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DEVELOPMENT AGREEMENT (On-Site Work)

Table of Contents

Article	Subject	Page
1.	Recitals	1
2.	Construction of Buildings	2
3.	Construction of Center Pylon Sign	3
4.	Project Architect/Design	
5.	Coordination of Building and Site Work Construction	6
6.	On-Site Work	7
6A.	Phase Development	8
7.	General Contracting	10
8.	Force Majeure	11
9.	Insurance/Bonds	11
10.	Payment of Costs	12
11.	Liens	18
12.	Default	18
13.	Remedies	18
14.	License for Construction Activity	20
15.	Indemnification	20
16.	Reliance by Parties	21
17.	Attorney's Fees	21
18.	Not a Partnership	21
19.	No Third Party Beneficiary Rights	21
20.	Notices	21
21.	Approvals	22
22.	Successors and Assigns	22
23.	Modification	23
24.	Termination	23
25.	General Provisions	24
26.	Recordation	24

DEVELOPMENT AGREEMENT (ON-SITE WORK)

AGREEMENT

NOW, THEREFORE, in consideration of the premises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Recitals.

1.1 <u>Definitions</u>. Except as otherwise specified herein, all of the terms in this Development Agreement shall have the meanings set forth in that certain Declaration of Restrictions and Easements which encumbers the Shopping Center and is recorded concurrently herewith ("Declaration").

1.2 Ownership and Location.

- (a) First Party has entered into an agreement with Jones Land Company, L.L.C., a Utah limited liability company ("Jones"), to purchase Parcels 1, 4, 5, 6, 7 and 8 (see Consent and Agreement executed by Jones appended to this Development Agreement). At such time as First Party acquires fee simple title to Parcels 1, 4, 5, 6, 7 and 8, or any portions thereof, as is contemplated by First Party and Jones, First Party shall become the Owner of Parcels 1, 4, 5, 6, 7 and 8, or such portions thereof. Notwithstanding the foregoing, all duties and obligations of First Party set forth in this Development Agreement shall be personal to First Party whether or not First Party becomes an Owner hereunder as contemplated, including, without limitation, all duties and obligations set forth in Article 10 (Payment of Costs). Albertson's is the Owner of Parcels 2 and 3.
- (b) The Parcels are located at the southwest corner of the intersection of 10400 South and Bangerter Highway in the City of South Jordan, County of Salt Lake, State of Utah,

as shown on Exhibit "A" and more particularly described in Schedule I attached hereto and made a part hereof.

- (c) Parcels 1, 2, 3, 4, 5, 6, 7 and 8 are hereinafter collectively referred to as the "Shopping Center." Parcel 1, 2, 3, 4, 5, 6, 7 or 8 is sometimes referred to as a "Parcel."
- 1.3 <u>Purpose</u>. The parties desire to provide for the construction of the On-Site Work (as defined in Section 6.1) within the Shopping Center, which may be developed in multiple phases. Each party shall develop its own Parcel(s) at such time as such party elects, in its sole and absolute discretion, and its sole cost and expense.
- 1.4 Developing Party. In the event one party elects to proceed with the development of the On-Site Work for its Parcel(s), such party shall give the other party written notice of same (the "Development Notice"), including which Parcel(s) shall be included in such phase. Any Developing Party that desires to develop any portion of its Parcel(s) in such phase shall include the development of the entire On-Site Work for said Parcel within such phase. The party so electing to proceed with the development of such On-Site Work on such party's Parcel(s) shall sometimes be referred to herein as the "Developing Party" for such On-Site Work. Either party shall be the Developing Party under this Development Agreement during the development of its Parcel(s). Each party acknowledges that there will be some integration of On-Site Work on the other party's Parcel(s) that will require the parties to share the costs thereof. The first party electing to proceed hereunder shall sometimes be referred to herein as the "Initial Phase Developing Party", during the development of such phase. For each subsequent phase hereunder, the Developing Party shall sometimes be referred to herein as the "Future Phase Developing Party". The party that is not the Developing Party (either for the initial phase or any future phase) shall sometimes be referred to herein as the "Non-Developing Party".

2. Construction of Buildings.

2.1 Construction of Albertson's Building. Albertson's shall commence construction of a building having approximately 52,000 square feet of Ground Floor Area as defined in the Declaration ("Albertson's Building") within the Building Area of Parcel 2 as shown on Exhibit "A" at such time as Albertson's elects, in its sole and absolute discretion. Construction of

building improvements on Parcel 3 may take place at such time as Albertson's elects, in its sole and absolute discretion.

2.2 Construction of First Party's Building.

- (a) First Party shall commence construction of a building having approximately 25,000 square feet of Ground Floor Area ("First Party's Building") within the Building Area of Parcel 7 as shown on Exhibit "A" at such time as First Party elects, in its sole and absolute discretion. Construction of building improvements on Parcels 1, 4, 5, 6 and 8 may take place at such time as First Party elects, in its sole and absolute discretion.
- (b) Neither party shall have the right to make any attachment whatsoever to another party's building (such other party being referred to in this subparagraph only as "Other Party") without such Other Party's prior written approval, which may be withheld in such Other Party's sole and absolute discretion. If the Other Party approves the requested attachment, the party making the attachment shall, prior to making such attachment, obtain the Other Party's prior written approval (which may be withheld in its sole and absolute discretion) of the drawings and specifications detailing such attachment. Any such attachment shall be at the sole cost and expense of the party making the attachment and shall be in strict conformance with the approved drawings and specifications detailing the same.
- 2.3 Building Architects. Each party, at such party's expense, shall cause the plans and specifications for its building(s) to be prepared by an architect of its choice.
- election, construct and install the Center Pylon Sign structure in the location shown on Exhibit "A" in accordance with plans and specifications prepared by the Project Architect (as defined in Section 4.1) and approved in writing by the Non-Developing Party ("Sign Plans and Specifications"). The Sign Plans and Specifications shall be submitted to the Non-Developing Party as part of the Construction Documents (as defined in Section 4.2). The Center Pylon Sign structure shall be constructed and installed by the On-Site Contractor (as defined in Section 7.2). The Center Pylon Sign structure shall be constructed in accordance with the applicable time frames set forth in the Construction Schedule (as defined in Section 6A.3).

4. Project Architect/Design.

the development of the Shopping Center ("Project Architect"). The Project Architect shall establish the architectural theme of the Shopping Center in consultation with the Initial Phase Developing Party and the Non-Developing Party and prepare the building exterior design (including, without limitation, building elevations, materials, color, canopy sections and other pertinent details) for each building in the Shopping Center ("Building Design Drawings"). The Building Design Drawings shall be approved or disapproved (with reasons specified) by the parties within thirty (30) days after receipt, which approval shall not be unreasonably withheld or delayed. The exterior of each building or other improvement constructed in the Shopping Center shall conform with the Building Design Drawings approved pursuant to this Section 4.1, provided, however that Fuel Facilities and building(s) on Parcel 3 shall not be required to conform to Building Design Drawings if they conform to Albertson's standard or prototypical elevation plans (including signs and color) as may be modified from time to time. The Building Design Drawings shall not be modified without the parties' prior written approval.

Plans and Specifications, (b) prepare and coordinate the drawings and specifications setting forth in detail the requirements for construction of the On-Site Work and the location of the staging areas, if necessary, for the construction of Albertson's Building, First Party's Building and any other building within the Shopping Center, and (c) prepare the bidding information, bidding forms, conditions of the construction contract and form of contract between the Developing Party and the On-Site Contractor (the items referenced in clauses [a], [b] and [c] being collectively defined as the "Construction Documents"). The Construction Documents shall provide for the development (upon completion of all phases) of the entire Shopping Center Common Area but shall provide for the immediate development of the phase to be developed by the Developing Party. The Construction Documents shall conform to the Site Development Criteria attached hereto as Exhibit "B" and made a part hereof unless otherwise approved in writing by Albertson's. The Construction Documents shall require that each phase be developed in accordance with the site plan attached hereto as

Exhibit "A." In the event of any conflict between the site plan attached hereto as Exhibit "A" and the Site Development Criteria attached hereto as Exhibit "B," Exhibit "A" shall control.

A complete set of Construction Documents shall be submitted to the parties within ninety (90) days after the date the Developing Party provides the Non-Developing Party the Development Notice and shall be subject to the parties' prior written approval or disapproval (with reasons specified) within thirty (30) days after receipt, which approval shall not be unreasonably withheld or delayed. The Sign Plans and Specifications shall also be subject to review and approval by the Consenting Owner (as defined in Section 1.1[f] of the Declaration). The Construction Documents shall not be modified without the parties' prior written approval.

4.3 Project Architect's Contract. The Developing Party shall enter into a contract (on a standard form approved by Albertson's) ("Project Architect's Contract") with the Project Architect covering the work described in this Article 4. The Project Architect's Contract will require the Project Architect, among other things, to: (a) coordinate with the parties' separate building architects so that the On-Site Work for such phase and any buildings being constructed concurrently thereto in the Shopping Center will be developed in a uniform and harmonious manner; (b) coordinate and subcontract all services (including, without limitation, civil engineers, landscape architects and traffic engineers, all of whom must be approved in writing by the Non-Developing Party), required for preparation of the Construction Documents; and (c) if being constructed in such phase, separately list and identify all fees and costs for work performed in connection with the design, construction and installation of the Center Pylon Sign structure (excluding electrical hookup to the Common Area meter). The Project Architect's Contract shall be subject to the Non-Developing Party's prior written approval or disapproval (with reasons specified) within thirty (30) days after receipt, which approval shall not be unreasonably withheld or delayed. The Developing Party shall provide the Non-Developing Party with a copy of the Project Architect's Contract within ten (10) days after it is executed by the Project Architect.

