

SUBDIVISION AGREEMENT
AND
COVENANT RUNNING WITH THE LAND
(Red Ledges Recreational Community - Phase II)

THIS AGREEMENT entered into this 29 day of July, 2008, by and between Heber City, hereinafter referred to as "City" and the undersigned as "Developer".

WHEREAS, the petitioner has proposed the Red Ledges Recreational Community - Phase II, consisting of 44 single-family lots and a Fire Station parcel.

NOW, THEREFORE, the parties hereby agree as follows:

1. With respect to the approved final subdivision plat, the developer shall, prior to recordation of that subdivision plat, submit a letter from Twin Creeks Special Service District, "TCSSD", indicating that the Developer is in compliance with all water rights requirements for Phase II.
2. The developer shall comply with Chapter 18.102 of Heber City Code (the Affordable Housing Ordinance), through payment of a fee in lieu of the amount \$52,332, calculated based upon Phase II development only, shall be provided to Heber City prior to plat recordation. Receipt of payment to the Housing Authority shall be provided to Heber City prior to plat recordation.
3. Required improvements of the development includes construction and dedication of public trails within the Phase II development areas. All trails will conform to the standards defined by the Wasatch County Trails Standards, with the exception of limited sections of back country trails that may reach slopes up to 20%. Those trails to be constructed as part of phase one are shown in Exhibit A, and these shall be shown on the plat as dedicated public trails. Public trails will be maintained by Heber City. Any private trails will be maintained by the Red Ledges HOA. In subsequent phases when more information is available for the location of Lake Creek Road Improvements and dedications, the developer shall provide a detailed landscaping plan to Heber City, and install landscaping along said trails;
4. Acceptance of this subdivision is conditional upon offsite improvements. This subdivision will not be deemed complete until TCSSD has accepted the construction of all off-site water, sewer and reuse transmission lines, and water tank required to provide adequate service to this development

5. All streets, utilities, and improvements identified as part of Phase II development, will be constructed to property lines;
6. Developer will provide a copy of their noxious weed control plan approved by the Wasatch County Weed Control Board.
7. All aforementioned improvements shall consist of frontage improvements of curbs, sidewalks, pavements, inlets, landscaping and placing of monuments, as required and consistent with approved development standards and plans;
8. Said improvement costs will be paid by the Developer, their assigns, transferees or successors as owners or developers. The Developer shall be obligated to disclose and notify in writing its immediate successors in ownership or developers of the requirements of this Agreement;
9. Developer shall execute a performance agreement and provide a bond guaranteeing the improvements related to subdivision;
10. The parties agree that the improvements will be required at the time of development, and that no building permits shall be issued thereto without the substantial completion of said improvements;
11. In the event there is a Failure to Perform under this Agreement and it becomes reasonably necessary for any party to employ the services of an attorney in connection therewith (whether such attorney be in-house or outside counsel), either with or without litigation, on appeal or otherwise, the losing party to the controversy shall pay to the successful party reasonable attorney's fees incurred by such party and, in addition, such costs and expenses as are incurred in enforcing this Agreement;
12. This Agreement contains the entire agreement between the parties, and no statement, promise or inducement made by either party hereto, or agent of either party hereto which is not contained in this written Agreement shall be valid or binding; and this Agreement may not be enlarged, modified or altered except in writing approved by the parties.

13. Time is of the essence of this Agreement. In case any party shall fail to perform the obligations on its part at the time fixed for the performance of such obligations by the terms of this Agreement, the other party or parties may pursue any and all remedies available in equity, at law, and/or pursuant to the terms of this Agreement.

14. This Agreement shall be a covenant running with the land, and shall be binding upon the parties and their assigns and successors in interest. This Agreement shall be recorded with the Wasatch County Recorder.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands the day and year this agreement was first above written.

DATED this 29 day of July, 2008.

