

ANNEXATION AGREEMENT
AND
COVENANT RUNNING WITH THE LAND
(Wishalan Annexation)

THIS AGREEMENT entered into this 26 day of FEBRUARY, 2009, by and between Heber City, hereinafter referred to as "City" and the undersigned as "Developer".

WHEREAS, the petitioner has proposed annexation of 10.40 acres; and

WHEREAS, unique conditions exist resulting from the features on and around the property and the layout and design proposed by the developer; and

NOW, THEREFORE, the parties hereby agree as follows:

1. The property shall be zoned R-3 Residential, consistent with the Heber City General Plan;
2. Developer is responsible to reimburse off site developers for construction of off-site utilities that serve this property. Details for reimbursement are available from the Heber City Engineer;
3. The developer of the property shall, at the time of development of the property, transfer to the City all required water rights necessary for said development;
4. Developer shall construct streets and utilities to property lines;
5. The developer shall comply with Chapter 18.102 of Heber City Code (the Affordable Housing Ordinance), through participation with the Wasatch County Housing Authority;
6. Developer of property shall dedicate land for and construct 820 East to the Collector Street standard including all utilities, connecting 1200 South to the 820 East road stub to the northeast;
7. Developer of property shall dedicate the required right of way to accommodate 1200 South as an 84 foot wide street as identified in the Master Plan, and lining up with 1200 South improvements in adjoining development(s) to the east and west; developer shall widen and construct 1200 South on the north and south sides, from the western to the eastern extent of the annexation area to the 84 foot street standard, including utilities, curb, gutter, and sidewalk; developer shall install a 2 inch over on the existing asphalt along 1200 South, north of the same said frontage;
8. Developer shall dedicate that portion of the property underlying the Humbug Canal easement on the east to Heber City and construct an 8 foot master planned trail on said property;

9. Developer shall place covenants and restrictions upon development for consistent fencing materials, colors, and heights within the development;
10. Developer shall provide a minimum 20 foot wide strip of open space beyond the right of way along developer's frontage on 1200 South and 820 East. Developer shall fully landscape the open space with trees spaced no more than one tree per 30 feet of frontage, plant ground cover, construct at least 2 foot tall berms, and install an irrigation system for the open space and landscaped right of way area. The open space shall be privately maintained by a Home Owner's Association. In lieu of typical sidewalk within the right of way along developer's frontage, developer may provide a meandering path or sidewalk within the right of way and open space area. The open space shall not be fenced with a privacy fence and the area shall be reserved for the benefit of residents of the development and the public;
11. No individual homes or units within the development shall be permitted direct driveway access to 1200 South or 820 East;
12. Developer is responsible for acquiring and paying for any necessary off site easements or dedications, and off site utility construction for connection and servicing of the development with utilities that meet current standards, including, but not limited to sewer, water, secondary irrigation, streets, electricity, gas, and cable television;
13. Development of the property is conditional upon the construction of off site sewer from Highway 40 to Industrial Parkway. In the event that development precedes sewer line construction, developer will be responsible for construction of said sewer line;
14. Developer shall bury all existing overhead utilities within the property and along all street frontages;
15. At Developer's expense, existing utilities shall be relocated into future public right of ways as needed to avoid conflict with the developer's proposed building pads;
16. 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;
17. 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;
18. 18. In the event there is a Failure to Perform under this Agreement and it becomes reasonably necessary for either party to employ the services of an attorney in connection therewith (whether such attorney be in-house or outside

EXHIBIT A

Boundary Description
Wishalan Annexation

Beginning at the Wasatch County Survey Monument for the South one-quarter corner of Section 5, township 4 South, Range 5 East, Salt Lake Base and Meridian:

And running thence North 2.09 feet to a point on the present city boundary of Heber City as evidenced by the Hicken Annexation;

Thence along the present city boundary of Heber City as evidenced by the Hicken Annexation the following four (4) courses: (1) Thence South $89^{\circ}55'16''$ East 14.52 feet; (2) Thence North $00^{\circ}05'16''$ East 10.43 feet; (3) Thence South $89^{\circ}33'46''$ East 669.28 feet; (4) Thence North $00^{\circ}27'50''$ West 709.66 feet;

Thence along the present city boundary of Heber City as evidenced by the McNeel-Schneider Annexation the following two (2) courses; (1) Thence North $89^{\circ}55'48''$ East 597.13 feet; (2) Thence South $89^{\circ}40'30''$ East 59.51 feet;

Thence along the present city boundary and boundary extended of Heber City as evidenced by the Cook-Houston Annexation South $00^{\circ}07'51''$ East 713.78 feet to the Section line; Thence South $89^{\circ}50'38''$ West 1,336.33 feet along the Section line to the Point of Beginning.

Containing 10.878 Acres