The Project Architect's Contract will also require the Project Architect to provide errors and omissions liability insurance on an "occurrence" basis, if available, and, if not, on a "claims made" basis in an amount not less than \$2,000,000 and shall require the foregoing insurance to remain in effect no less than two (2) years following the date of substantial completion of such

phase of the On-Site Work. The Developing Party shall provide the Non-Developing Party certificates evidencing such insurance coverage and, if requested by the Non-Developing Party, copies of the insurance policy as well. The insurance may not be cancelled except upon thirty (30) days prior written notice to the Developing Party and the Non-Developing Party.

5. Coordination of Building and Site Work Construction.

5.1 Cooperation. The parties acknowledge that buildings in the Shopping Center may be constructed concurrently with any phase of the On-Site Work. Each party shall cooperate with the On-Site Contractor, the Project Architect and the other party (as well as such other party's building contractor[s], architect[s] and engineer[s]) in the construction of all buildings and improvements described herein so as not to cause any unreasonable increase in the other party's costs of construction or unreasonably interfere with any construction performed by the other party. The Developing Party shall coordinate the work of the Project Architect and the On-Site Contractor (and all other persons involved in the design and construction of the On-Site Work) with the other party and its building contractor(s), architect(s) and engineer(s) to enable the On-Site Work and buildings in the Shopping Center to be constructed within the time frames required hereunder (or, if time frames are not required for certain buildings, then within the parties' respective construction schedule[s] for their building[s]). Each party shall, upon request, provide the other party with copies of its building construction schedule(s) together with those portions of its building plans and specifications reasonably required for the construction or coordination of construction of said party's building(s) with the On-Site Work and the construction of all other buildings in the Shopping Center.

5.2 Disputes. If any dispute arises between any contractors (or subcontractors) performing work in the Shopping Center, the party who first becomes aware of such dispute shall immediately notify the other party and the parties shall immediately proceed in good faith to attempt to timely resolve such dispute to avoid any delay in the progress of the construction work. Each party shall perform its building construction so as not to cause any unreasonable increase in the cost of building construction incurred by the other party, or unreasonably interfere with the building construction performed by the other party.

5.3 Generally. The construction of all buildings and Common Area improvements in the Shopping Center shall be subject to the requirements set forth in Article 2 of the Declaration, in addition to the requirements set forth in this Development Agreement.

6. On-Site Work.

- 6.1 Generally. The On-Site Work shall be performed in accordance with the Construction Documents and in compliance with all governmental requirements. Unless specifically waived in writing by the parties, the "On-Site Work" shall be defined as, and shall include, without limitation, (a) all items set forth in this Article 6 required for development of the Shopping Center, (b) all items included in the Construction Documents (including, without limitation, construction and installation of the Center Pylon Sign structure), and (c) all items required by governmental authority (and public and private utility companies) including, without limitation, all construction permits (but excluding building permits for Albertson's Building, First Party's Building and any other building in the Shopping Center) and all associated development impact fees assessed against the Shopping Center (as opposed to the individual buildings of the parties) and required as a condition for performance of the On-Site Work.
 - **6.2 On-Site Work.** The On-Site Work shall consist of all of the following work:
 - (a) "Category A Work", which shall include:
- (i) The installation of water and sanitary sewer (including sewers and fire protection lines with backflow prevention device with the cost of said backflow prevention device being allocated between the Owners of all buildings serviced or to be serviced by said backflow prevention device on the basis of their respective Building Areas) to the individual building pads in the Shopping Center.
- (ii) Any off-site work (as of the date of this Development Agreement the parties are not aware of and do not contemplate any off-site work) required by governmental authority as a condition for performance by the Developing Party.
 - (b) "Category B Work", which shall include:
- (i) Demolition, clearing and grubbing, excavation, fill, compaction, rough-grading, and preparation of building pads. Without limiting the foregoing, each building pad shall be prepared at the elevation and location (and in accordance with the building

footprint) shown on the Construction Documents and compacted (including footings and foundations) in accordance with such Developing Party's soils tests.

- (ii) All drainage improvements and the installation of all building utilities [other than such utilities indicated as Category A Work above] to the individual building pads in the Shopping Center.
- (iii) Finished Common Area work, including fine grading and base; perimeter and retaining walls (if required); Common Area paving, striping, lighting, landscaping (including all associated irrigation lines and appurtenances); bumpers, curbs, gutters, storm drains and sewers, sidewalks (except sidewalks immediately adjacent to buildings); and the installation of all other Common Area utilities.
- (c) "Category C Work", which shall include the construction and installation of the Center Pylon Sign structure (including electrical hookup of the Center Pylon Sign to the Common Area meter).
- 6.3 Construction Schedule. The On-Site Work, and each phase thereof, shall be constructed in accordance with the applicable time frames set forth in the Construction Schedule (as defined in Section 6A.3). If construction of any of the On-Site Work, or any phase thereof, is not commenced or completed in accordance with the Construction Schedule, the Developing Party shall take all steps necessary to cause construction of such phase of the On-Site Work to come into compliance with the Construction Schedule (including, without limitation, hiring contractors to perform overtime work and additional days of work necessary to meet the time frames set forth in the Construction Schedule if reasonably requested by the Non-Developing Party). The Developing Party will notify the Non-Developing Party immediately in writing of any changes to the Construction Schedule caused by delays permitted under Article 8 (Force Majeure).

6A. Phase Development.

6A.1 Initial Phase.

(a) The Initial Phase Developing Party shall perform (i) the Category A Work for the entire Shopping Center, (ii) the Category B Work within the Initial Phase, (iii) at the Initial Phase Developing Party's election, the Category C Work, and (iv) the "full completion" of a sufficient part of the On-Site Work (including parking facilities) which is within the Shopping

Center but outside of the Initial Phase, which work may be a condition of approval imposed by governmental authorities before said governmental authority will permit the development of the Initial Phase or work which the Initial Phase Developing Party considers necessary or convenient (while exercising reasonable business judgment) to the development of the Initial Phase.

- (b) The additional work described in item (iv) above shall sometimes be referred to herein as "Additional On-Site Work", and additional work of this type may be part of the On-Site Work performed for each phase. The On-Site Work described in items (i) through (iv) above shall be shown on the Construction Documents prepared in accordance with Section 4.2. As used in this Article 6A, "full completion" shall include Category B Work in such areas as is required by governmental authority or considered necessary or convenient (while exercising reasonable business judgment) to allow the Developing Party to construct and operate a business from such phase. All On-Site Work shall be constructed in accordance with this Article 6A and this Development Agreement.
- **6A.2** Future Phases. Each Future Phase Developing Party shall perform (i) the Category B Work within said phase, (ii) at such Future Phase Developing Party's election (and if not previously installed by a prior Developing Party), the Category C Work, and (iii) the Additional On-Site Work for said future phase.
- 6A.3 Diligent Prosecution. Once construction work has commenced on any phase, all such On-Site Work thereof shall be diligently prosecuted to completion in accordance with the time frames set forth in the construction schedule to which the parties reasonably agree upon not later than thirty (30) days after the date the Non-Developing Party receives a Development Notice ("Construction Schedule"). The Construction Schedule shall be attached hereto as Exhibit "C" and made a part hereof. In no event shall any building improvements constructed on any Parcel be opened for business to the public until all On-Site Work on said Parcel is first completed (subject to completion of punch list items). Immediately upon completion of construction on said phase, the construction area and the improved Common Area shall be cleared of all construction materials and debris, construction sheds, trailers and temporary utilities and facilities.
- 6A.4 Compliance. All design, development and construction work performed on any phase at any time shall be in full compliance with all provisions of this Development Agreement,

including, but not limited to, the site development criteria established hereto as Exhibit "B" and the insurance requirements attached hereto as Exhibit "D" and made a part hereof.

6A.5 Continuing Obligations. The requirements of this Article 6A shall constitute continuing obligations until all design, development and construction work in said phase has been fully completed in accordance with the procedures set forth in this Development Agreement, and a certificate of occupancy has been issued for all buildings constructed in said phase.

6A.6 Cost and Expense. Except as otherwise specifically set forth in this Development Agreement, the Non-Developing Party shall not be responsible to pay any fees, costs or other items of any nature whatsoever in connection with or otherwise, directly or indirectly, related in any way to the development of the Developing Party's Parcel(s) and all such costs shall be borne by the Developing Party.