HEBER CITY:

By: David Phillips
David Phillips, Mayor

ATTEST:

Pamela Wheeler
Heber City Recorder


VP
OWNER, [Signature]
Red Ledges Land Development, Inc.

By: [Signature]
Todd Cates, Manager - VP

STATE OF UTAH)
 : ss.
COUNTY OF WASATCH)

On this 5 day of August, 2008, personally
appeared before me the above named Owner, who duly acknowledged
to me that he is the owner in fee and executed the same as such.

[Signature]
NOTARY PUBLIC

 **LYNSEE NORTH**
NOTARY PUBLIC - STATE of UTAH
861 EAST 1030 NORTH
OREM, UTAH 84097
COMM. EXPIRES 12-9-2009

LEGAL DESCRIPTION

PARCEL A:

A PARCEL OF LAND LOCATED IN SECTION 33 TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN, WASATCH COUNTY, UTAH, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT SOUTH 89°48'55" WEST, 738.30 FEET AND NORTH 2761.58 FEET FROM THE SOUTH QUARTER CORNER OF SAID SECTION 33; THENCE NORTH 69°02'23" EAST 122.99 FEET; THENCE NORTH 28°19'50" WEST 250.83 FEET; THENCE NORTH 14°00'33" WEST 85.48 FEET; THENCE NORTH 07°33'48" WEST 80.75 FEET; THENCE NORTH 10°51'39" WEST 94.82 FEET; THENCE NORTH 19°52'35" EAST 66.33 FEET; THENCE NORTH 37°09'53" EAST 66.84 FEET; THENCE NORTH 63°24'50" EAST 66.92 FEET; THENCE NORTH 89°28'23" EAST 71.24 FEET; THENCE SOUTH 78°35'39" EAST 67.29 FEET; THENCE SOUTH 45°23'36" EAST 81.56 FEET; THENCE SOUTH 30°54'43" EAST 282.97 FEET; THENCE NORTH 35°32'31" EAST 1010.06 FEET TO A POINT ON THE ARC OF A NON-TANGENT CURVE TO THE RIGHT; THENCE SOUTHEASTERLY 142.66 FEET ALONG THE ARC OF SAID 275.00 FOOT RADIUS CURVE TO THE RIGHT, (CHORD BEARS SOUTH 72°23'44" EAST A DISTANCE OF 141.07 FEET); THENCE NORTH 32°27'58" EAST 50.00 FEET TO THE ARC OF A NON-TANGENT CURVE TO THE LEFT; THENCE NORTHWESTERLY 75.17 FEET ALONG THE ARC OF SAID 325.00 FOOT RADIUS CURVE TO THE LEFT, (CHORD BEARS NORTH 64°09'36" WEST A DISTANCE OF 75.00 FEET); THENCE NORTH 00°06'45" EAST 383.88 FEET TO THE BOUNDARY OF RED LEDGES PHASE 1 SUBDIVISION PLAT RECORDED AT THE WASATCH COUNTY RECORDERS OFFICE; THENCE ALONG SAID RED LEDGES PHASE 1 SUBDIVISION PLAT THE FOLLOWING SIX (6) CALLS; COURSE 1: NORTH 89°06'29" EAST 20.00 FEET; COURSE 2: NORTH 00°17'18" WEST 146.97 FEET; COURSE 3: NORTH 59°45'22" EAST 75.27 FEET; COURSE 4: NORTH 03°24'26" EAST 153.68 FEET; COURSE 5: NORTH 40°04'00" EAST 104.28 FEET; COURSE 6: NORTH 