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JEFFERY SMITH  
UTAH COUNTY RECORDER  
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RECORDED FOR JOHN LINTON

ANNEXATION AND DEVELOPMENT AGREEMENT  
MAPLETON GROVE

a Residential Community

## MAPLETON GROVE ANNEXATION AND DEVELOPMENT AGREEMENT

D.R. Horton, Inc., a Delaware corporation ("**Developer**") and Mapleton City Corporation, a Utah Municipal Corporation ("**the City**") hereby make and enter into this Annexation and Development Agreement ("**the Agreement**") this 13<sup>th</sup> day of September, 2016, in connection with and to govern the annexation and development of certain property owned or controlled by Developer and that is more particularly described hereafter.

### RECITALS

**A. WHEREAS** Developer desires to annex real property owned or controlled by Developer into the City's boundaries that is currently located in the unincorporated County and is located generally at 800 South and Slant Road in Utah County, Utah, and which is legally described in Exhibit A ("**Property**") attached hereto and made a part of this Agreement;

**B. WHEREAS** the Developer and the City have entered into negotiation to outline certain conditions and terms for development under which Developer would like to petition for annexation;

**C. WHEREAS** the Parties intend to enter into this Agreement to allow Developer and the City to agree on issues considered essential to the annexation, and this process will lead to development of the property into an attractive residential community to be commonly known as "Mapleton Grove" (the "**Project**") that functions in a way that will add quality of life to future residents while allowing the City to provide municipal services in a cost effective and efficient manner and that is in harmony with and intended to promote the City's Comprehensive General Plan, applicable zoning ordinances, and the construction and development standards of the City and allow the Developer to receive the benefit of vesting for certain uses and zoning designations under the terms of this Agreement as more fully set forth below;

**E. WHEREAS** development of the Project pursuant to this Agreement is acknowledged by the parties to be generally consistent with the Act, and the Code and to operate to the benefit of the City, Developer, and the general public;

**F. WHEREAS** approval of this Agreement does not grant subdivision approval, site plan approval, or approval of any building permit, or other land use activity regulated by the City's ordinances, and Developer expressly acknowledges that nothing in this Agreement shall be deemed to relieve Developer from the obligation to comply with all applicable requirements of the City necessary for approval and recordation of subdivision plats, nor does it limit the future exercise of the police power by the City in enacting zoning, subdivision, development, transportation, environmental, open space,

and related land use plans, policies, ordinances, and regulations after the date of this Agreement as allowed by applicable Utah law;

**G. WHEREAS** acting pursuant to its legislative authority under Utah Code Ann. § 10-9a-101, et seq., and after all required public notice and execution of this Agreement by Developer, the City Council of the City, in exercising its legislative discretion, has determined that entering into this Agreement generally furthers the purposes of the Utah Municipal Land Development and Management Act (the "Act"), the City's General Plan, and the Mapleton City Code (collectively, the "**Public Purposes**"). As a result of such determination, the City has elected to consider the Project and the development authorized hereunder in accordance with the provisions of this Agreement;

**H WHEREAS** the Developer, in compliance with Utah law and its governing documents, has authorized the undersigned to execute this Agreement;

**I. WHEREAS** the Parties intend to take all steps necessary to finalize the annexation of the property and to develop the Project according to this Agreement;

**J. WHEREAS** Developer and the City have cooperated in the preparation of this Agreement;

**K. WHEREAS** the Developer, in compliance with Utah law and its governing documents, has authorized the undersigned to execute this Agreement; and

**L. WHEREAS** the City has approved a Concept Plan for the Project ("**Project Concept Plan**"), attached as Exhibit B and incorporated herein by reference.

Now, therefore, in consideration of the premises recited above and the terms, conditions, and promises set forth below, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Developer hereby agree as follows:

### **SECTION I – DEFINITIONS**

Unless the context requires a different meaning, any term or phrase used in this Agreement shall have that meaning given to it by the City's Zoning Ordinance in effect on the date a complete application is received by the City. Certain other terms and phrases are referenced below. In the event of a conflict between two or more definitions, that definition which provides the most restrictive development latitude shall prevail.

