

DEVELOPMENT AGREEMENT

This Development Agreement is executed in duplicate this 12 day of May, 1998, by and between the CITY OF OREM, a municipal corporation and political subdivision of the State of Utah, with its principal offices located at 56 North State Street, Orem, Utah 84057, hereinafter referred to as the "CITY", and Trophy Homes, L.C., a Utah Limited Liability Company, with its principal offices located at 758 South 400 East, Suite 203, Orem, Utah 84097, hereinafter referred to as "TROPHY".

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RANDALL A. COVINGTON  
UTAH COUNTY RECORDER  
2000 Jun 29 10:29 am FEE 0.00 BY SB  
RECORDED FOR OREM CITY

RECITALS

WHEREAS TROPHY owns and has contracts to purchase approximately 14.0233 acres of property located at approximately 1455 South Geneva Road, hereinafter referred to as the "PROPERTY" and more particularly described in the cross-hatched area of Map 1 which is attached hereto and incorporated herein by this reference; and

WHEREAS TROPHY desires that the PROPERTY be annexed into the CITY; and

WHEREAS TROPHY desires to develop the PROPERTY when and if it is annexed into the CITY as a planned residential development; and

WHEREAS the development of the PROPERTY will create an impact on the CITY's infrastructure, water usage, traffic, police and fire service, etc.; and

WHEREAS the CITY desires that TROPHY pay for the impact the development of the PROPERTY will have on the CITY; and

WHEREAS TROPHY desires to pay for the impact that the development of the PROPERTY will have on the CITY; and

WHEREAS development issues should be resolved before the PROPERTY is annexed into the CITY so that TROPHY knows what is required to develop the PROPERTY and the

CITY knows what services the CITY is required to provide when the PROPERTY is developed;  
and

WHEREAS the CITY and TROPHY desire that the PROPERTY be developed with sanitary sewer, culinary water, storm sewer, electric power, natural gas, cable television, and telephone so that the development is consistent with development standards within the CITY;  
and

WHEREAS clay and silt soils predominate the PROPERTY with ground water moving in sand layers that results in a high water table; and

WHEREAS the site will largely consist of impervious surfaces, including roads, sidewalks, and structures, that affect drainage of storm water from the PROPERTY; and

WHEREAS the existing sewer system in the area lacks sufficient additional capacity to properly serve the PROPERTY and, therefore, needs to be expanded to provide capacity for the proposed development that will occur on the PROPERTY; and

WHEREAS the water system in the area around the PROPERTY needs to be upgraded to provide the PROPERTY with adequate fire flows and culinary water; and

WHEREAS the proposed development on the PROPERTY will have an impact on traffic circulation in that area of the CITY;

#### COVENANTS

NOW, THEREFORE, in consideration of the promises and conditions set forth herein, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the CITY and TROPHY hereby agree as follows:

1. TROPHY shall at its own expense submit to the CITY for approval a soils report prepared by a qualified soils engineer. TROPHY shall submit said soils report with any

preliminary plat or site plan approval application. The soils report shall make recommendations for drainage control of storm water and sub-surface water for the overall site, road design, soil bearing capacities and design recommendations for foundations, guidelines for grading and landscaping, backfill guidelines for utility trenches, and recommendations for controlling groundwater in street and onsite development areas.

2. TROPHY agrees that no basements will be allowed for any structures, all building construction shall be slab on grade and the lowest finish floor elevation of any structure shall be at least one foot above the adjacent street grade.

3. TROPHY shall provide a ground water drainage system plan for approval by Public Works prior to recording a final plat of the PROPERTY. TROPHY shall at its own expense install the improvements required as part of the approved ground water drainage system plan.

4. TROPHY shall at its own expense submit to the CITY for approval a storm water drainage plan prior to recording a final plat of the PROPERTY. The storm water drainage plan shall include the following items:

- a. A storm water piping system in public streets capable of handling a ten (10) year storm.
- b. An on-site storm water detention system designed to detain a twenty-five (25) year storm. The detention shall be in a landscaped area with a maximum release rate into the public storm sewer system of sixty (60) gallons per minute per acre.
- c. All storm water shall be run through an accessible oil/water separator device before entering the public storm water drainage system.