7. General Contracting.

Bidding. The Developing Party shall put the On-Site Work for said phase 7.1 out to open bid to at least five (5) general contractors. All of the general contractors on the bid list shall be approved by First Party and Albertson's, which approval shall not be unreasonably withheld or delayed. All bidders shall be expressly required to list in their respective bids as a bid alternate (or to otherwise segregate) all of (i) the Category A Work, (ii) the Category C Work, and (iii) the Additional On-Site Work for said phase. The bidding package shall be limited to only the On-Site Work for which the Non-Developing Party shall reimburse the Developing Party (as indicated in Section 10.2 below) with all other work for which the Non-Developing Party is not to pay the Developing Party a portion thereof being bid separate and apart from the On-Site Work. The bids shall be read aloud in a public opening and copies of the bids provided to the Non-Developing Party within one (1) day thereafter. After the lowest acceptable bid has been determined, the parties shall approve or disapprove the bid. If either party does not approve the bid, the parties and the Project Architect shall work together to reduce the cost with, if requested by either party, the work being rebid in the manner set forth herein. The approved bidder's list of subcontractors shall be subject to the Non-Developing Party's prior written approval or disapproval (with reasons specified) within 👺 twenty-four (24) hours after such party's receipt of same.

- 7.2 Site Contract/Change Orders. Within ten (10) days after the parties approve the bid, the Developing Party shall enter into a contract (on a standard form approved by Albertson's) ("On-Site Contract") with the approved bidder ("On-Site Contractor") unless some reason for disqualification has occurred. The Developing Party shall provide the Non-Developing Party with a copy of the On-Site Contract along with the proof of insurance and bonds required under Sections 9:1 and 9.2, respectively. Any change order to the On-Site Contract must be submitted to the Non-Developing Party and shall be subject to prior written approval or disapproval (with reasons specified) by such party.
- 7.3 Miscellaneous. The construction of all buildings and Common Area improvements described in this Development Agreement shall be conducted so as to minimize interference with access to any building in the Shopping Center from any public right-of-way by First Party or Albertson's, their agents, contractors, subcontractors or employees. Staging for the construction or completion of construction of any buildings described in Sections 2.1 and 2.2 including, without limitation, the location of any temporary buildings or construction sheds/trailers, the storage of building materials, and the parking of construction vehicles and equipment shall be restricted to that portion of the Shopping Center approved in writing by the parties, which approval shall not be unreasonably withheld or delayed.
- 8. Force Majeure. First Party and Albertson's shall each comply with the time periods in Section 2.1 (Construction of Albertson's Building), Section 2.2 (Construction of First Party's Building), Article 6 (Site Work) and Article 6A (Phase Development); provided, however, that said periods shall be extended for a period or periods of time equal to any period or periods of delay caused by strikes, lockouts, fire or other casualty, the elements or acts of God, refusal or failure of governmental authorities to grant necessary permits and approvals for the construction of the buildings contemplated hereunder (the parties agreeing to use reasonable diligence to procure the same), or other causes, other than financial, beyond their reasonable control (or with respect to the time periods in Articles 6 and 6A, beyond the reasonable control of the On-Site Contractor).

9. Insurance/Bonds.

9.1 Insurance. The Developing Party shall require the On-Site Contractor to carry insurance relating to the On-Site Work in accordance with the requirements in Exhibit "D"

attached hereto for no less than two (2) years following the date of substantial completion of the On-Site Work.

and labor and material payment bond on the On-Site Contractor (naming First Party and Albertson's as obligees) in the amount of the On-Site Contract to insure that the On-Site Work is constructed and paid for in accordance with the Construction Documents and this Development Agreement. The performance and labor and material payment bonds shall be in the form of The American Institute of Architects Document A312 (December 1984 Edition) (or, such other form as is required by law or approved by the parties). The Developing Party shall provide the Non-Developing Party with a copy of the performance and labor and material payment bonds.

10. Payment of Costs.

On-Site Work Costs. The "On-Site Work Costs" are defined as follows: (i) all costs incurred for the On-Site Work; (ii) the cost of insurance and performance and labor and material payment bonds provided under Article 9 (Insurance/Bonds); and (iii) architect's and engineer's fees (other than the Project Architect's Fees and fees of architects and engineers retained by the Project Architect, which fees are reimbursed under Section 10.6) for services rendered in preparation of the Construction Documents provided the Non-Developing Party has given prior written approval of the amount of said architect's and engineer's fees. The On-Site Work Costs shall not include any of the following: (a) Center Pylon Sign Costs (as defined in Section 10.5); (b) the expense of interest or other overhead associated with construction of the On-Site Work or any financing related thereto, together with any interest or other penalty charged by the On-Site Contractor for delinquent payments under the On-Site Contract; (c) any fees or costs for work not included in the On-Site Contract; (d) any fees or costs for work associated with any change order issued pursuant to the On-Site Contract unless the Owners have approved, in writing, both the change order and the allocation among the parties of the cost thereof; or (e) any fees or costs for work performed prior to the date of this Development Agreement (except as set forth in Exhibit "E" attached hereto and made a part hereof).

10.2 Allocation of On-Site Work Costs. The Developing Party's and the Non-Developing Party's share of the On-Site Work Costs shall be as follows:

- First Party shall bear all costs with respect to the development of (a) Parcels 1, 4, 5, 6, 7 and 8, and in no event shall Albertson's be obligated to pay any fees, charges or other costs of any nature whatsoever (including, without limiting the generality of the foregoing, development impact fees assessed against Parcel 1, 4, 5, 6, 7 or 8) in connection with or otherwise directly or indirectly related in any way to any building improvement or site development work performed (or required to be performed) by First Party on Parcel 1, 4, 5, 6, 7 or 8 or any portion of any of them. First Party shall reimburse Albertson's (in the event Albertson's is the Developing Party) (i) sixty-six and 56/100ths percent (66.56%) of the On-Site Work Costs incurred by Albertson's for item (i) of Category A Work, and (ii) one hundred percent (100%) of the On-Site Work Costs incurred by Albertson's for item (ii) of Category A Work and Additional On-Site Work performed on Parcel 1, 4, 5, 6, 7 or 8 or any portion of any of them. The reimbursement amount shall be paid as follows: (A) upon any commencement of construction on Parcel 1, 4, 5 or 6, fiftythree and 29/100 percent (53.29%) of the reimbursement amount shall be paid, and (B) upon any commencement of construction on Parcel 7 or 8, forty-six and 71/100 percent (46.71%) of the reimbursement amount shall be paid.
- (b) Albertson's shall bear all costs with respect to the development of Parcels 2 and 3 and Albertson's shall reimburse First Party (in the event First Party is the Developing Party) (i) thirty-three and 44/100ths percent (33.44%) of the On-Site Work Costs incurred by First Party for item (i) of Category A Work, and (ii) one hundred percent (100%) of the On-Site Work Costs incurred by First Party for Additional On-Site Work performed on Parcel 2 or 3 or any portion of either of them. The reimbursement amount shall be paid upon commencement of construction on (in Albertson's sole and absolute discretion) Parcel 2 or 3.
 - 10.3 Cost Payments. The On-Site Work Costs shall be paid as follows:
- (a) The Developing Party shall prepare all pay requests to include the following:
- (i) An Application and Certificate for Payment (AIA Document G702) executed by the On-Site Contractor and the Non-Developing Party showing the percentages and value of work completed during the payment period and stating that all portions of the On-Site Work for which payment is requested have been completed in accordance with the

Construction Documents and that all labor, materials and other items for which payment is requested have been paid in full with the exception of labor and materials supplied subsequent to the period covered by the last Application and Certificate for Payment;

- (ii) Copies of all invoices, statements, contracts, subcontracts and approved change orders relating to the Application and Certificate for Payment; and
 - (iii) A Continuation Sheet (AIA Document G-703).
- (b) The Developing Party shall obtain the Project Architect's and the designated representative of the Non-Developing Party's written approval of all pay requests.
- (c) The Developing Party shall submit all pay requests (approved pursuant to subparagraph [a] above) to the designated representatives of all other Owners.
- (d) The Owner of each Parcel shall pay the Developing Party its share of the On-Site Work Costs prior to commencement of construction on said Owner's Parcel (as set forth in Section 10.2).
- (e) The Non-Developing Party shall have the right to condition its payment of any pay request upon receipt of (i) proof that the Developing Party has paid all amounts currently due to the On-Site Contractor, and (ii) lien releases from the On-Site Contractor and any laborers, materialmen or subcontractors who have filed liens or who provided labor, services or materials in connection with the On-Site Work, for whom payment is requested or to whom payment has been made. Further, the Non-Developing Party shall not be obligated to make any payment under this Development Agreement until it has received all of the following items (provided, however, that the foregoing shall not in any event relieve the Developing Party of its obligation to provide each of these items to the Non-Developing Party at the time required under this Development Agreement):
 - (i) Copy of the On-Site Contract;
 - (ii) Set of Construction Documents;
- (iii) Copies of insurance certificates evidencing the coverage required under Section 9.1;
- (iv) Copies of the performance bond <u>and</u> labor and material payment bonds required under Section 9.2; and

(v) Copy of the Developing Party's permit(s) for construction of the On-Site Work.

10.4 Intentionally Deleted.

Architect's Fees, but excluding the cost of electrical hookup to the Common Area meter) related to the design, construction and installation of the Center Pylon Sign structure ("Center Pylon Sign Costs") shall be processed in accordance with the procedures set forth in Section 10.3; provided, however, that (a) such costs shall be billed only to those Owners responsible for such costs under Section 4.3 of the Declaration, and (b) the proportionate share of such costs to be borne by such Owner shall be determined under Section 4.3 of the Declaration.