### **SECTION II – SPECIFIC TERMS AND CONDITIONS**

**1. Term.** The term of this Agreement shall commence on, and the effective date of this Agreement shall be, the effective date of City action approving this Agreement. This Agreement shall terminate after 15 years or when each party has fulfilled its commitments as outlined in this Agreement and certificates of occupancy

have been issued for all approved and fully-constructed residential dwellings in the Project, whichever occurs first. An extension may be granted if both parties agree in writing to the extension.

**2. Agricultural Use To Remain in Undeveloped Areas - Irrigation Ditches.** Any portion of the Property for which a plat has not been recorded shall be maintained in agricultural use. Agricultural use need not be maintained for any portion of the Property which is subject to a recorded plat. Irrigation ditches on the Property shall be maintained as at present unless the ditch owner in consultation with the applicable irrigation company approves piping, realignment, abandonment, or otherwise authorizes a change in the configuration or use of a ditch.

**3. Zoning Classification – Allowed Uses.** Subject to the recitals and terms of this Agreement, the zoning classification on the Property shall be R-2 with minimum lot sizes of 10,000 square feet and 80 feet of frontage. The Property is comprised of approximately 100 acres. The Project shall be constructed in a manner consistent with the R-2 Zone as adopted in the Mapleton City Code and shall consist of a maximum of 210 residential units as shown on the approved Project Concept Plan (see Exhibit B).

**4. Project Amenities.**

A. Neighborhood Park: Developer shall develop a park that will be approximately 6.15 acres in size at completion, and shall be dedicated to, and maintained by, the City. The park design and amenities shall be consistent with the Park Concept Plan described in Exhibit “C” hereto. Developer shall not be required to construct, install, or pay for any park amenities or facilities except for the items described in Exhibit “C” hereto. The City, however, may pay for additional amenities or facilities if the City desires the same. In addition, if the City desires a separate construction agreement for the park improvements, the Agreement shall not conflict with any of the provisions of this Agreement, and it shall not require Developer to post any completion bonds or assurances. The parties agree that the funding mechanisms described in Sections 4B through 4D below provide sufficient protection and assurance for completion of the park improvements.

B. Park Impact Fee Credits. In exchange for the construction and dedication of the park, the City shall provide Developer with credits against park impact fees (in the manner set forth in Sections 4B – 4D below) in an amount equal to the actual costs incurred by Developer to construct the park improvements, presently estimated to be \$635,500 as reflected in Exhibit “C” hereto, as well as the land value of 4.86 acres, which represents that portion of the park land that will be dedicated to the City and will not be used for the Project’s storm drainage system. The parties have agreed on a land value of \$80,000 per acre, resulting in park impact fee credits of \$388,800 for Developer’s dedication of the park land. Hence, the total amount of park impact fee credits for this Project (park improvements and park land) will be the sum of \$635,500 (or the

actual amount of the park improvement costs, based on actual invoices submitted to the city, if the actual amount differs from the estimate) plus \$388,800 for the park land, for a total estimated park impact fee credit of \$1,024,300 (the “**Total Park Impact Fee Credit**”).

C. Construction of Park Improvements; Use of Impact Fee Credit: The park shall be constructed in two phases as described in Exhibit “C”. Each phase shall be dedicated to the City with the recording of the plat for each phase. As building permits are issued for dwelling units in the Project, Developer will pay the standard park impact fees to the City (\$5,549 per dwelling), but all such park impact fee payments will be held in a designated park escrow account with the City. When Developer has paid sufficient funds into the designated account to pay for the first phase of the park improvements, Developer will construct the first phase of the park improvements and pay for the costs thereof from the funds in the designated account. Developer shall not be required to construct the park improvements unless and until sufficient funds are available in the designated account to pay for the same. Similarly, the second phase of the park improvements will be constructed by Developer when the designated account has sufficient funds to pay for the costs of such improvements. The City shall not use the funds in the designated account for any other purpose or project. Developer shall not be required to pay more park impact fees into the designated account than the total of the actual costs of the park improvements. If Developer fails to full its obligations to construct the park, the City may transfer the park impact fees from the designated park escrow account into its standard park and recreation impact fee account. The plat for phase three of the project shall not be recorded until the phase one park improvements have been completed.