- d. A storm water pollution prevention plan to minimize the release of dirt and debris into the street and public storm drain system.
- e. An off-site drainage plan to Utah Lake shall be made with piping and easements to be deeded to the CITY. The CITY shall review and approve acceptable plans prior to recording any final plat of the PROPERTY.

TROPHY shall install at its own expense the improvements approved as part of the storm water drainage plan.

5. TROPHY shall connect to the sewer main extended through the Johnson property located at approximately 1500 South Geneva Road. TROPHY and Johnson have executed an Amended Sewer Extension Agreement in which TROPHY and Johnson have agreed to share the costs of building a sewer line extension through the Johnson property. A copy of said agreement is attached as Exhibit 1 and is incorporated herein by this reference. TROPHY shall pay the CITY's standard sewer connection fee.

6. As part of the culinary water system to service the PROPERTY, TROPHY shall install a sixteen inch (16") water line in Geneva Road for the length of the PROPERTY from the northern to the southern boundary of the PROPERTY. TROPHY shall also loop an eight inch (8") water line from Geneva Road eastward through the PROPERTY to the public street stub from Country Woods development at approximately 1100 West. TROPHY may seek partial reimbursement for the water line in Geneva Road in accordance with CITY policies. TROPHY shall pay the CITY's standard water connection fees and water impact fees. At its option and subject to CITY policies regarding offsets against water impact fees, TROPHY shall deed to the Metropolitan Water District of Orem (the "DISTRICT") its water shares related to the PROPERTY, if any, at the time of annexation. TROPHY shall receive an offset for the number

of water shares deeded to the DISTRICT against the number of water shares used to calculate the water impact fees assessed to TROPHY.

7. TROPHY shall install a public street more or less along the southern boundary of the PROPERTY from Geneva Road to about 1100 West and connect to the Country Woods public street stub. The public road shall have an asphalt width of forty feet (40') for a distance of two hundred feet (200') from Geneva Road. No parking shall be allowed along this portion of the public street.

8. TROPHY agrees that all other public streets not described in ¶7 above shall have a minimum right of way width of forty-six feet (46'), which shall include an asphalt width of thirty-four feet (34') and shall otherwise conform to the standard street cross-section of the CITY's standards and specifications.

9. TROPHY agrees to widen and improve Geneva Road from the Country Woods development to the southern PROPERTY boundary to established UDOT design standards for Geneva Road.

10. All work contemplated by this Agreement shall be done in accordance with CITY standards and specifications.

11. The parties agree that the CITY shall not issue any building permits until TROPHY has completed the improvements contemplated by this Agreement or has posted bonds in a form approved by the CITY to ensure completion of the improvements.

12. All development of the PROPERTY shall comply with the terms of this Agreement. TROPHY shall not sell any of the PROPERTY without giving notice of this Agreement to prospective purchasers. Notice shall be given by referencing this Agreement as a "Condition of Approval" on the final recorded plat and by recording a separate document with

the Utah County Recorder that will put prospective purchasers on notice of this Agreement.

13. The CITY shall treat all sewer from the PROPERTY in accordance with EPA and CITY standards subject to ¶5 of this Agreement and the Waste Water Control and Treatment ordinances of the CITY.

14. The CITY shall provide culinary water to the PROPERTY subject to ¶6 of this Agreement.

15. The CITY shall provide police and fire protection to the PROPERTY in the same manner that the CITY provides police and fire protection to the rest of the CITY.

16. The CITY makes no representation that the PROPERTY shall be annexed into the City of Orem. All annexations shall be in accordance with State law.

17. This Agreement is subject to the PROPERTY being annexed into the CITY in accordance with State law.

18. This Agreement shall run with the land and be recorded with the County Recorder at the time the PROPERTY is annexed into the CITY or as soon as possible thereafter.

