%	1212	100	204
B6	8	4.0%	1084	100	400
B5	8	3.6%	1029	203	812
B4	12	0.5%	1130	239	598
B3	12	3.3%	2904	502	1255
B2	12	0.8%	1412	512	1280
B1	12	2.7%	2626	739	1848
	12	4.9%	3538	883	2208
C3				42	
C2	8	2.2%	804	110	168
C1	8	5.0%	1212	186	440
	8	5.0%	1212		744
D1				24	
	8	5.0%	1212		96
E1				23	
	8	5.0%	1212		92
A1-B1				357	
	10	3.5%	1839		714
B1-E1				1240	
	15	1.0%	2898		2480
E1-OUT				1263	
	15	1.0%	2898		2526

*PEAKING FACTOR OF 4 USED FOR PIPE SIZES <12"
PEAKING FACTOR OF 2.5 USED FOR PIPE SIZES >12"
PEAKING FACTOR OF 2 USED FOR LINE ALONG SR92