D. Use of Remaining Impact Fee Credits. When the park improvements have been completed and the actual costs of the park improvements have been calculated (the “**Actual Improvement Amount**”), the Actual Improvement Amount shall be subtracted from the Total Park Impact Fee Credit (defined in Section 4B above) to determine the amount of the remaining park impact fee credit for this Project (the “**Remaining Credit**”). As additional building permits are issued for dwellings in this Project, Developer shall not be required to pay park impact fees; rather, each time a building permit is issued to Developer for a dwelling in this Project, the amount of the Remaining Credit shall be reduced by \$5,549 until the Remaining Credit has been applied and used in full. The following illustration is provided as an example to clarify the intent and application of these provisions:

(i) If the Total Park Impact Fee Credit is \$1,024,300 and the Actual Improvement Amount is \$635,500, then the Remaining Credit would be \$388,800. Said amount (\$388,800) would be applied as a waiver of park impact fee credits for approximately 70 of the building permits issued by the City (70 permits at \$5,549 per permit totals \$388,800);

(ii) Assuming the Project is comprised of 210 dwellings at final build-out, the total park impact fees that would have otherwise been paid for this Project would be \$1,165,290 (i.e., 210 multiplied by \$5,549 is \$1,165,290). Developer would have paid \$635,500 into the designated account (which funds would have been used to pay for the park improvements); and Developer would have used the Remaining Credit of \$388,800 to satisfy park impact fees for 70 dwellings in the Project.

(iii) After paying for the park improvements and using all of the Remaining Credit, there would still be approximately 25 dwelling units in the Project for which Developer would have to pay park impact fees of \$140,990 (25 units at \$5,549 per unit).

**5. Compliance with City Requirements and Standards.** All applicable provisions of the Mapleton City Code and Utah Code §10-9a, as constituted on the effective date of this Agreement shall be applicable to the Project except as expressly modified by this Agreement. The parties acknowledge that in order to proceed with development of the Property, Developer shall comply with the requirements of this Agreement and other requirements generally applicable to development in Mapleton City. Developer expressly acknowledges that except as expressly provided in this Agreement, nothing in this Agreement shall be deemed to relieve it from its obligations to comply with all applicable requirements of the City necessary for approval and recordation of subdivision plats and site plans for the Project, or any other portion of the property involved in the Project, in effect at the time of developmental approval, or re-approval in the event of expiration, including the payment of unpaid fees, the approval of subdivision plats and site plans, the approval of building permits and construction permits, and compliance with all applicable ordinances, resolutions, policies, and procedures of the City.

**6. Vested Rights.** Following annexation and re-zoning as described herein, Developer shall have the vested right to develop and construct the Project on the Property in accordance with the R-2 Zone and the Concept Plan subject to compliance with the terms and conditions of this Agreement and other applicable City Laws as more fully set forth in this Agreement, including, without limitation, the right to construct up to 210 single-family residential dwellings. The Parties intend that the rights granted to Developer under this Agreement are contractual and are in addition to those rights that exist under statute, common law and at equity. The parties specifically intend that this Agreement grants to Developer “vested rights” as that term is defined in Utah’s statutory code and construed in Utah’s common law. The Parties understand and agree that the Project will be required to comply with future changes to City Laws that do not limit or interfere with the vested rights granted pursuant to the terms of this Agreement. The following are examples for illustrative purposes of a non-exhaustive list of the type of future laws that may be enacted by the City that would be applicable to the Project:

