

NOTICE TO TITLE COMPANY:
SECTION 3 HEREIN REQUIRES
EACH DEED OF CONVEYANCE
INCLUDE THE DEED RESTRICTION
SET FORTH IN SECTION 3.2

Ent. 544009 Bk 931 Pg 746-153
Date: 23-FEB-2022 12:02:02PM
Fee: \$40.00 Credit Card Filed By: BD
S
JOHN ALAN CORTES, Recorder
GRAND COUNTY CORPORATION
For: SANDSTONE COTTAGES LLC

**DEVELOPMENT AGREEMENT
AND DEED RESTRICTION
HIGH DENSITY HOUSING OVERLAY DISTRICT
Pursuant to Grand County Code Section 4.7**

This DEVELOPMENT AGREEMENT AND DEED RESTRICTION (this "Agreement") is made and entered into as of this 18 day of August 2021 (the "Effective Date") by and between Sandstone Cottages, a Utah limited liability company with its principal place of business located at 7585 S. Union Park Ave., Suite 200, Salt Lake City, UT 84047 ("Owner/Developer"), and Grand County, a political subdivision of the State of Utah ("County").

Recitals

- A. WHEREAS, Owner/Developer owns that certain property situated in Grand County, Utah, as more particularly described in *Exhibit A* (the "Property"), which is attached hereto and incorporated herein by this reference.
- B. WHEREAS, Owner/Developer has requested Grand County to apply the High Density Housing Overlay District (the "HDHO District Application") to the Property to take advantage of the Development Standards and other Development Incentives set forth in Section 4.7 of the Grand County Land Use Code (the "LUC").
- C. WHEREAS, the Grand County Commission has, in the exercise of its legislative discretion and following all required public hearings, approved the application of the HDHO District to the Property pursuant to the terms and conditions herein and provided that no fewer than eighty percent (80%) of the units developed on the Property are deed restricted for Primary Residential Housing for Actively Employed Households, as defined in LUC Section 4.7.3 and subject to the County's HDHO Rules and Regulations on file with the County.
- D. WHEREAS, pursuant to the authority of Utah Code §17-27A-102(1)(b) and LUC Section 4.7, as amended, the Parties desire to enter into this Agreement for the purpose of formalizing certain obligations of Owner/Developer with respect to the Property, and such other matters as the County and the Owner/Developer have agreed as particularly set forth below.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, including approval of the application of the HDHO District to the Property, and other

good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. **DEFINITIONS.** Unless otherwise defined herein, all capitalized terms used in this Agreement shall have those meanings assigned in LUC Section 4.7 .
2. **COVENANT TO COMPLY WITH CODE.** In consideration of the application of the HDHO District to the Property, and specifically the Development Standards set forth in LUC Section 4.7.5 and the enforcement provisions set forth in LUC Section 4.7.11, Owner/Developer hereby covenants and agrees to strictly comply with the provisions, duties, and obligations of LUC Section 4.7 , which provisions, duties, and obligations are integrated herein by this reference.
3. **DEED RESTRICTION.**
 - 3.1. At least eighty percent (80%) of all Lots or Units developed on the Property shall be deed restricted for Primary Residential Occupancy for Actively Employed Households consistent with Section 4.7 of the Code, as amended (the “HDHO Lots and/or Units”).
 - 3.2. An HDHO Lot or Unit may not be sold or rented to a household not qualified under Section 4.7 (High Density Overlay Districts Overlay) of the Grand County Land Use Code (“LUC”).
 - 3.3. Each HDHO Lot or Unit is required to have and maintain those minimum standards of physical condition set forth in Exhibit B, Minimum Standards, to LUC Section 4.7 of the Code, which Minimum Standards are integrated herein by this reference.
 - 3.4. Grand County reserves the right to revoke, deny or suspend any permit, including a land development permit, conditional use permit, building permit, certificate of occupancy, or discretionary approval upon a violation or breach of this Agreement or LUC Section 4.7 by a record owner of any HDHO Lot or Unit in Grand County.
 - 3.5. Owner/Developer shall include the following deed restriction in each and every deed of original conveyance of an HDHO Lot or Unit, and each deed of conveyance thereafter shall include the same:

An HDHO Lot or Unit may not be sold or rented to a household not qualified under Section 4.7 (High Density Overlay Districts Overlay) of the Grand County Land Use Code (“LUC”).

