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By SOUTHERN UTAH TITLE CO



After Recording Send To:

Robert M. Jensen
JensenBayles LLP
63 S 300 E, Suite 101
St. George UT 84770

**SUPPLEMENTAL DEVELOPMENT AGREEMENT
(Bridle Gate Estates)**

This Supplemental Development Agreement (Bridle Gate Estates) (hereafter "Agreement") is entered into and affirmed this 1 day of November, 2012 between DH Sunwest, LLC, a Utah limited liability company (hereafter "Declarant") and the City of St. George, a Municipal Corporation and political subdivision of the State of Utah (hereafter "City"). Throughout this Agreement the City and Declarant may collectively be referred to as "Parties" and individually as "Party."

RECITALS

A. On January 30, 2006, Phase I of Bridle Gate Estates was approved, platted and recorded by the original developer and declarant, Sunchaser, LC (hereafter "Phase I Developer").

B. On January 30, 2006, Phase I Developer executed the "Bridlegate Estates Planned Unit Development Agreement" which document was filed with the Office of the Recorder, Washington County, State of Utah, as Document No. 20060000197. The "Affected Property" and legal description for this document covers and affects only the Phase I property.

C. On January 30, 2006, the Phase I Developer executed the "Declaration of Covenants, Conditions and Restrictions of Bridlegate Estates," which document was filed in the Office of the Recorder, Washington County, State of Utah, as Document No. 20060000199. These CC&Rs, define the "Property" and establish the legal description affected as including only the Phase I property. These CC&R's strictly withhold and reserve all rights relating to "Additional Lands."

D. By May 9, 2008, the project lender, ANB Bank, had closed and was put under the receivership of FDIC.

E. On October 29, 2009, the Phase I Developer executed the "First Amendment to the Declaration of Covenants, Conditions and Restrictions of Bridlegate Estates," which document was filed with the Office of the Recorder, Washington County, State of Utah, as

Document No. 20090041366. The legal description for this document covers and includes only the Phase I property.

F. On November 5, 2009, the Phase I Developer executed "Amendment No. 2 to the Declaration of Covenants, Conditions and Restrictions of Bridle Gate Estates," which document was filed with the Office of the Recorder, Washington County, State of Utah, as Document No. 20090042306. The legal description for this document covers and includes only the Phase I property.

G. On or about December 9, 2009, Bridle Gate Homeowners Association was formed and incorporated, in connection with Phase I and appears to be operational to this date.

H. Upon information and belief, by the end of 2009, the Phase I Developer, Sunchaser, L.C., had gone out of business and all but one of its principals had filed bankruptcy.

I. On or about March 17, 2011, ANB Ventures foreclosed upon all Additional Property, outside of Phase I of Bridle Gate Estates. All Additional Property relating to all subsequent phases of Bridle Gate Estates, including all additional and potential common areas and projected improvements, amenities and facilities have been lost in foreclosure.

J. Declarant, as defined above, is not the original Phase I Developer, or the original Phase I declarant. Declarant has now purchased the Additional Property from ANB Ventures, which had purchased the Additional Property in foreclosure. The "Additional Property" consists of approximately 38.79 acres, lying North and East of Phase I, Bridle Gate Estates, and is more particularly defined in Exhibit A, attached hereto.

K. Declarant acknowledges the original Development Agreement, which runs with the land and remains binding upon the City and any subsequent developer. The parties recognize that the original Development Agreement, together with this Agreement, and other applicable laws and ordinances, circumscribe the obligations, conditions, and development of the Additional Property.

L. Declarant now intends to develop the subsequent phases of Bridle Gate Estates, upon a portion of the Additional Property consisting of approximately 27.09 acres.

M. Declarant shall, upon conditions to be expressed in Amended and Restated CC&Rs, develop certain common areas, consisting of approximately 11.7 acres, within the Additional Property; and within a portion of such common areas, Declarant intends to make an Equestrian Facility available to all owners of all phases of Bridle Gate Estates which approve and adopt the Amended and Restated CC&Rs and other applicable regulations.

N. The Declarant and the City hereby recognize that the January 30, 2006 Development Agreement provided that "an open space/equestrian area shall encompass a minimum of 11.72 acres," but did not specify when such would be conveyed or included within

the subdivision. The Declarant and the City hereby agree that the same shall be conveyed with the approval of this Agreement and the Amended Plat, which includes Phase II, and that such conveyance properly fulfills that obligation of the January 30, 2006 Development Agreement.

O. The City, acting pursuant to its authority under Utah Code Annotated §10-9a-101, et seq., and its ordinances, resolutions and regulations, and in furtherance of its land use policies, has made certain determinations with respect to the subject property, and in the exercise of its legislative discretion, has elected to approve this Agreement along with the Amended and Restated CC&Rs and Amended Plat.