A. Developer Agreement. Future laws that Developer agrees in writing to the application thereof to the Project;

B. Compliance with State and Federal Laws. Future laws which are generally applicable to all properties in the City and which are required to comply with State and Federal laws and regulations affecting the Project;

C. Safety Code Updates. Future laws that are updates or amendments to existing building, plumbing, mechanical, electrical, dangerous buildings, drainage, or similar construction or safety related codes, such as the International Building Code, the APWA Specifications, AAHSTO Standards, the Manual of Uniform Traffic Control Devices or similar standards that are generated by a nationally or statewide recognized construction/safety organization, or by the State or Federal governments and are required to meet legitimate concerns related to public health, safety or welfare.

D. Taxes. Taxes, or modifications thereto, so long as such taxes are lawfully imposed and charged uniformly by the City to all properties, applications, persons and entities similarly situated.

E. Fees. Changes to the amounts of fees for the processing of Development Applications that are generally applicable to all development within the City (or a portion of the City as specified in the lawfully adopted fee schedule) and which are adopted pursuant to State law.

**7. Infrastructure.** The Developer expressly acknowledges and agrees to the requirement to install all necessary infrastructure as stated in Mapleton City Code Chapter 17.16, at their own expense, and further acknowledges and agrees, as a condition precedent to the City's issuance of a building permit or approval of a subdivision application, to pay all applicable fees associated with connection to water, sewer, storm drainage, and/or any pressurized irrigation water facilities, in addition to any other connection fees that may apply. The City provides or is soon to provide the following utilities, which need to be brought to the property by the Developer, at no cost to the City, in order to develop the Property: culinary water; sewer; and pressurized irrigation. Developer shall design, build, and dedicate to the City adequate delivery systems for each of these utilities according to the City specifications and standards including all distribution lines, conduit, street lights, valving, fire hydrants, meters, and other required services to meet the needs for the Project as a condition of development. All facilities necessary to provide adequate utility services installed within the Project, upon formal acceptance by the City through a recorded dedication deed, shall be owned, operated, and maintained by the City. Developer or its successors or assigns shall be responsible for such infrastructure until such time as the City accepts the improvements in the manner set forth herein. In the event that a third party installs any of the infrastructure described above adjacent to and/or through Developers property, Developer shall connect to this infrastructure and pay any required reimbursement fees as part of final plat approval. The Developer may tie into existing utility infrastructure provided there is adequate capacity in the infrastructure by the as determined City Engineer.

8. **Easements.** Developer shall grant to the City, at no cost to the City, all easements necessary for the operation, maintenance, and replacement of all utilities located within the Project as the City reasonably determines to be necessary.

9. **Conditions of Approval and Annexation Fees.** With respect to the development of the Project, Developer accepts and agrees to pay an annexation fee for each Equivalent Residential Unit (ERU) proposed as part of the Project. The annexation fee shall be equal to the most recently adopted City residential impact fees, but reduced by the park impact fee credits set forth in Section 4B above, and shall be paid in the same manner (i.e. water and sewer portion due at plat recoding and public safety, pressurized irrigation and recreation due at building permit). No additional impact fees shall be charged. For clarification, water and sewer fees will be paid at the time of plat recordation, on a phase-by-phase basis. Park, pressurized irrigation, and public safety fees will be paid in connection with the issuance of building permits (less the credits received for the park land and park improvements under Sections 4A – 4D above).

Petitioner acknowledges that the development requires infrastructure supported by annexation fees and finds the fees currently imposed to be a reasonably monetary expression of exaction that would otherwise be required. Developer agrees not to challenge, contest, or bring a judicial action seeking to avoid payment of or to seek reimbursement for such fees, so long as such fees are applied uniformly within the City or service area.

10. **Reserved Legislative Powers.** This Agreement shall not limit the future exercise of the police powers of the City to enact ordinances, standards, or rules regulating development or zoning. Nothing herein shall be construed to limit the ability of the City Council to exercise its police powers to enact zoning ordinances, some of which may affect the Project, so long as Developer's vested rights, as set forth in this Agreement, are honored to the fullest extent allowed by applicable law.