The Property shall be used for Primary Residential Housing for Actively Employed Households as required by LUC Section 4.7, in perpetuity.

The Property is further subject to a Development Agreement and Master Plan

recorded against the Property in the real property records of Grand County, Utah and HDHO Rules and Regulations on file with Grand County.

Grand County reserves the right to revoke, deny or suspend any permit, including a land development permit, conditional use permit, building permit, certificate of occupancy, or discretionary approval upon a violation or breach of this Deed Restriction by a record owner of any HDHO Lot or Unit.

3.6.

4. DEFAULT.

4.1. Violation or breach of any provision of this Agreement, or LUC Section 4.7 , including but not limited to LUC Section 4.7.11, as amended, shall constitute an Event of Default. Upon the occurrence of any Event of Default, the County shall provide written notice by certified mail, postage prepaid, to the defaulting owner at the address on file with the Grand County Assessor's office, which notice shall be effective as of the date of deposit in the United States Mail. The defaulting owner shall have thirty (30) days to remedy the Event of Default, after which time the County may enforce all remedies available to it under this Agreement, LUC Section 4.7 , or Utah law including specific performance and monetary fines pursuant to Section 4.2 herein.

4.2. Unless otherwise provided for in LUC Section 4.7 , as amended, in the event an Event of Default is not cured under Section 4.1 above, fines in the amount of \$50 per day shall accrue until the Event of Default is cured. The County reserves the right to seek judicial enforcement of these fines, including a judgment lien and foreclosure.

5. MISCELLANEOUS.

5.1. Owner/Developer hereby waives any defenses, rights or remedies that it might otherwise assert against the County in connection with: (i) the application of the rule against perpetuities to this Agreement; or (ii) any claim that the covenants in this Agreement recorded against the HDHO Lots and Units are not covenants running with the land upon the Property. This waiver shall be binding upon and inure to the benefit of the successor and assigns of the Owner/Developer and the County.

5.2. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be valid under applicable law. If any provision of any of the foregoing Agreement shall be invalid or prohibited under applicable law, such provisions shall be ineffective to the extent of such invalidity or prohibition without invalidating the remaining provisions in this Agreement.

5.3. If any party shall take or defend against any action for any relief against another party arising out of this Agreement, the prevailing party in such action or defense shall be entitled to reimbursement by the other party for all costs including, but not limited to, reasonable attorneys' fees and court costs incurred by the prevailing party

in such action or defense and/or enforcing any judgment granted therein, all of which costs shall be deemed to have accrued upon the commencement of such action and/or defense and shall be paid whether or not such action or defense is prosecuted to judgment. Any judgment or order entered in such action or defense shall contain a specific provision providing for the recovery of attorneys' fees and costs incurred in enforcing such judgment.

- 5.4. This Agreement shall be governed by and construed under Utah law.
- 5.5. Except as otherwise provided herein, the provisions and covenants contained herein shall inure to and be binding upon the heirs, successors, and assigns of the parties.
- 5.6. Paragraph or section headings within this Agreement are inserted solely for convenience of reference and are not intended to, and shall not, govern, limit or aid in the construction of any terms or provisions contained herein. Further, whenever the context so requires herein, the neuter and gender shall include any or all genders and vice versa and the use of the singular shall include the plural and vice versa.
- 5.7. Except for legislative changes of LUC Section 4.7 which are incorporated herein, this Agreement may be amended only upon written amendment executed by both Parties, recorded in the real property records of Grand County, Utah; provided, however, that all material terms and provisions, including the percentage of HDHO Lots or Units, may not be amended or modified without reapplication to the County.
- 5.8. This Agreement shall be recorded by Owner/Developer prior to recordation of a final plat or issuance of a building permit for any unit within a site plan approved hereunder, as required by LUC Section 4.7 .