15°30'09" EAST 119.06 FEET; THENCE SOUTH 19.01 FEET; THENCE SOUTH 74°45'51" EAST 202.86 FEET TO THE BOUNDARY OF SAID RED LEDGES PHASE 1 SUBDIVISION PLAT THE FOLLOWING TWO (2) CALLS; COURSE 1: SOUTH 19°24'13" EAST 106.87 FEET; COURSE 2: SOUTH 66°18'40" EAST 147.64 FEET TO THE ARC OF A NON-TANGENT CURVE TO THE LEFT LOCATED ON THE RIGHT OF WAY OF CHIMNEY ROCK ROAD; THENCE CONTINUING ALONG THE BOUNDARY OF SAID RED LEDGES PHASE 1 SUBDIVISION PLAT AND ALONG SAID RIGHT OF WAY OF CHIMNEY ROCK ROAD THE FOLLOWING THIRTEEN (13) CALLS; COURSE 1: SOUTHEASTERLY 144.93 FEET ALONG THE ARC OF A 92.00 FOOT RADIUS CURVE TO THE LEFT, (CHORD BEARS SOUTH 21°26'28" EAST A DISTANCE OF 130.40 FEET); COURSE 2: SOUTHEASTERLY 28.59 FEET ALONG THE ARC OF A 28.00 FOOT RADIUS CURVE TO THE RIGHT, (CHORD BEARS SOUTH 37°19'29" EAST A DISTANCE OF 27.36 FEET); COURSE 3: SOUTH 08°04'41" EAST 20.68 FEET; COURSE 4: SOUTHERLY 7.58 FEET ALONG THE ARC OF A 88.00 FOOT RADIUS CURVE TO THE RIGHT, (CHORD BEARS SOUTH 05°36'37" EAST A DISTANCE OF 7.58 FEET); COURSE 5: SOUTHWESTERLY 677.94 FEET ALONG THE ARC OF SAID 645.00 FOOT RADIUS CURVE TO THE RIGHT, (CHORD BEARS SOUTH 26°58'07" WEST A DISTANCE OF 647.17 FEET); COURSE 6: SOUTHWESTERLY 391.69 FEET ALONG THE ARC OF A 625.00 FOOT RADIUS CURVE TO THE LEFT, (CHORD BEARS SOUTH 39°07'33" WEST A DISTANCE OF 385.31 FEET); COURSE 7: SOUTH 21°10'19" WEST 612.79 FEET; COURSE 8: SOUTHWESTERLY 684.89 FEET ALONG THE ARC OF A 575.00 FOOT RADIUS CURVE TO THE RIGHT, (CHORD BEARS SOUTH 55°17'42" WEST A DISTANCE OF 645.12 FEET); COURSE 9: SOUTH 89°25'05" WEST 280.50 FEET; COURSE 10: WESTERLY 6.70 FEET ALONG THE ARC OF A 87.99 FOOT RADIUS CURVE TO THE RIGHT, (CHORD BEARS NORTH 88°24'06" WEST A DISTANCE OF 6.69 FEET); COURSE 11: THENCE NORTH 86°13'18" WEST 21.08 FEET; COURSE 12: NORTHWESTERLY 28.58 FEET ALONG THE ARC OF A 28.00 FOOT RADIUS CURVE TO THE RIGHT, (CHORD BEARS NORTH 56°58'50" WEST A DISTANCE OF 27.36 FEET); COURSE 13: NORTHWESTERLY 86.78 FEET ALONG THE ARC OF A 92.00 FOOT RADIUS CURVE TO THE LEFT, (CHORD BEARS NORTH 54°45'43" WEST A DISTANCE OF 83.60 FEET); THENCE NORTHWESTERLY 25.77 FEET ALONG THE ARC OF A 28.00 FOOT RADIUS CURVE TO THE RIGHT, (CHORD BEARS NORTH 55°25'00" WEST A DISTANCE OF 24.87 FEET) BACK TO THE POINT OF BEGINNING.

CONTAINING 29.30 ACRES, MORE OR LESS.