11. **Subdivision Plat Approval.** Either concurrently with, or subsequent to, approval of the annexation petition, as determined by Developer pursuant to applicable requirements of the Mapleton City Code, Developer shall cause one or more subdivision plats (the "**Subdivision Plats**") to be prepared for the Project Property. Such plats shall conform to applicable requirements of the Mapleton City Code. The Project may be platted and developed in phases.

- A. Installation of Subdivision Improvements: No subdivision plat shall be recorded until either:
- (1) The required improvements have been completed in accordance with Mapleton City Code Chapter 17.16.010; or
  - (2) A performance guarantee and a durability bond have been submitted in accordance with Mapleton City Code Chapter 17.20.



**12. Standard for Approval of Subdivision Plats.** All subdivision plats must be approved in accordance with Mapleton City Code Chapter 17 and must conform to applicable requirements of the Mapleton City Code, State and Federal Law, and this Agreement. The City acknowledges that certain portions of the project need to be contoured with mass grading in order to allow the development of the Project in compliance with the Project Concept Plan and that the City will approve this contouring in compliance with Project Concept Plan as a part of the subdivision approval process.

**13. Satisfaction of Water Rights Requirements.** Developer agrees that prior to approval of a final plat for any parcel of property that is included in the Project, the owner of the subject parcel shall either dedicate water rights to the City, as specified by, or as determined in accordance with the provisions of the City Code or other applicable law. The City shall not be required to approve any plat, until such requirements are fully satisfied.

**14. Commencement of Site Preparation.** Developer shall not commence site preparation or construction of any Project improvement on the Property until such time as subdivision plat or plats have been approved by City in accordance with the terms and conditions of this Agreement; provided, however, that this provision shall not be construed to impair Developer's statutory right to construct improvements prior to recording the approved subdivision plat(s).

**15. Construction Mitigation.** Developer shall provide the following measures, all to the reasonable satisfaction of the City, to mitigate the impact of any construction within the Project. Developer shall also adhere to existing construction impact mitigation measures required by the City Code. Additional reasonable site-specific mitigation measures may be required. The following measures shall be included in each application for development of any final plat:

A. Limits on disturbance, vegetation protection, and the re-vegetation plan for all construction, including construction of public improvements;

B. Protection of existing infrastructure improvements from abuse or damage while new infrastructure improvements are being constructed.

**16. Project Phasing and Timing.** Upon approval of a Subdivision Plat or Plats, Developer shall proceed by constructing the entire Project at one time or in a minimum of two (2) approved phases.

**17. Changes to Project.** No material modifications to Subdivision Plats shall be made after approval by City without City Council's written approval of such modification. Developer may request approval of material modifications to Project Plans from time to time as Developer may determine necessary or appropriate. For purposes of this Agreement, a material modification shall mean any modification which (i) increases the number of lots in a subdivision plat, or (ii) substantially changes the location of public roads. Modifications to the Subdivision Plat which do not constitute material

modifications may be made without the consent of City Council prior to plat recording. In the event of a dispute between Developer and City as to the meaning of "material modification," no modification shall be made without express City Council approval. Modifications shall be approved by the City Council if such proposed modifications are consistent with City's then-applicable rules and regulations and are consistent with the standard for approval set forth in this Agreement.

18. **Time of Approval.** Any approval required by this Agreement shall not be unreasonably withheld or delayed and shall be made in accordance with applicable procedures set forth in the Mapleton City Code.