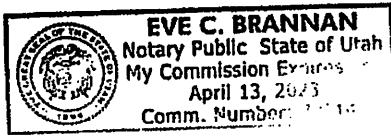
IN WITNESS WHEREOF, this Agreement is effective as of the date first written above.

COUNTY: Grand County
A political subdivision of the State of Utah


Mary McGann
Chair, Grand County Commission

STATE OF UTAH)
) ss
COUNTY OF GRAND)

On Dec 23, 2021, Mary McGann as Chair of the Grand County Commission , a Utah political subdivision, appeared before me and acknowledged and swore to me that the foregoing Agreement was signed on behalf of Grand County by authority of its Policies and Procedures and Utah law.



Eve C Brannan
NOTARY PUBLIC

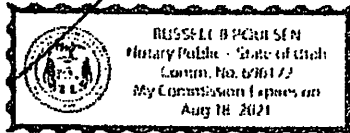
Owner/Developer:

By: [Signature]
Name: STEVE BROADBENT
Title: MANAGER

STATE OF UTAH)
) ss
COUNTY OF GRAND)

*Done
8-23-22*


On August 18, 2021, Steve Broadbent, as Manager of Sandstone Cottages, LLC, a Utah Limited Liability Company, appeared before me and acknowledged and swore to me that the foregoing Agreement was signed on behalf of Sandstone Cottages, LLC by authority of its Articles of Organization and Operating Agreement.



[Signature]
NOTARY PUBLIC

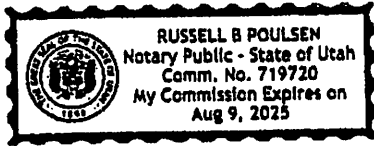
NOTARY PUBLIC

Owner/Developer

By: 
Name: STEVE BROADBENT
Title: MANAGER

STATE OF UTAH)
)SS
COUNTY OF GRAND)

On this 2ND FEBRUARY, 2022, Steve Broadbent, as Manager of Sandstone Cottages, LLC, a Utah Limited Liability Company, appeared before me and acknowledged and swore to me that the foregoing Agreement was signed on behalf of Sandstone Cottages, LLC by authority of its Articles of Organization and Operating Agreement.




NOTARY PUBLIC

**Exhibit A
Real Property
Legal Description**

Parcel 1:

Beginning 381.9 feet South and 247 feet East of the West Quarter Corner Section 22, T26S, R22E, SLM, thence North 51 °02' East 693.2 feet; thence South 38 °58' East 254.1 feet; thence South 51 °02' West 539.8 feet; thence North 38 °58' West 116.9 feet; thence South 51 °02' West 118.4 feet; thence North 53 °23' West 141.5 feet to the point of beginning. (Parcel No. 02-0022-0049)

EXCEPTING THEREFROM all gas and oil rights.

Parcel 2:

Beginning at a point which bears South 556.84 feet and East 482.35 feet from the West 1/4 Corner Section 22, T26S, R22E, SLM, running thence North 53°23' West 31 feet; thence North 51 °02' East 627.9 feet; thence South 38°58' East 30 feet; thence South 51 °02' West 620.2 feet to the point of beginning. (Parcel No. 02-0022-0049)

EXCEPTING THEREFROM all gas and oil rights.

Parcel 3:

Beginning 466.3 feet South and 360.6 feet East of the West 1/4 corner, Section 22, Township 26 South, Range 22 East, SLM, thence North 51 ° 02' East 118.4 feet; thence South 38 ° 58' East 116.9 feet; thence South 51 ° 02' West 88.1 feet; thence North 53 ° 23' West 120.7 feet to the point of beginning. (Parcel No. 02-0022-0050)