Parcel for Project Architect's Fees shall be sixty-six and 56/100ths percent (66.56%) for First Party and thirty-three and 44/100ths percent (33.44%) for Albertson's. The Project Architect's Fees shall be paid by the Owner of each Parcel to the Developing Party as set forth in Section 10.3. The "Project Architect's Fees" shall include all fees incurred pursuant to the Project Architect's Contract provided, however, that (i) the Project Architect's Fees shall not include the expense of interest or other overhead associated with preparation of the Building Design Drawings or Construction Documents or any financing related thereto, together with any interest or other penalty charged by the Project Architect for delinquent payments under the Project Architect's Contract, (ii) all Project Architect's Fees attributable to the design, construction and installation of the Center Pylon Sign structure (excluding electrical hookup to the Common Area meter, which costs shall be paid by the Owners of the Parcels in the proportionate shares set forth in Section 10.2 above) shall be borne only by the Owners responsible for such costs under Section 4.3 of the Declaration and (iii) in no event shall any amount paid to the Developing Party for reimbursement of Project Architect's Fees for any phase of the On-Site Work exceed the following:

<u>Phase</u>	Percent
Schematic Design (including Building Design Drawings)	20.00
Construction Documents	65.00
Bidding or Negotiation	5.00
Construction	10.00
TOTAL	100.00

10.7 Inspection of Records. The Owner of any Parcel may, upon thirty (30) days prior written notice to the Developing Party, inspect the Developing Party's records within two (2) years after the date of substantial completion of the On-Site Work for the purpose of determining whether or not the Developing Party's billings for On-Site Work Costs, Center Pylon Sign Costs and Project Architect's Fees (collectively, "Project Costs") were correct. Such inspection shall take place at the Developing Party's General Offices or at such other location reasonably designated by the Developing Party at any time during normal business hours. If the inspection reveals an overpayment of Project Costs, the Developing Party shall reimburse the Owner of each Parcel its share of the overpayment within thirty (30) days after receipt of notice of the amount of such overpayment. If the inspection reveals an underpayment of Project Costs, the Owner of each Parcel shall reimburse the Developing Party its share of the underpayment within thirty (30) days after receipt of proper billing under this Article 10. If the inspection reveals that the Developing Party misstated Project Costs by a total of more than Ten Thousand Dollars (\$10,000.00), the Developing Party shall reimburse the inspecting Owner for all costs reasonably incurred in making such inspection within thirty (30) days after receipt of notice of the amount of such costs. The Developing Party's billings shall be deemed correct if no Owner gives the Developing Party written notice of a discrepancy within the two (2) year period provided.

10.8 No Waiver. The execution of any Application and Certificate for Payment by the Non-Developing Party, the payment of any sum under this Development Agreement, or the use or occupancy of any portion of the site improvements described herein shall not constitute a waiver of any rights or claims which the Non-Developing Party may have under this Development Agreement including, without limitation, any claim for failure of the On-Site Work to conform to the Construction Documents or governmental requirements.

10.9 Reimbursement. In the event the Developing Party receives any payment (or installment thereof) from any public or private utility or any governmental authority for all or any portion of the Project Costs including, without limitation, reimbursement for all or any portion of the On-Site Work Costs or any credit against fees otherwise due and payable in connection with the operation or development of the Shopping Center or any other property owned by the Developing Party, its successor or assigns (collectively, "Compensation"), the Developing Party shall immediately notify the Non-Developing Party in writing of the same and the Developing Party shall pay the Non-Developing Party a share of the Compensation equal to the Non-Developing Party's share of the applicable Project Costs within thirty (30) days after the Developing Party's receipt of the Compensation (or deduct such sums from such sums owed by the Non-Developing Party). Without limiting the foregoing, if the Non-Developing Party has reimbursed its share of the Project Costs, the Developing Party hereby irrevocably assigns to the Non-Developing Party the Developing Party's right to receive the Compensation (to the extent of the Non-Developing Party's share thereof) and appoints the Non-Developing Party its attorney-in-fact to receive the Compensation (to the extent of the Non-Developing Party's share thereof). The Developing Party agrees to take all additional action necessary to effectuate such assignment and/or power of attorney and to otherwise insure that the Non-Developing Party promptly receives its share of such Compensation. The Developing Party shall not assign its interest in all or any part of the Compensation without the Non-Developing Party's prior written approval. Interest on amounts not paid when due to the Non-Developing Party under this Article 10 shall accrue at the rate of interest described in Section 10.10 from the date payment was due to the date payment is received by the Non-Developing Party (in the event the Non-Developing Party has paid its share of the Project Costs).

10.10 Interest. All payments not made to the Developing Party when due shall bear interest at a rate equal to the lesser of (a) the highest rate allowed by law, and (b) the rate of two percent (2%) above the prime rate as published in the Wall Street Journal, Western Edition, on the first business day of the month during which construction commences. Such interest shall accrue from the date said payment first become delinquent to the date of receipt of said payment in collected funds at the Developing Party's general office.

- Center or any portion thereof for any work done or materials furnished in connection with the design or construction of the On-Site Work or Center Pylon Sign. Without limiting the foregoing, the Developing Party shall, at its sole expense and within ten (10) days after receipt of written notice from the Non-Developing Party, cause any outstanding lien to be satisfied and released of record or transferred to bond in accordance with applicable law, failing which the Non-Developing Party shall have the right, at the Developing Party's expense, to transfer said lien to bond as provided by law. Subject to the other provisions of this Article 11, the Developing Party may contest the validity of any such lien provided that, upon a final determination of the validity thereof, the Developing Party shall cause the lien to be satisfied and released of record.
- 12. Default. Neither party shall be deemed to be in default under this Development Agreement except upon the expiration of ten (10) days from receipt of written notice from the other party specifying the particulars in which such party has failed to perform its obligations under this Development Agreement (including, without limitation, failure to comply with the Construction Schedule as to any single item or items), unless such party, prior to expiration of said ten (10) day period, has rectified the particulars specified in said notice of default.

13. Remedies.

13.1 The Developing Party's Default. If the Developing Party defaults in the commencement or completion of any of the On-Site Work, or any portion thereof, in accordance with the Construction Schedule or the other provisions of this Development Agreement, the Non-Developing Party may (i) commence or complete all or any portion of the On-Site Work in any commercially reasonable manner, and (ii) take all steps necessary to cause the construction of the On-Site Work, or applicable portion thereof, to come into compliance with the Construction Schedule (including, without limitation, hiring contractors to perform overtime work and additional days of work as necessary to meet the time frames set forth in the Construction Schedule), all in accordance with the Construction Documents and, if applicable, the Sign Plans and Specifications. In such event, the Non-Developing Party shall have all rights of reimbursement, collection and contribution set forth in Article 10 (Payment of Costs) (including, without limitation, the right of reimbursement, collection and contribution for expenses incurred for overtime work or additional

days of work) without liability for any costs incurred by the Developing Party, its agents, contractors, subcontractors or employees for any work performed by the Non-Developing Party subsequent to the date of default. Further, if the Developing Party defaults in any of its obligations under Article 3 (Construction of Center Pylon Sign), then, in addition to its other rights under this Development Agreement, the Non-Developing Party shall have the right to deduct the Developing Party's proportionate share of all costs incurred by the Non-Developing Party in constructing and installing the Center Pylon Sign structure (including electrical hookup to the Common Area meter) from amounts otherwise due and payable to the Developing Party pursuant to Article 10 (Payment of Costs) of this Development Agreement. If the Developing Party defaults in the provision of the insurance or performance and labor and material payment bonds described in Article 9 (Insurance/Bonds), the Non-Developing Party may provide the insurance and performance and labor and material payment bonds and shall have all rights of reimbursement, collection and contribution set forth in Article 10 (Payment of Costs).

- of all or any part of the Project Costs, then legal action may be instituted against the defaulting Owner for payment of said Project Costs and all interest accrued thereon. Furthermore, the Developing Party shall have a lien on the Parcel of the defaulting Owner for the amount of said Costs and all interest accrued thereon. The lien provided for herein shall only be effective when filed for record by the Developing Party as a claim of lien against the defaulting Owner in the office of the recorder of the county in which the Shopping Center is located, signed and verified and shall contain the following:
 - (a) An itemized statement of all amounts due and payable pursuant hereto;
- (b) A description sufficient for identification of the defaulting Owner's Parcel which is the subject of the lien;
- (c) The name and address of the Owner or reputed Owner of the Parcel subject of the alleged lien; and
 - (d) The name and address of the lien claimant(s).

The lien, when so established against the real property described in the lien, shall be prior and superior to any right, title, interest, lien or claim which may be or has been acquired or

attached to such real property prior to the time of filing the lien. The lien shall be for the use and benefit of the Developing Party and may be enforced and foreclosed in a suit or action brought in any court of competent jurisdiction.