PARCEL B:

A PARCEL OF LAND LOCATED IN SECTION 33 TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN, WASATCH COUNTY, UTAH, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF LOT 28, RED LEDGES PHASE 1 SUBDIVISION PLAT RECORDED AT THE WASATCH COUNTY RECORDERS OFFICE, SAID POINT BEING SOUTH 89°48'55" WEST 586.20 FEET AND NORTH 2118.84 FEET FROM THE SOUTH QUARTER CORNER OF SAID SECTION 33; THENCE ALONG THE BOUNDARY LINE OF SAID RED LEDGES PHASE 1 SUBDIVISION PLAT NORTH 19°21'51" EAST 128.28 FEET; THENCE NORTH 06°19'39" EAST 131.82 FEET; THENCE NORTH 01°16'52" WEST 132.01 FEET; THENCE NORTH 01°46'50" WEST 130.10 FEET TO A POINT LOCATED ON THE RIGHT OF WAY OF CHIMNEY ROCK ROAD; THENCE CONTINUING ALONG THE BOUNDARY OF SAID RED LEDGES PHASE 1 SUBDIVISION PLAT AND ALONG SAID RIGHT OF WAY OF CHIMNEY ROCK ROAD THE FOLLOWING FOURTEEN (14) CALLS; COURSE 1: NORTH 89°25'05" EAST, 218.21 FEET; COURSE 2: NORTHEASTERLY 400.91 FEET ALONG THE ARC OF A 625.00 FOOT RADIUS CURVE TO THE LEFT, (CHORD BEARS NORTH 71°02'30" EAST A DISTANCE OF 394.07 FEET); COURSE 3: EASTERLY 14.64 FEET ALONG THE ARC OF A 15.00 FOOT RADIUS CURVE TO THE RIGHT, (CHORD BEARS NORTH 80°38'06" EAST A DISTANCE OF 14.07 FEET); COURSE 4: NORTHEASTERLY 122.60 FEET ALONG THE ARC OF A 57.00 FOOT RADIUS CURVE TO THE LEFT, (CHORD BEARS NORTH 46°59'07" EAST A DISTANCE OF 100.30 FEET); COURSE 5: NORTHEASTERLY 14.64 FEET ALONG THE ARC OF A 15.00 FOOT RADIUS CURVE TO THE RIGHT, (CHORD BEARS NORTH 13°20'07" EAST A DISTANCE OF 14.07 FEET); COURSE 6: NORTHEASTERLY 219.61 FEET ALONG THE ARC OF A 625.00 FOOT RADIUS CURVE TO THE LEFT, (CHORD BEARS NORTH 31°14'18" EAST A DISTANCE OF 218.49 FEET); COURSE 7: NORTH 21°10'19" EAST 612.79 FEET; COURSE 8: NORTHEASTERLY 360.36 FEET ALONG THE ARC OF A 575.00 FOOT RADIUS CURVE TO THE RIGHT, (CHORD BEARS NORTH 39°07'33" EAST A DISTANCE OF 354.49 FEET); COURSE 9: NORTHEASTERLY 731.94 FEET ALONG THE ARC OF A 695.00 FOOT RADIUS CURVE TO THE LEFT, (CHORD BEARS NORTH 26°54'33" EAST A DISTANCE OF 698.58 FEET); COURSE 10: NORTHERLY 6.00 FEET ALONG THE ARC OF A 88.00 FOOT RADIUS CURVE TO THE RIGHT, (CHORD BEARS NORTH 01°18'35" WEST A DISTANCE OF 6.00 FEET); COURSE 11: NORTH 00°38'33" EAST 21.34 FEET; COURSE 12: NORTHEASTERLY 28.57 FEET ALONG THE ARC OF A 28.00 FOOT RADIUS CURVE TO THE RIGHT, (CHORD BEARS NORTH 29°52'41" EAST A DISTANCE OF 27.35 FEET); COURSE 13: NORTHEASTERLY 