19. TROPHY agrees to indemnify and hold the CITY harmless from and against any demand, claim, action, damages or loss of any type arising or resulting from the development of the PROPERTY, except such demands, claims, actions, damages, or losses that are caused by the CITY's own negligence.

20. The parties represent that the person executing this Agreement has the authority to do so under applicable state and local law and that each party has lawfully entered into this Agreement, having complied with all relevant statutes, ordinances, resolutions, bylaws, and other legal requirements applicable to their operation.

21. This Agreement shall be interpreted pursuant to the laws of the State of Utah.

22. Time shall be of the essence of this Agreement.

23. In the event that either party should be required to retain an attorney because of the default or breach of the other or to pursue any other remedy provided by law, then the non-breaching or non-defaulting party shall be entitled to a reasonable attorney's fee, whether or not the matter is actually litigated.

24. The invalidity of any portion of this Agreement shall not prevent the remainder from being carried into effect. Whenever the context of any provision shall require it, the singular number shall be held to include the plural number, and vice versa, and the use of any gender shall include any other and all genders. The paragraph and section headings in this Agreement are for convenience only and do not constitute a part of the provisions hereof.

25. No oral modifications or amendments to this Agreement shall be effective, but this Agreement may be modified or amended by written agreement.

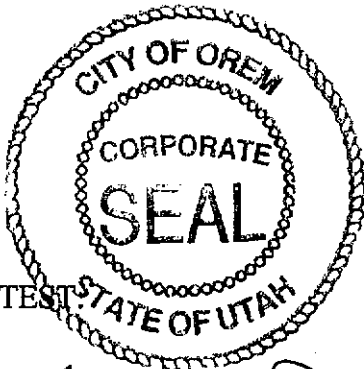
26. Should any provision of this Agreement require judicial interpretation, the Court interpreting or construing the same shall not apply a presumption that the terms hereof shall be more strictly construed against one party, by reason of the rule of construction that a document is to be construed more strictly against the person who himself or through his agents prepared the same, it being acknowledged that both parties have participated in the preparation hereof.

27. This Agreement shall be binding upon the heirs, successors, administrators, and assigns of each of the parties and owners of the PROPERTY hereto.

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SIGNED and ENTERED INTO this 12 day of May, 1998.

THE CITY OF OREM



ATTEST

[Signature]  
By: Jim Reams  
Its: City Manager

[Signature]  
Melody Downey, City Recorder

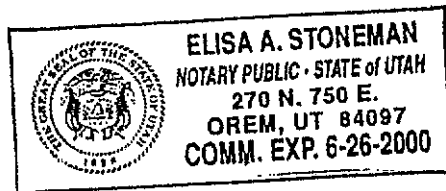
TROPHY HOMES, L.C.

[Signature]  
Trophy Homes, LC  
by [Signature], President  
By: Wayne Corbridge  
Its: President