- 13.3 No Waiver. A party's failure to insist upon strict performance of any of the terms, covenants, conditions or agreements contained herein, or conformance with any of the time frames set forth in the Construction Schedule, shall not be deemed a waiver of any rights or remedies that said party may have and shall not be deemed a waiver of any subsequent breach or default in the performance of any of the terms, covenants, conditions or agreements contained herein, or conformance with any other time frames set forth in the Construction Schedule, by the same party.
- 13.4 Remedies Cumulative. In addition to the remedies set forth in this Development Agreement, each party shall have all other remedies provided by law or equity to the same extent as if fully set forth herein word for word. No remedy available to any party shall exclude any other remedy available to such party under this Development Agreement or provided by law or equity. All remedies shall be cumulative.
- 14. License for Construction Activity. Each party (referred to in this Article 14 only as "Grantor Party") grants to the other party, and its contractors, employees, agents, and representatives, a nonexclusive license over the Common Area located on the Parcel(s) owned by the Grantor Party for performance of all work required or permitted to be performed by the other party under this Development Agreement.
- 15. Indemnification. The Developing Party shall indemnify, defend and hold harmless the Non-Developing Party from any and all liabilities, claims, damages, expenses (including, without limitation, reasonable attorney's fees and reasonable attorney's fees on any appeal), liens, claims of lien, judgments, proceedings and causes of action of any kind whatsoever, which are in any way connected with the performance of the On-Site Work or the construction of the Center Pylon Sign, unless caused by the willful or negligent act or omission of the Non-Developing Party, its agents, contractors or employees. If the Developing Party defaults under this Article 15, then, in addition to its other remedies under this Development Agreement, the Non-Developing Party shall have the right to deduct from amounts otherwise due and payable to the Developing Party pursuant to

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Article 10 (Payment of Costs) all costs and attorney's fees incurred by the Non-Developing Party in performing the Developing Party's obligations under this Article 15.

- 16. Reliance by Parties. It is of the essence of this Development Agreement that the construction of the improvements contemplated by each party is of substantial economic significance to the other party and that the failure of either party to construct its improvements at the time and in the manner contemplated herein shall result in substantial direct and consequential damages to the other party.
- 17. Attorney's Fees. In the event either party initiates or defends any legal action or proceeding in any way connected with this Development Agreement, the prevailing party in any such action or proceeding (in addition to any other relief which may be granted, whether legal or equitable), shall be entitled to recover from the losing party in any such action or proceeding its reasonable costs and attorney's fees (including, without limitation, its reasonable costs and attorney's fees on any appeal). All such costs and attorney's fees shall be deemed to have accrued on commencement of any legal action or proceeding and shall be enforceable whether or not such legal action or proceeding is prosecuted to judgment.
- 18. Not a Partnership. The provisions of this Development Agreement are not intended to create, nor shall they in any way be interpreted or construed to create, a joint venture, partnership, or any other similar relationship between the parties.
- 19. No Third Party Beneficiary Rights. This Development Agreement is not intended to create, nor shall it in any way be interpreted or construed to create, any third party beneficiary rights in any person not a party hereto.

20. Notices.

20.1 Generally. All notices given pursuant to this Development Agreement shall be in writing and shall be given by personal service, by United States mail or by United States express mail or other established express delivery service (such as Federal Express), postage or delivery charge prepaid, addressed to the appropriate party at the address set forth below:

Albertson's: Albertson's, Inc.

250 Parkcenter Boulevard

P.O. Box 20 Boise, ID 83726

Attention: Vice President, Architecture and Engineering

With copy to: Meuleman & Miller LLP

960 Broadway Avenue, Suite 500

Boise, ID 83706

Attention: Tracy V. Vance

First Party: Leon Peterson

225 South 200 East

Salt Lake City, UT 84102

provided, however, that (a) any notice of default shall be sent return receipt requested, and (b) in order to be effective, a copy of any notice of default sent to Albertson's must also be sent to Albertson's Legal Department at the above address or any alternative address specified pursuant to this Article 20. The person and address to which notices are to be given may be changed at any time by any party upon written notice to the other party. All notices given pursuant to this Development Agreement shall be deemed given upon receipt.

- 20.2 Receipt. For the purpose of this Development Agreement, the term "receipt" shall mean the earlier of any of the following: (i) the date of delivery of the notice or other document to the address specified pursuant to Section 20.1 above as shown on the return receipt, (ii) the date of actual receipt of the notice or other document by the person or entity specified pursuant to Section 20.1 above, or (iii) in the case of refusal to accept delivery or inability to deliver the notice or other document, the earlier of (A) the date of the attempted delivery or refusal to accept delivery, (B) the date of the postmark on the return receipt, or (C) the date of receipt of notice of refusal or notice of non-delivery by the sending party.
- 21. Approvals. Except as otherwise specified herein, all items required to be approved by Albertson's shall be deemed approved only if the approval stamp thereon is signed by Albertson's Project Manager.
- 22. Successors and Assigns. Except as otherwise set forth in Section 24.2, the terms, covenants, conditions and agreements contained herein shall constitute covenants running with the

land and shall be binding upon, and inure to the benefit of, the heirs, personal representatives, successors and assigns of the parties hereto; provided, however, that the parties acknowledge that the Non-Developing Party is relying upon the expertise and reputation of the Developing Party for the performance of the Developing Party's obligations under this Development Agreement, and, therefore, the Developing Party may not assign or delegate its obligations hereunder. In the event of any sale or conveyance of a party's interest in its Parcel, said party shall remain liable to the other party for the performance of said party's obligations hereunder.

23. Modification. This Development Agreement shall not be modified without the written agreement of all of the parties hereto.

24. Termination.

24.1 Generally. This Development Agreement shall terminate upon completion of the work described in Article 6 (On-Site Work) and Article 6A (Phased Development) and payment of all amounts described in Article 10 (Payment of Costs). If this Development Agreement has not terminated within five (5) years after the date of this Development Agreement, the provisions of this Development Agreement shall not be binding on any Owner of any Parcel (or portion thereof) who first acquires title to said Parcel (or portion thereof) after said five (5) year period; provided, however, that the foregoing shall not affect any obligations or liabilities, actual or contingent, or any right of collection, reimbursement or contribution, or any other rights, under this Development Agreement, of any prior Owner of any Parcel (or portion thereof), who either owned a Parcel or portion thereof as of the date of this Development Agreement or acquired title to a Parcel or portion thereof within five (5) years after the date of this Development Agreement.

Agreement, each party shall execute in recordable form all documents reasonably requested by the other party to evidence the termination of this Development Agreement and to remove this Development Agreement as an encumbrance on the Shopping Center ("Release Documents"); provided, however, that the Release Documents shall not affect any obligations or liabilities, actual or contingent, that arose prior to the date of termination, or any right of collection, reimbursement or contribution under Article 10, which rights, obligations and liabilities shall constitute, and continue, as personal obligations of the parties.

25. General Provisions.

- 25.1 Captions and Headings. The captions and headings in this Development Agreement are for reference only and shall not be deemed to define or limit the scope or intent of any of the terms, covenants, conditions or agreements contained herein.
- 25.2 Entire Agreement. This Development Agreement contains the entire agreement between the parties hereto and supersedes all prior agreements, oral or written, with respect to the subject matter hereof. The provisions of this Development Agreement shall be construed as a whole and not strictly for or against any party.
 - 25.3 Time. Time is of the essence of this Development Agreement.
- 25.4 Time Period Computation. All time periods in this Development Agreement shall be deemed to refer to calendar days unless the time period specifically references business days. There shall be no extension of time for the performance of any act under this Development Agreement notwithstanding the fact that the last date on which to perform such act falls on a Saturday, Sunday or local, state or national holiday.
- 25.5 Construction. In construing the provisions of this Development Agreement and whenever the context so requires, the use of a gender shall include all other genders, the use of the singular shall include the plural, and the use of the plural shall include the singular.
- **25.6 Joint and Several Obligations.** In the event any party hereto is composed of more than one (1) person, the obligations of said party shall be joint and several.
- 25.7 Counterparts. This Development Agreement may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute a single instrument. Signature and acknowledgment pages may be detached from individual counterparts and attached to a single or multiple original(s) in order to form a single or multiple original(s) of this document.
- 25.8 No Modification. This Development Agreement does not amend or modify any of the terms, covenants, conditions or agreements set forth in the Declaration.
- **26.** Recordation. This Development Agreement shall be recorded in the office of the recorder of the county in which the Shopping Center is located.

EXECUTED as of the date first set forth above.

ALBERTSON'S:

Albertson's, Inc., a Delaware corporation

Lincoln V. Sharo, Jr. By:

Vice, President, Real Estate Law Its:

STATE OF IDAHO) ss. COUNTY OF ADA)

On this 19¹⁴ day of June, 2002, before me, the undersigned, a Notary Public in and for said State, personally appeared Lincoln V. Sharp, Jr., to me known to be the Vice President, Real Estate Law, of Albertson's, Inc., the corporation that executed the foregoing instrument, and acknowledged to me that the said instrument is the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument.

WITNESS MY HAND and official seal hereto affixed the day, month and year in this certificate first above written

My commission expires

Notary Public in and for the State of Idaho Residing at Botal

EXECUTED as of the date first set forth above.

FIRST PARTY:

Leon Peterson

country of <u>Salt late</u>) ss.

On this 28th day of ______, 2002, before me, the undersigned, a Notary Public in and for said State, personally appeared Leon Peterson, known or identified to me to be the person whose name is subscribed to the within and foregoing instrument, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My commission expires:

_03- 25-03-

Notary Public in and for the State of _ Residing at _SLO UT

List of Schedules and Exhibits:

Schedule I - Description of Shopping Center

Exhibit "A" - Site Plan

Exhibit "B" - Site Development Criteria

Exhibit "C" - Construction Schedule

Exhibit "D" - Insurance Requirements

Exhibit "E" - Reimbursable Expenses

NOTARY PUBLIC
LORI A. JOHNSTUN
225 South 200 East
Sait Lake City, Utah 84111
Commission Expires
March 25, 2003
STATE OF UTAH

SCHEDULE I

to Development Agreement (On-Site Work)

Description of Shopping Center

Parcel 1

September 5, Lot 1 of that certain ALBERTSON'S 10400 SOUTH STREET SUBDIVISION, recorded June 2002, in Book 2001 at Page 243, as Instrument No. 8343/87, in the Recorder's Office in Salt Lake County, Utah (the "Subdivision").

