

**DEVELOPMENT AGREEMENT
AND
COVENANT RUNNING WITH THE LAND
(Aspen Pointe Estates Subdivision)**

THIS AGREEMENT entered into this *18* day of *May*, 2006, by and between Heber City, hereinafter referred to as "City" and the undersigned as "Developer."

WHEREAS, the developer has proposed an 81 lot subdivision, the Aspen Pointe Estates Subdivision, in the R-2 Residential Zone in Heber City; and *all of lots 1-81 aspen pointe*

WHEREAS, the City annexed the property subject to certain conditions; 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 Developer of the Property agrees:
 - a) with respect to Exhibit A (the approved final subdivision plat), the developer shall prior to recordation of that subdivision plat, transfer to the City 22.65 shares of Wasatch Irrigation Water;
 - b) provide verification to Heber City that the water and sewer capacity is sufficient for needs and impact of the development { and provide any over sizing required of offsite sewer and water mains;
 - c) with respect to City utility services, at owners expense, connect to the source of such existing services;
 - d) in lieu of providing a sewer easement along the Humbug Canal { the developer shall construct a sewer line in the streets draining to the southwest, connecting from 600 South to the southern extent of the property at the Humbug Canal;
 - e) improve 1200 East (Mill Road) along the Property frontage to a paving width of up to 50 feet of asphalt. The City will reimburse Owner the cost of over-sizing relating to the 1200 East Street; Improvements over a 36 foot wide street up to 14 feet of the 50 asphalt width);
 - f) dedication of the property within 1200 East and 600 South to meet the 72 foot Arterial ROW standard of the Masterplan;
 - g) install curb, gutter, and sidewalk along the West side of 1200 East and the south side of 600 South fronting the Property;

- h) Dedicate and construct 750 East, a 66 foot ROW, as shown on the Master Plan;
- I) Dedication and construction of master planned utilities within 600 South, 750 East, and 1200 East to the property boundaries;
- j) with regard to storm water containment, comply with the Heber City Source Protection Plan;
- k) The detention area on 800 South at approximately 730 South is dedicated to Heber City for detention of storm water for the Aspen Pointe Estates Subdivision, and shall be landscaped by the developer and maintained by a Homeowner's Association for the Aspen Pointe Estates Subdivision as a park;
- l) To dedicate sufficient land for a trail, and construct a trail along the Humbug Canal within the Property, consistent with the Heber City Master Plan;
- m) To provide and show on the subdivision plat, a temporary trail easement from the Humbug Trail to the public sidewalk along lot 25, which will be abandoned when the trail is connected through the RJ Property LC;
- n) To dedicate sufficient land for the establishment of maintenance access along the Humbug Canal within the Property, consistent with the Heber City Master Plan;
- o) Development of the Property is subject to any applicable reimbursement agreements resulting from agreements on properties of which the Property is a participant;
- p) Extend the 12 inch waterline in Mill Road to the southern edge of the property street frontage. The City shall participate in the costs in oversizing the waterline above 10 inches;
- q) The final plat shall note that lot 1, 32, 34, and 42 can not establish driveway access from 600 South;
- r) The final plat shall note that lots 6, 15, 57, 58, and 59 can not establish driveway access from 800 or 820 East;
- s) The development improvements shall comply with adopted Heber City Standards and Specifications and Chapter 17 and Chapter of 18 of Heber City Code as proposed and approved by the City in the improvement drawings proposed by the developer, including but not limited to burying the above ground power lines along Mill Road along the frontage of the development, and installation of street lights throughout the development;
- t) The developer shall comply with Chapter 18.102 of Heber City Code (the Affordable Housing Ordinance) , through participation with the Wasatch County Housing Authority as proposed by the developer in Exhibit B; specifically the

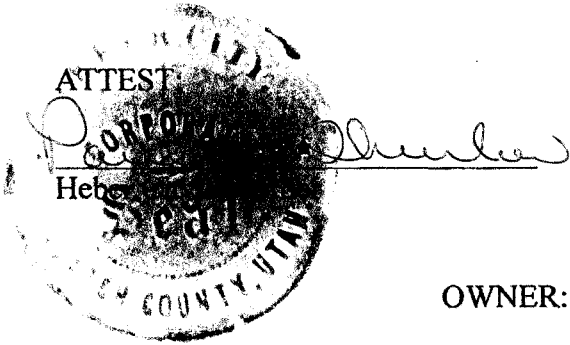
developer shall provide receipt of \$22,680 paid to the Housing Authority and a recorded restriction of the affordable housing obligation prior to plat recordation, and receipt of \$22,680 paid at the closing of every tenth home thereafter until paid in full, for a total fee-in-lieu contribution of \$226,800;

- 2) 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.

DATED this 8th day of Aug., 2006.

HEBER CITY:

By: [Signature]
David Phillips, Mayor



OWNER: PSNet, Inc.

By: [Signature]
Chad Sayers President, PSNET, Inc

STATE OF UTAH)
: ss.
COUNTY OF WASATCH)

On this 15 day of June, 2006, 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]

