

DEVELOPMENT AGREEMENT

**Between Perry City Corporation and HSC Perry City, LLC
Regarding Pointe Perry Subdivision (Phase 1, Lot 6; and Phase 3, Lot 17),
Also Identified as Parcel Nos. 03-236-014 and 03-236-036**

This DEVELOPMENT AGREEMENT is made and entered into, as of the date of the final signature below, by Perry City Corporation, a municipal corporation (hereinafter "Perry City") and HSC Perry City, LLC, an Alabama limited liability company authorized to do business in Colorado, its successors and/or assigns (hereinafter the "Owner"); after having received approval by the Perry City Council in its regular meeting on the 16th day of January, 2014.

RECITALS

WHEREAS, Owner desires to cause a development on its real property (which it has the rights to purchase) within the municipal limits of Perry City, and within the Interstate Commercial Zone (ICZ); namely, Pointe Perry Subdivision (Phase 1, Lot 6; and Phase 3, Lot 17), which is referred to herein as the "Property"; and

WHEREAS, the current land use chart, in Chapter 45.20 in the 2010 Perry Municipal Code (approved on January 13, 2011), does not provide for permitted and/or conditional uses in the ICZ in which the Property is located; instead, a given use is permitted in the ICZ if specifically allowed by a development agreement (but no such development agreement currently exists for the Property); and

WHEREAS, the Owner is desirous of creating a development on the Property, and is requesting: (1) a Development Agreement to allow for a specific permitted use of the Property; and (2) assurances that if the general plan map, the zoning map, or other applicable land use ordinances or provisions should change, then the use approved by this Development Agreement shall remain intact and run with the Property for the duration of this Agreement; and

WHEREAS, Perry City is desirous of making reasonable accommodations under the circumstances; and

WHEREAS, the parties are desirous of entering into this Development Agreement regarding the duties of the parties pertaining to the facts described herein; and

NOW THEREFORE, for and in consideration of the promises, covenants, terms, and conditions hereinafter set forth, Perry City and Owner agree as follows:

1. Owner acknowledges that this Development Agreement only provides assurances and benefits to the Owner regarding the Property, as set forth in Paragraphs 2, 3, and 4 herein.

2. For the duration of this Development Agreement, and with regards to the Property, the Owner shall have as a permitted use "Commercial Sales of Agricultural Products," which is defined as including, without being limited to, the sale of merchandise and products which assist with farming, lawn and gardening, pets, other animals and agriculture, etc., as well as food products, equipment, tools, outdoor display of merchandise (including, but not limited to bulk propane, welding gas, trailers, pedal boats and motorized vehicles, including mini-bikes, dirt bikes, scooters, UTVs, hay and forage) and other related products that the same type of store at another location would sell.
3. This Agreement shall inure to the benefit of Owner and any successors and/or assigns in interest to the Property for the period of time (duration) specified in Paragraph 4 below; and this Agreement shall be recorded in the Box Elder County Recorder's Office.
4. Duration: This Agreement shall terminate five (5) years from the date approved in the Perry City Council Meeting if construction has not yet begun on the Property. In the event any construction or improvement is made to the Property within such five (5) year period, this Agreement shall not terminate and shall run with the Property.

IN WITNESS WHEREOF, the parties execute this Development Agreement, as follows, to be effective as of the date of the final signature below.

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

By: H. Ray Hix, Jr.
 For: HSC Perry City, LLC ("Owner")

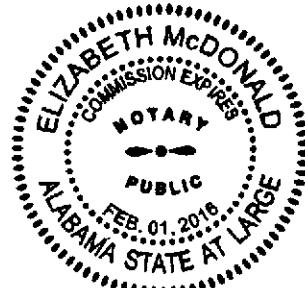
STATE OF Alabama)
 COUNTY OF Baldwin)

On this 19th day of February, 2014, personally appeared before me
H. Ray Hix, Jr. (name of signer above), an authorized
 member of HSC Perry City, LLC (the Owner).

Elizabeth M. Sencel
 Notary Public

Residing in: Baldwin County

My Commission Expires: 2/1/16



PERRY CITY ACKNOWLEDGMENT

Karen Cronin
KAREN CRONIN
Mayor, Perry City

Feb 11, 2014

Date

ATTEST:

Susan K. Obrey
SUSAN K. OBRAY
City Recorder, Perry City

IN WITNESS WHEREOF, the undersigned has caused this Amendment to be executed and delivered by its duly authorized Mayor effective as of the day and year first written above.

PERRY CITY CORPORATION,
a municipal corporation

By: Karen Cronin
Print Name: Karen Cronin
Its: Mayor

STATE OF UTAH)
County of Box Elder)
)
)SS.

On June 9, 2014, before me, the undersigned Notary Public, personally appeared Karen Cronin, the Mayor of **PERRY CITY CORPORATION**, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) and that his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

My Commission Expires:
04-03-2016

Shanna S. Johnson
Notary Public

[EXECUTION AND ACKNOWLEDGMENTS CONTINUE ON FOLLOWING PAGE]