Situate in South Jordan City, Salt Lake County, Utah.

Parcel 2

27-17-100-018

Lot 2 of the Subdivision.

Situate in South Jordan City, Salt Lake County, Utah.

Parcel 3

Lot 3 of the Subdivision.

Situate in South Jordan City, Salt Lake County, Utah.

Parcel 4

Lot 4 of the Subdivision.

Situate in South Jordan City, Salt Lake County, Utah.

Parcel 5

Lot 5 of the Subdivision.

Situate in South Jordan City, Salt Lake County, Utah.

Parcel 6

Lot 6 of the Subdivision.

Situate in South Jordan City, Salt Lake County, Utah.

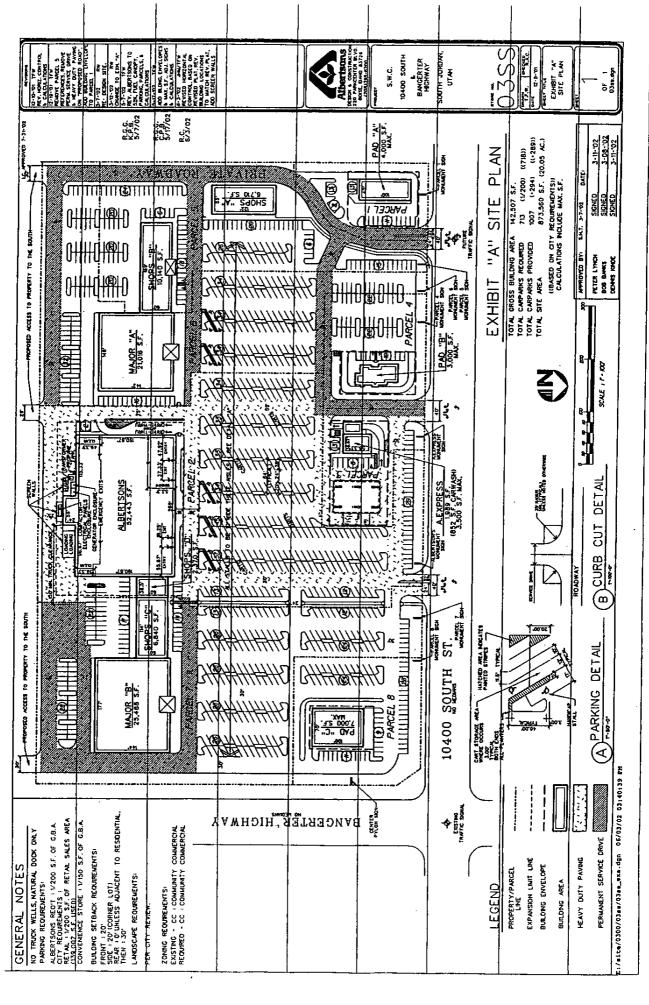
Lot 7 of the Subdivision.

Situate in South Jordan City, Salt Lake County, Utah.

Parcel 8

Lot 8 of the Subdivision.

Situate in South Jordan City, Salt Lake County, Utah.



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EXHIBIT "B"

to Development Agreement (On-Site Work)

On-Site Development Criteria

For the purposes of this criteria the use of "the building" or "buildings" shall include Albertson's Grocery, Drug Store, Combination Store, Fuel Center Convenience Store or Kiosk including Fuel Island Canopy in singular or combined as applicable to the base agreement that this document is attached to, unless specifically noted otherwise. The Fuel Center criteria is applicable to the extent a Fuel Center is being developed.

Albertson's On-Site Construction Documents, Drawings & Specifications shall contain (at a minimum) the following:

ON-SITE PLAN (HORIZONTAL CONTROL PLAN):

A. General Notes (Albertson's Building)

- 1. Parcel line: Maintain a minimum seven feet clearance between the building sidewall and adjacent property or parcel line at emergency exits and egress path.
- 2. Rear drive aisle: Maintain minimum 30 feet clear paved driving lane between rear of the building and opposite curb and/or obstruction.
- 3. Main entrance aisle shall face or pass some portion of the building's storefront.
- 4. Truck Receiving area: shall have a minimum 150 feet clear paved distance from face of dock in direction of delivery vehicle circulation.
- 5. Customer parking areas shall not use wheel stops or speed bumps.
- 6. **Fire hydrants, transformers, light poles,** or other obstructions shall not be located in or near circulation areas of delivery vehicles.
- 7. Pedestrian Ramps (if required) to rear entrances shall be 1:15 (6.66%) not to exceed 1:12 (8%) slope.
- 8. "Building work" and "on-site work" areas must be separately defined. The building work shall not extend more than 5 feet beyond the perimeter walls or truck dock.

B. Paving

- 1. Traffic aisles: All service and main customer traffic aisles, including fuel delivery vehicle drives, shall be "heavy duty" paving as indicated on Exhibit "A."
- 2. Paving thickness to be per soils report requirements, customer parking shall be light vehicle traffic loads and heavy duty traffic loads for delivery vehicle and main traffic aisles.
- 3. A Materials Engineer shall monitor paving operations and conduct a pre-paving conference.
- 4. Paving formula and material certificates shall be submitted by the Asphalt Contractor to the Materials Engineer / Testing Laboratory for review and approval..
- 5. Soil sterilant to be applied below all asphalt paved areas.
- 6. Prime coat and/or seal coat: DO NOT include prime coat on base material or seal coat on asphalt surface unless otherwise recommended by Materials Engineer.

C. Parking

- 1. **Drive aisles:** Provide two-way customer drive aisles with 60° parking at 60 feet on center and 10 foot wide parking stalls. On sites where 90° parking is required, parking bays are to be at 65 feet on center minimum, with 10 foot wide parking stalls. Individual parking stalls shall be 10 feet wide by 20 feet long.
- 2. **Drive aisle width:** Main two way drive aisle and delivery vehicle aisle width to be 30 feet minimum clear between parked vehicles or curbs for those aisles connecting to public streets.

- 3. Truck Access: Drive aisle circulation shall provide adequate width and turning radiuses for fuel delivery trucks for access to Fuel Center Convenience Store tank fill inlets.
- 4. Main drive aisle street curb cut width shall be minimum 40 feet wide.
- Maintain minimum 30 feet drive aisle width between face of the building front sidewalk and nearest parking stall or planter.
- 6. Parking stalls with curbed planter islands at front of parking spaces may be 3 feet shorter in depth than depth of standard parking stall.
- 7. Handicap parking stalls. Locate 8 across the full width frontage of the building (2 stalls per parking bay). Locate one handicap space near the front of the Fuel Center Convenience Store. All other handicap parking stalls to be located away from the front of the building.
- 8. Customer parking stall striping shall be painted with 2 coats traffic yellow 4 inch wide lines.
- 9. Cart return areas as indicated on the Exhibit "A" will be furnished and installed by Albertson's.
- 10. Concrete Curbs shall be poured-in-place concrete and rest on compacted fill minimum depth 18 inches at storefront sidewalk and 12 inches at all other locations.
- 11. Precast concrete curbs and other elements are NOT allowed. Curbs in customer parking areas are NOT allowed except for required planting areas.
- 12. Top set extruded concrete curbs set in epoxy are NOT allowed.
- 13. Provide expansion joints at 25' o.c. maximum along straight runs and at curve tangents, and corners. Reinforcing bars shall be continuous through joints at storefront sidewalk curb. Sack finish exposed curb surfaces.

D. Grading and Drainage

- 1. Slope on paving to be 1% minimum for drainage, and 3% maximum within 200 feet of the building's entrances, and within 40 feet of delivery dock. Slope shall be 5% maximum at other areas.
- 2. Truck delivery dock shall be level-on-grade truck dock (no truck well). Finished top of dock to be 52 inches above grade, measured 10 feet off face of dock.
- 3. No mechanical means using lifts, pumps or other equipment shall be used to assist on-site storm drainage and disposal.
- 4. Concrete gutter to be 0.5% minimum slope to drain.
- 5. Concrete swales in customer parking areas are NOT allowed.
- 6. Contour Format: Show required grades in 1 foot intervals with spot elevations at appropriate locations.
- 7. Roof top drains to be tight lined below grade to the on-site storm water disposal system. Show separation of "on-site work" versus "building work."
- 8. **Building pad(s)** shall be graded to a level below finished floor equal to the floor slab thickness plus base course if any, as specified in the owner's report of subsurface investigation to an accuracy of plus or minus 1/10th of a foot.
- 9. **Building pad(s)** shall be compacted and an Albertson's "Pad Certificate" form (form to be provided upon request) shall be completed for each building pad, verifying compliance with the Contract Documents.
- 10. On-Site storm water: Provide a drainage retention study and plan where required by local jurisdiction.
- 11. Prior to any work being done on the site: comply with Federal Environmental Protection Agency (EPA) notification regulations pursuant to their National Pollutant Discharge Elimination System (NPDES), and comply with construction storm water permitting requirements. A Notice of Intent (NOI) naming Albertson's Inc. must be filed with all applicable federal, state and local authorities, with a copy to be sent to Albertson's Construction Manager. Prior to beginning any earthwork, Developer shall comply with terms of the NOI by

preparing a Storm Water Pollution Prevention Plan (SWPPP) in accordance with NPDES requirements and provide a copy to Albertson's Construction Manager. A copy of the SWPPP shall be maintained on site during construction.