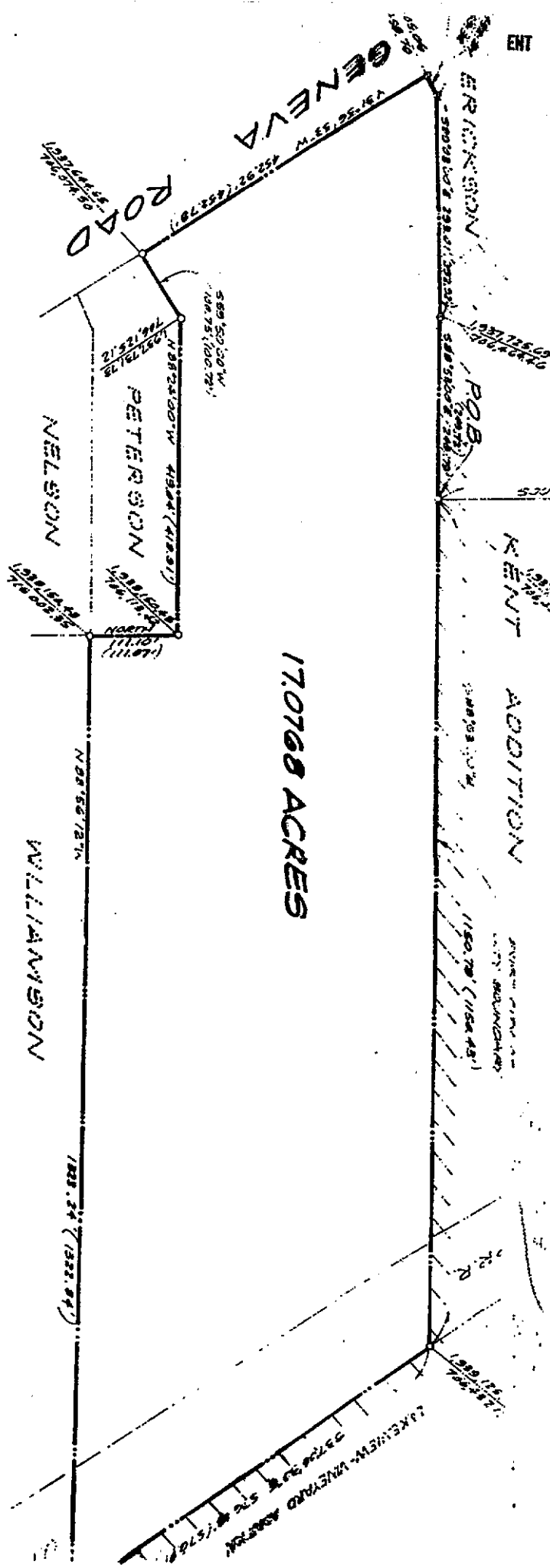
STATE OF UTAH            )  
                                      : ss.  
COUNTY OF UTAH        )

The foregoing instrument was acknowledged before me this 5th day of May, 1998, by Wayne Corbridge.

[Signature]  
NOTARY PUBLIC







# SURVEYOR'S CERTIFICATE

I, **J. SCOTT WILSON** DO HEREBY CERTIFY THAT I AM A REGISTERED LAND SURVEYOR AND THAT I HOLD CERTIFICATE #171541 AS PRESCRIBED UNDER THE LAWS OF THE STATE OF UTAH. I FURTHER CERTIFY THAT THIS IS A TRUE AND ACCURATE MAP OF THE TRACT OF LAND TO BE ANNEXED TO OREM CITY, UTAH COUNTY, UTAH.

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## BOUNDARY DESCRIPTION

COMMENCING AT A POINT WHICH IS N 69° 24' 56" E 249.76' ALONG SECTION LINE AND SOUTH 959.42' FROM THE N. 1/4 COR. SEC. 28, T. 6 S., R. 2 E.,

SALT LAKE BASE & MERIDIAN; THENCE AS FOLLOWS:

COURSE	DISTANCE	REMARKS
<u>588° 53' 00" E</u>	<u>1150.78</u>	<u>FEET, THENCE</u>
<u>537° 06' 30" E</u>	<u>576.18</u>	" "
<u>N 88° 56' 12" W</u>	<u>1322.88</u>	" "
<u>NORTH</u>	<u>111.10</u>	" "
<u>N 89° 24' 00" W</u>	<u>475.04</u>	" "
<u>S 59° 50' 00" W</u>	<u>103.15</u>	" "
<u>N 50° 36' 53" W</u>	<u>452.82</u>	" "
<u>N 68° 04' 33" E</u>	<u>189.72</u>	" "
<u>S 89° 03' 00" E</u>	<u>293.01</u>	" "
<u>588° 53' 00" E</u>	<u>249.79</u>	<u>FEET TO THE POINT OF BEGINNING</u>
<u>CONTAINING 17.0768 ACRES</u>		
<u>BASED ON BEARING BY STATE PLANE COORDINATE SYSTEM</u>		

*J. Scott Wilson*  
 SURVEYOR



12-29-97

DATE

SURVEYOR'S SEAL