59.51 FEET ALONG THE ARC OF A 92.00 FOOT RADIUS CURVE TO THE LEFT, (CHORD BEARS NORTH 40°34'54" EAST A DISTANCE OF 58.48 FEET) TO A POINT LOCATED ON THE RIGHT OF WAY OF SQUAW PEAK DRIVE; THENCE CONTINUING ALONG THE BOUNDARY OF SAID RED LEDGES PHASE 1 SUBDIVISION PLAT AND ALONG SAID RIGHT OF WAY OF SQUAW PEAK DRIVE THE FOLLOWING SEVEN (7) CALLS; COURSE 1: NORTHEASTERLY 28.62 FEET ALONG THE ARC OF A 28.00 FOOT RADIUS CURVE TO THE RIGHT, (CHORD BEARS NORTH 51°19'44" EAST A DISTANCE OF 27.39 FEET); COURSE 2: NORTH 80°36'30" EAST 20.36 FEET; COURSE 3: NORTHEASTERLY 8.05 FEET ALONG THE ARC OF A 88.00 FOOT RADIUS CURVE TO THE RIGHT, (CHORD BEARS NORTH 83°13'43" EAST A DISTANCE OF 8.05 FEET); COURSE 4: SOUTHEASTERLY 482.49 FEET ALONG THE ARC OF A 565.00 FOOT RADIUS CURVE TO THE RIGHT, (CHORD BEARS SOUTH 69°41'12" EAST A DISTANCE OF 467.96 FEET); COURSE 5: SOUTH 45°13'21" EAST, 163.24 FEET; COURSE 6: SOUTHEASTERLY 178.38 FEET ALONG THE ARC OF SAID 725.00 FOOT RADIUS CURVE TO THE LEFT, (CHORD BEARS SOUTH 52°16'15" EAST A DISTANCE OF 177.94 FEET); COURSE 7: SOUTH 59°19'11" EAST, 113.24 FEET; THENCE SOUTH 79°42'35" WEST 314.44 FEET TO THE BOUNDARY OF SAID RED LEDGES PHASE 1 SUBDIVISION PLAT; THENCE ALONG THE BOUNDARY OF SAID RED LEDGES PHASE 1 SUBDIVISION PLAT THE FOLLOWING SEVEN (7) CALLS; COURSE 1: NORTH 30°12'50" WEST 143.19 FEET; COURSE 2: NORTH 46°26'43" WEST 88.02 FEET; COURSE 3: NORTH 70°58'43" WEST 74.12 FEET; COURSE 4: SOUTH 81°21'28" WEST 251.34 FEET; COURSE 5: SOUTH 12°13'20" WEST 74.80 FEET; COURSE 6: SOUTH 21°19'15" WEST 129.11 FEET; COURSE 7: SOUTH 30°55'26" WEST 153.81 FEET; THENCE SOUTH 55°02'54" WEST 207.98 FEET TO A POINT ON THE ARC OF A NON-TANGENT CURVE TO THE RIGHT; THENCE SOUTHEASTERLY 318.78 FEET ALONG THE ARC OF SAID 475.00 FOOT RADIUS CURVE TO THE RIGHT, (CHORD BEARS SOUTH 15°43'32" EAST A DISTANCE OF 312.83 FEET); THENCE SOUTH 03°30'01" WEST 358.78 FEET; THENCE NORTH 86°29'59" WEST 14.94 FEET; THENCE SOUTH 37°52'07" WEST 415.95 FEET; THENCE SOUTH 32°31'08" WEST 220.58 FEET; THENCE SOUTH 42°50'08" WEST 315.73 FEET; THENCE SOUTH 18°56'54" WEST 166.46 FEET; THENCE SOUTH 54°09'04" WEST 340.56 FEET; THENCE NORTH 82°07'16" WEST 120.96 FEET; THENCE SOUTH 72°39'17" WEST 92.70 FEET; THENCE SOUTH 30°41'26" WEST 126.41 FEET; THENCE NORTH 74°21'56" WEST 143.57 FEET; THENCE NORTH 51°10'31" WEST 182.45 FEET BACK TO THE POINT OF BEGINNING.