- 12. Developer shall also comply with hauling and disposal regulations of authorities having jurisdiction.
- 13. After completion of all on-site work including paving, stormwater control system, landscaping and removal of all earth or soil stockpiles, the Developer shall file a Notice of Termination (NOT) for the NPDES construction storm water permit to the applicable regulatory agency(s) and provide a copy to Albertson's Construction Manager.

E. Landscaping

- 1. Meet (but do not exceed) minimum requirements of local governmental agency.
- 2. Avoid obscuring the building's signage, Fuel Center canopy signage and pylon signs when trees reach maturity.
- Planters and landscape areas shall use inexpensive, low maintenance type ground cover, if required. Annual flowers are NOT allowed.
- 4. Provide plant list legend in documents with common name, Latin name, and size of plant at time of planting.
- 5. Trees size at planting shall be no smaller than 1-1/2" caliper; shrubs to be 5-gallon minimum.
- 6. Automatic irrigation system shall be freeze resistant with separate water meter. Keep heads away from edges of planters. Heads shall be arranged and located so spray does not hit building or customer walking areas. Bubbler type heads shall be used for interior parking lot planter areas.
- As-built drawings showing sprinkler layout with associated electrical diagrams showing lines, valves and control locations shall be provided by the Contractor.

F. Utilities

- Utility and other easement areas to be located outside the building area(s), expansion area, compactor area, Fuel Center canopy, Fuel Center Building and Tank Hold area.
- 2. Provide Utility Plans to include, but not be limited to, the following: Designated inverts for sanitary sewer, domestic water, fire sprinkler water (including flow & pressure), grease trap locations, oil/water separator location (at Fuel Center), gas and telephone service. Show separation of "on-site work" versus "building work" consistently for all buildings as defined in Development Agreement.
- 3. Utilities to be extended to within 5' of the building by the on-site contractor. On-Site Contractor shall provide cap or shut-off valve at that location.
- 4. The building's utility demand and location will be provided by Albertson's Project Manager within 10 days of a written request.
- 5. Manhole covers, catch basin, and clean-out boxes shall not be located in traffic aisles or at entry or delivery dock areas.
- 6. Utility information shall include the telephone service layout. Provide 100 pair telephone cable per Albertson's requirements. Provide 50 additional pair telephone cable per in-store bank's requirements.
- 7. Fuel Center pneumatic tube to be provided by the On-Site Contractor. Pneumatic tube and associated trenching to be extended from 5 feet of Main Store building to within 5 feet of Fuel Center Convenience or Kiosk Building. Pneumatic tube system installation work to be performed only by an Albertson's approved installer. Coordinate trench location and installer(s) with Albertson's Project Manager.

G. Lighting / On-Site Electrical Plan:

- 1. On-Site Lighting Design Criteria:
 - a) On-Site lighting design considerations shall be discussed with Albertson's Project Manager, Albertson's Real Estate Manager and Albertson's Project Electrical Engineer prior to starting any on-site electrical design work.
 - b) A On-Site lighting survey of the surrounding area shall be conducted. Albertson's on-site lighting levels shall be equal to or greater than any surrounding properties (within a one-mile radius) engaged in similar retail operations.
 - c) On-Site Lighting Poles shall be straight, square, steel (SSS) and meet all codes. Select round, tapered steel (RTS) or pre-stressed, hollow-core concrete poles where SSS poles cannot meet the local wind loading requirements. Cor-ten poles shall NOT be used.
 - d) On-Site lighting pole bases shall be concrete 2'-6" high above grade, 2'-0" diameter, and formed with a circular "sono" tube. Engineer the pole base depth with respect to wind loading and soil conditions. Slope the top of the pole base away from the pole to shed moisture. Sack finish and apply two coats of traffic yellow paint.
 - e) Light poles shall not obstruct the view of pylon or monument signs.
 - f) Metal Halide (MH) on-site lighting fixtures shall be used for all pedestrian and general parking areas. High Pressure Sodium (HPS) lighting may only be used when required by local government agencies and must be used in areas behind the building when it is adjacent to residential properties.
 - g) A light level minimum of 1.5-footcandles (2.5-footcandles where HPS lamps are required) maintained at grade level for the main parking area is required with the following exceptions:
 - i) Where local codes or governing authority require a lower maximum.
 - ii) A minimum of 1-footcandle maintained at grade level within 20 feet of the roadway boundary for vehicle and pedestrian entrances.
 - iii) A minimum of 0.6-footcandles maintained at grade level within 20 feet of adjacent residential property to reduce light trespass. Do not locate poles within 15 feet of residential property.
 - iv) A minimum of 0.2-footcandles maintained at grade level behind the building where parking is not available.
 - h) All building security and soffit lights shall be powered from the respective building panel.
 - i) On-Site Lighting Power Distribution:
 - i) Stand-alone Sites: On-Site lighting shall be powered out of Panel 'SL' located inside Albertson's building.
 - ii) Shopping Centers (existence of co-tenants): On-Site lighting shall be powered out of a separately metered House Panel 'HP.' Panel 'HP' shall not be located on or within 50 feet of the Albertson's building and shall be sized for minimum spares and spaces.
 - iii) Only on-site lighting, pylon sign and irrigation loads shall be powered from Panel 'SL' or Panel 'HP.' No other loads, including building canopy lights, are to be connected to this panel.
 - j) Pylon signs, Albertson's general parking area poles, and vehicle entryways (entire length) to the building's parcel shall be connected to the on-site lighting panel by separate circuits and controls as follows:
 - Stand-alone Sites: Albertson's Energy Management System (EMS) shall control the on-site lighting via contactors. The EMS can control up to eight separate zones. Provide one pilot relay with a 24v coil for each zone to interface with the EMS.
 - ii) Shopping Centers: The controls shall be an Intermatic ET171C Time Clock (TC), an Intermatic K4121M Photo Control (PC), and the required contactors. Locate PC in 1/2" rigid conduit above the

roof. Aim photocell north and set PC to activate lights when ambient light levels drop below 10-footcandles.

- k) On-Site lighting control shall incorporate bi-level control of 80% general-lighting and 20% night-lighting. "Night light" fixtures shall use PC only. All remaining general on-site lighting fixtures shall use a PC in series with TC control.
- l) Building's parking lot lighting sequence shall be as follows:

Control
TC on and PC off - All lights off
TC on and PC on - All lights on
TC off and PC on - Night light fixtures on, remainder off
TC on and PC on - All lights on
TC on and PC off - All lights off

- m) Specifications shall include language to "Coordinate exact time clock 'on' and 'off' times with Albertson's Construction Manager."
- n) Non-Albertson's parcels on-site lighting shall use similar controls for on-site lighting.
- o) Minimize the number of homeruns as well as conductor and conduit size.
- p) Areas adjacent to store:
 - i) Residential: If residential areas are within a ¼ mile of a building's site, the on-site lighting fixtures shall be one of the following approved manufacturers and models with flat glass lenses.
 - ii) Commercial: If the Areas surrounding the building are exclusively commercial within ¼ mile, then the on-site lighting fixtures shall be one of the following approved manufacturers and models with sag glass lenses. Flat glass lenses or full cut-off fixtures are allowed where type V distribution is not appropriate.

Approved Manufacturers	Flat Glass Lens Model*	Sag Glass Lens Model*	Flood Light Model*
Gardco	Form 10: no VS distribution	Form 10	Designer DF12
Kim	Curvilinear Cutoff	VL	AFL20
Lithonia	KVF with "-FL" option	KVF or KVR	KFL3
McGraw- Edison	Galleria GLA or GRA with "- FG" option (include "-ABS" suffix)	Galleria GLA or GRA (Include "-ABS" suffix)	AMF Acura
Visionaire	Hillsboro HLS or Concourse CON with "-FG" option	Hillsboro HLS or Concourse CON	SmartFlood SFL-1

- *Make sure to specify a "Pulse Start" ballast for 400W fixtures. Model numbers shown are not complete but are a representation of the critical ordering information (Do not specify fixtures by these numbers alone).
- q) At least three pre-approved on-site lighting fixture manufacturers with model numbers shall be provided on every schedule for each site. Two of the listed approved on-site lighting fixture manufacturers shall be McGraw-Edison and Lithonia. The schedule shall include a minimum of the following column headings:

5

- i) Assembly type
- ii) Assembly description including fixture distribution
- iii) Lamp type
- iv) Power requirements
- v) Fixture and pole model numbers