NOW, THEREFORE, in consideration of the promises, conditions, covenants and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

CONSENT AND ACKNOWLEDGMENT

1. **INCORPORATION OF RECITALS.** The above Recitals are by this reference incorporated herein and made a material part of this Agreement.
2. **DECLARANT COMPLIANCE WITH LAW.** Declarant shall, unless expressly stated otherwise herein, develop the subject property in compliance with this Agreement, the original Development Agreement, the City's general plan, zoning requirements, subdivision ordinance, and all other reasonable requests of the City, provided such do not improperly restrict Declarant's rights as provided herein or by applicable law.
3. **UNITING AND DEVELOPMENT OF ALL PHASES.** Declarant intends to proceed through the subdivision process as both developer and declarant in relation to the Additional Property. Declarant intends to promulgate an Amended Plat and Amended and Restated CC&Rs, to be submitted to and approved by the City, so as to carefully detail and outline the rights, rules and reasonable expectations of the owners in each of the present and future phases of Bridle Gate Estates. Declarant intends to otherwise encourage a strong and unified homeowners' association for the continued operation and maintenance of the Additional Properties and all Phases of Bridle Gate Estates, including Phases I, II, III, and IV and all related common areas.
4. **DEVELOPMENT OF EQUESTRIAN FACILITIES.** Declarant intends to arrange for the use of the Equestrian Facility presently existing on a portion of the Additional Property. The Equestrian Facility, upon terms expressed in the Amended and Restated CC&Rs, will be owned by the Homeowner's Association and organized to be self-sustaining, self-governing and self-financed, with the assistance of an Equestrian Subcommittee of the Homeowner's Association, and used by any member thereof who is willing and able to abide and be bound by the provisions and regulations established under and through the Amended and Restated CC&Rs, as may be amended from time to time thereafter, including the payment of reasonable Equestrian Assessments, dues and/or fee amounts for the use of the Facility. The right to board a horse or use other portions of the Equestrian Facilities, shall be issued only to Bridle Gate Homeowners

on a first-come-first-serve basis, and as otherwise provided in the Amended and Restated CC&Rs.

5. **DEDICATION OF EQUESTRIAN FACILITIES.** Upon the complete formulation of the Equestrian endeavor, and upon terms expressed in the Amended and Restated CC&Rs, Declarant intends to dedicate the Equestrian Facility to the Homeowner's Association, subject to the provisions, rules and regulations promulgated in relation thereto, and subject to the requirement that the Equestrian Facility shall be used only for the benefit of Bridle Gate Estates homeowners and not for the benefit of other third parties not owning property within Bridle Gate Estates.

6. **LANDSCAPING.** Bridle Gate Phase I is currently responsible for the landscaping surrounding the Phase I property. Provided, Phase I Owners agree to the Amended and Restated CC&Rs and the Amended Plat, all Phases of Bridle Gate Estates shall share in and be responsible for all common area Landscaping for the subdivision.

7. **UNIFICATION OF PHASES.** Declarant intends to work toward a united subdivision, including the original Bridle Gate Estates Phase I and the subsequent Bridle Gate Estates Phases II, III, and IV. With the adoption of the Amended and Restated CC&Rs by Phase I, the remaining phases will be organized and governed under the same rules and Homeowner Association, allowing for uniform provisions and harmonious establishment of the subdivision as well as the Equestrian Committee and the Equestrian Facility.

8. **ST. GEORGE CITY CONSENT AND CONFIRMATION.** The City recognizes that Declarant is not the Phase I Developer, but is separate and distinct. Declarant shall develop the subject property as required of and in compliance with this Agreement, the original Development Agreement, the City's general plan, zoning requirements, subdivision ordinance, and all other reasonable requests of the City; no further obligations can or will be expected of Declarant.

9. **AGREEMENT TO RUN WITH THE LAND.** This Agreement shall be recorded against the Subject Property as described in Exhibit A, attached hereto, and shall be deemed to run with the land and bind any entity in the ownership or development of any portion of the Subject Property.

10. **NOTICES.** Any notices, requests, or demands required or desired to be given hereunder shall be in writing and should be delivered personally to the Party for who intended, or if mailed by certified mail, return receipt requested, postage prepaid to the last known address of the Parties as follows:

DH Sunwest, LC:

c/o Rod Steurer
393 E Riverside Drive, C-3
St. George, UT 84770

City of St. George:

Attn: City Attorney
175 East, 200 North
St. George, UT 84770

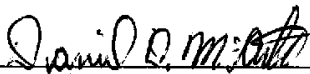
Any Party may change its address by giving written notice to the other party in accordance with the provisions of this Section.

IN WITNESS WHEREOF, this Agreement has been executed by City and by a duly authorized representative of Declarant as of the date first written above.

DATED: 12/18/12 DATED: 12/18/12

CITY: CITY OF ST. GEORGE

WITNESSED BY:



By: Daniel D. McArthur
Its: Mayor




Gay Cragun
St. George City Recorder

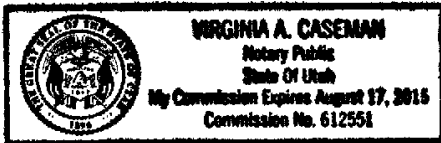
DATED: _____ DATED: _____


Declarant: DH SUNWEST, LC


By: Rodney Steurer
Its: Manager/Member

STATE OF UTAH,)
 :SS.
County of Washington.)

On this 27th day of November, 2012, personally appeared before me Rodney Steurer, who being personally known to me (or satisfactorily proved to me), and who being by me duly sworn did say that he is the manager of DH Sunwest, LC, a Utah limited liability company, and that he executed the foregoing Supplemental Development Agreement on behalf of said limited liability company being authorized and empowered to do so by the operating agreement of said Company or resolution of its managers, and he acknowledged before me that such Company executed the same for the uses and purposes stated therein, and that the information therein is true and correct to the best of his knowledge.




Notary Public