CONTAINS 30.40 ACRES, MORE OR LESS.

PARCEL C:

PARCEL OF LAND LOCATED IN THE NORTH HALF OF SECTION 34, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN, WASATCH COUNTY, UTAH, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF LOT 176 AS PLATTED IN THE RED LEDGES PHASE 1 SUBDIVISION PLAT, SAID POINT ALSO BEING NORTH 89°19'19" EAST, 499.21 FEET AND WEST 228.45 FEET FROM THE EAST QUARTER CORNER OF SAID SECTION 34; THENCE ALONG THE NORTHERLY LOT LINE OF SAID LOT 176, SOUTH 56°45'38" WEST 280.67 FEET TO A POINT ON THE SHARAH PEAK DRIVE RIGHT OF WAY; THENCE ALONG SAID RIGHT OF WAY THE FOLLOWING 3 COURSES: NORTHWESTERLY 278.68 FEET ALONG THE ARC OF A 175.60 FOOT RADIUS CURVE TO THE LEFT (CHORD BEARS NORTH 72°18'21" WEST 249.95 FEET); THENCE SOUTH 62°07'13" WEST 14.99 FEET; THENCE NORTHWESTERLY 22.20 FEET ALONG THE ARC OF A 15.08 FOOT RADIUS CURVE TO THE RIGHT (CHORD BEARS NORTH 75°49'15" WEST 28.23 FEET) TO A POINT ON THE RED LEDGES BOULEVARD RIGHT OF WAY; THENCE ALONG SAID RIGHT OF WAY THE FOLLOWING 3 COURSES: NORTHWESTERLY 126.15 FEET ALONG THE ARC OF A 425.08 FOOT RADIUS CURVE TO THE LEFT (CHORD BEARS NORTH 41°35'57" WEST 125.69 FEET); THENCE NORTH 50°06'18" WEST 266.49 FEET; THENCE NORTHWESTERLY 132.79 FEET ALONG THE ARC OF A 975.08 FOOT RADIUS CURVE TO THE RIGHT (CHORD BEARS NORTH 46°12'03" WEST 132.69 FEET); THENCE LEAVING SAID RIGHT OF WAY, NORTH 63°14'32" EAST 528.18 FEET; THENCE NORTH 89°46'37" EAST 35.99 FEET; THENCE SOUTH 18°21'29" WEST 149.71 FEET; THENCE SOUTH 41°56'36" EAST 128.09 FEET; THENCE SOUTH 86°46'25" EAST 220.52 FEET; THENCE SOUTH 50°19'20" EAST 33.92 FEET; THENCE SOUTH 21°41'47" EAST 262.15 FEET TO THE POINT OF BEGINNING.

CONTAINS 6.65 ACRES, MORE OR LESS.

PARCEL D:

PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 34, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN, WASATCH COUNTY, UTAH, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTH SIDE OF THE RIGHT OF WAY FOR LAKE CREEK ROAD, SAID POINT BEING NORTH 89°48'33" EAST 1008.17 FEET AND NORTH 167.42 FEET FROM THE SOUTH QUARTER CORNER OF SAID SECTION 34; THENCE NORTH 86°36'22" EAST 291.23 FEET; THENCE SOUTH 89°23'36" EAST 256.34 FEET; THENCE SOUTH 06°36'22" WEST 13.88 FEET; THENCE SOUTH 89°23'36" EAST 79.26 FEET; THENCE SOUTH 34°57'40" EAST 86.66 FEET; THENCE SOUTH 27°28'30" WEST 52.51 FEET; THENCE SOUTH 82°29'18" WEST 236.90 FEET; THENCE NORTH 89°43'51" WEST 46.28 FEET BACK TO THE POINT OF BEGINNING.

CONTAINS 1.17 ACRES, MORE OR LESS.