- r) 1000-watt metal halide fixtures shall be used where practicable unless required otherwise by local codes or directed otherwise by Albertson's during on-site lighting design discussions required by Section G.1(a).
 - i) Use two 1000-watt vertical lamp, area fixtures on 30' poles spaced approximately 120 feet center-tocenter along the drive aisle located directly in front of the building. Mount two 400-watt floodlights at 20' above grade level on those 30' poles to illuminate the store's front elevation.
 - ii) Exception to i): If and only if the local ordinance requires full cutoff fixtures, use two 1000-watt vertical lamp, area fixtures on 35' poles spaced approximately 60 feet center-to-center along the drive aisle located directly in front of the building. Eliminate the 400-watt floodlights.
 - iii) Orient on-site lighting fixtures in an "I" configuration and parallel to store-front. Use two 1000-watt vertical lamp, area fixtures on 30' poles in the general on-site parking areas spaced approximately 120 feet center-to-center.
 - iv) Prevent light trespass onto residential property by using 400-watt fixtures with appropriate distribution patterns and house side shields.
- s) 400-watt metal halide fixtures shall be used for stand alone Drug Store sites unless required otherwise by local codes or directed otherwise by Albertson's during on-site lighting design discussions required by Section G.1(a).
 - i) Use 400-watt vertical lamp, area fixtures on 25' poles spaced appropriately to yield the foot-candle values specified in Section G.1(g). Orient fixtures in an "I" configuration and parallel to the store-front. Mount two 400-watt floodlights at 20' above grade level on the poles located along the drive aisle directly in front of the building.
 - ii) Prevent light trespass onto residential property by using 400-watt fixtures with appropriate distribution patterns and house side shields.
- 2. The On-Site Electrical Plans shall include, but not limited to, the following:
 - a) The On-Site, pole locations, pylon or monument sign locations, light pole base details, on-site lighting panel location, electrical homeruns, conduit size, wire size, panel schedule showing all loads connected to the on-site lighting panel, clear identification of all "night light" circuits, electrical service layout, on-site lighting control (ladder diagram), and utility information.
 - b) The electrical service layout shall show the separation of "on-site work" versus "building work" consistently for all buildings as defined in the Development Agreement.
 - c) On-Site Lighting Lamps: A note directing the Contractor to provide and install all on-site lighting lamps.
 - d) On-Site Photometric Plan shall be provided with electrical plan and at the same scale as the On-Site Electrical Plan.
- 3. A On-Site Photometric Lighting Plan shall be submitted to Albertson's Project Manager and shall include, but not limited to, the following:
 - a) A computer-generated point-by-point photometric on-site layout (horizontal). Maximum spacing between points shall be 15 feet. Extend photometrics 30 feet into the bordering residential areas to model light trespass. Use the specified fixtures' photometric IES files. Use a 0.60 light loss factor.
 - b) A computer-generated point-by-point photometric layout of the building front elevation (vertical surface). Maximum spacing between points shall be 5 feet. Use the specified fixtures' photometric IES files. Use a 0.60 light loss factor.
 - c) Initial Lumens: For 400-watt "Pulse Start" lamps use 41,000 lumens for lamps in the vertical position and 40,000 lumens for lamps in the horizontal position. Use 108,000 lumens for 1000-watt lamps.
 - d) Graphical representations of fixture assemblies with correct orientation at pole locations.
 - e) The Light Loss Factor (LLF), and Scale Legend shall be clearly labeled on all photometric layouts.
 - f) Light Fixture Schedule.
 - g) Neighborhood Zoning Identification: Identify surrounding property areas as "Commercial," "Residential," or other appropriate zoning description based on local designation.

- h) All building outlines clearly labeled on horizontal and vertical photometric layouts.
- i) The location of curbs, planters, walkways, on-site signage, parking lot striping, and drive aisles.
- j) Show labels that correspond to the Light Fixture Schedule for all fixtures on the point-by point plan.
- k) The North Arrow.
- 1) A title block which contains the major cross streets, city, the sheet number and title, the designer's name and phone number, and date drawn. Include building's store number if available.
- m) Keyed Notes.

EXHIBIT "C" to Development Agreement

Construction Schedule

[to be prepared and attached pursuant to Section 6A.3 of this Development Agreement]

EXHIBIT "D"

to Development Agreement

Insurance Requirements

The On-Site Contractor shall procure and maintain until the On-Site Work has been substantially completed and accepted in accordance with Section 10.3 of the Development Agreement commercial general liability insurance (or if the same is not available, comparable coverage) written on a combined single limit basis with minimum limits of not less than \$2,000,000 per occurrence. All policies of insurance provided hereunder shall be written on an "occurrence" basis on an Insurance Services Office (ISO) 1986 or newer standard form.

The above policy of insurance shall be with an insurer acceptable to both Albertson's and First Party and shall name First Party and Albertson's as additional insureds. The On-Site Contractor shall furnish First Party and Albertson's certificates (and, if requested, with a copy of the insurance policy as well) showing such coverage and showing that coverage will not be cancelled without thirty (30) days prior written notice to First Party and Albertson's. The policy must contain a separation of insureds clause. If the required coverage is obtained through a combination of commercial general liability and umbrella coverage, the certificate for umbrella coverage must also show that First Party and Albertson's will be given thirty (30) days prior written notice of cancellation.

The On-Site Contractor must provide certificates showing statutory worker's compensation coverage and showing employer's liability coverage with minimum limits of \$1,000,000. In addition, the On-Site Contractor will provide evidence its subcontractors and their subcontractors carry similar coverage. First Party and Albertson's need not be named as additional insureds on the employer's liability coverage or the worker's compensation coverage. First Party and Albertson's must be given thirty (30) days prior written notice of cancellation of either coverage.

The On-Site Contractor must provide certificates of insurance showing that it maintains business automobile liability insurance for all owned, nonowned and hired vehicles with single limits of at least \$2,000,000 each accident. Such coverage must name First Party and Albertson's as additional insureds. The On-Site Contractor must provide a certificate (and, if requested, a copy of the insurance policy as well) showing such coverage and showing that such coverage will not be cancelled without thirty (30) days written notice to First Party and Albertson's.

Should any of the above-described policies be cancelled before the expiration date thereof, the issuing company will endeavor to mail thirty (30) days written notice to the named certificate holder, but failure to mail such notice shall impose no obligation or liability of any kind upon the company.

EXHIBIT "E"

to Development Agreement

Reimbursable Expenses

First Party's reimbursement of 100% of the cost of the following items obtained (or to be obtained) by Albertson's:

Architectural and Engineering Fees (includes City of South Jordan application processing fees)	\$ 85,000.00
Reserve for Additional Costs	10,000.00
Storm Drain Facilities Fee (requisite to plat Shopping Center)	7,621.60
Roadway Impact Fee	91,147.65
Utilities to be brought to Parcels 2 and 3	4,000.00
TOTAL	\$197 769 25

CONSENT AND AGREEMENT

THIS CONSENT AND AGREEMENT ("Consent") is made a part of and appended to that certain Development Agreement (On-Site Work) (the "Development Agreement").

RECITALS

- A. Jones Land Company, L.L.C., a Utah limited liability company ("Jones"), is the fee owner of Parcels 1, 4, 5, 6, 7 and 8 of that certain Shopping Center ("Jones Property"), as described in the Development Agreement to which this Consent is appended.
- B. To provide the basis of an integrated retail sales complex, Jones desires to have the Declaration as a lien or encumbrance on the Jones Property to benefit and encumber the Jones Property by the terms and conditions of the Development Agreement as set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing Recitals and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Jones hereby consents and agrees as follows:

- 1. Jones hereby consents to, ratifies, confirms, approves, assumes and agrees to benefit from and to be bound by and to perform each and every term, covenant, condition and agreement contained in the Development Agreement as the Owner (as such term is defined in the Development Agreement) of the Jones Property as if each thereof were set forth in this Consent. Each of said terms, covenants, conditions and agreements shall be binding upon, inure to the benefit of, and be enforceable by the parties to the Development Agreement (and by Jones, as the case may be) and their successors and assigns.
- 2. Jones does hereby subordinate all of Jones' right, title and interest in and to the Jones Property to the Development Agreement and the Development Agreement shall be a benefit to and an encumbrance upon Jones' fee interest in and to the Jones Property.
- 3. All notices to Jones that are required to be given to an Owner pursuant to the Development Agreement shall be sent to the address set forth below:

Jones:	Jones Land Company, L.L.C.
	9487 April DC
	Attention: S.
a set forth	have may be changed at any time by Ione

The person and address set forth above may be changed at any time by Jones upon written notice to all other Owners, as set forth in the Development Agreement.

- 4. This Consent represents the complete agreement by Jones and supercedes all prior agreements, oral or written, with respect to the subject matter hereof. This Consent shall continue in full force and effect notwithstanding any renewals, amendments or modifications of the Development Agreement.
- 5. Jones warrants and represents that no consent, approval or joinder of any other person or entity is necessary in order for this Consent to be valid and enforceable against Jones. Jones acknowledges that the Development Agreement to which this Consent is appended was supported by good and valuable consideration.

DATED: JUNE 28, 2002.

Jones Land Company, L.L.C.,
a Utah limited liability company

By: Rith S. Jones Romie S. Jones Its: Managers

STATE OF UTAH)	
) ss.	
County of Salt Lake)	
The foregoing instruments	was acknowledged before me this 28 day of 14ne, the Managers of Jones Land Company,
L.L.C., a Utah limited liability cor	many
My commission expires:	all Blut
-	Notary Public in and for the State of Utah
	Residing at

ALLAN BOLDT

NOTARY PUBLIC • STATE of UTAH

64 E 6400 S #100

SALT LAKE CITY UT 84107

COMM. EXP. 8-10-05