19. **Public Improvements; Proportionality Assessments.** For the purpose of avoiding unlawful exactions, all improvements that are constructed by Developer and are intended to be dedicated to, and accepted by, the City shall be governed by the following standards regarding payment and reimbursement:

- a. All on-site utilities and improvements that are not "system improvements" will be paid for by Developer without any rights of reimbursement. For purposes of this Agreement, the term "system improvements" shall mean and include improvements that are the subject of an impact fee facility plan, and any other improvement that is designed to provide service or capacity in excess of the minimum requirements necessary for this Project (i.e., designed to provide service or capacity to more than just this Project).
- b. All internal roadways within the project shall be paid for by Developer without any rights of reimbursement.
- c. To the extent the City requires Developer to construct any system improvements (such as, without limitation, culinary waterlines or sewer lines with capacity in excess of what is required to provide service to the Project), the City shall be responsible to pay the incremental costs of the oversized improvements (e.g., all amounts in excess of what the Developer would pay to construct improvements with capacity sufficient only for the Property) in accordance with applicable State law.
- d. Prior to the construction of any system improvements, Developer and City shall enter into a reimbursement agreement addressing the amount, method and timing for the City to reimburse Developer for the City's portion of the expenses for the system improvements. To the extent necessary, the City shall amend its Impact Fee Facilities Plans (the "IFFPs") to incorporate such system improvements as part of a funding plan if the improvements are not already the subject of the City's IFFPs. The term of each reimbursement agreement shall be set forth in the reimbursement agreement, and Developer's rights of reimbursement thereunder shall survive any termination or expiration of this Agreement. Developer shall not be required to construct any system

improvements without a mutually-acceptable reimbursement agreement in place for such system improvements or mutually-acceptable impact fee credits. Reimbursements and impact fee credits shall be based on actual costs incurred for the subject system improvements, not on estimates or bids. If the parties cannot agree on the terms of a reimbursement agreement, Developer shall be allowed to proceed with construction of "project" sized improvements (i.e., minimum improvements necessary for this Project only) so that the Project will not be delayed.

The provisions of this Section 19 shall be interpreted and administered in compliance with the standards for lawful exactions as set forth in Utah Code Ann. §10-9a-508 and applicable Utah case law. The determinations of the size and design of improvements to be constructed, cost-sharing, or reimbursement for the same, and applicability of the standards described in this Section 19, shall be made on a plat-by-plat basis at the time of plat approval.

**20. Successors and Assigns.** This Agreement shall be binding on the successors and assigns of Developer. Notwithstanding the foregoing, a purchaser of the Project or any portion thereof shall be responsible for performance of Developer's obligations hereunder as to any portion of the Project so transferred. In the event of a sale or transfer of the Project, or any portion thereof, the seller or transferor and the buyer or transferee shall be jointly and severally liable for the performance of each of the obligations contained in this Agreement unless prior to such transfer an agreement satisfactory to City, delineating and allocating between Developer and transferee the various rights and obligations of Developer under this Agreement, has been approved by City.

**21. Later Acquired Property.** If Developer acquires any additional property contiguous to the subject Property, the newly acquired property will not be part of this Agreement unless and until an amended Agreement is approved by the City Council.

**22. Default.**

- A. Events of Default. Upon the happening of one or more of the following events or conditions Developer or City, as applicable, shall be in default ("Default") under this Agreement:
- (1) A warranty, representation or statement made or furnished by Developer under this Agreement is intentionally false or misleading in any material respect when it was made.
  - (2) A determination made upon the basis of substantial evidence that Developer or City has not complied in good faith with one or more of the material terms or conditions of this Agreement.

- (3) Any other event, condition, act or omission, either by City or Developer, (i) violates the terms of, or (ii) materially interferes with the intent and objectives of this Agreement.

B. Procedure Upon Default.

- (1) Upon the occurrence of Default, the non-defaulting party shall give the other party thirty (30) days written notice specifying the nature of the alleged default and, when appropriate, the manner in which said Default must be satisfactorily cured. In the event that the Default cannot reasonably be cured within thirty (30) days, the defaulting party shall have such additional time as may be necessary to cure such default so long as the defaulting party takes action to begin curing such default within such thirty (30) day period and thereafter proceeds diligently to cure the default. After proper notice and expiration of said thirty (30) day or other appropriate cure period without cure, the non-defaulting party may declare the other party to be in breach of this Agreement and may take the action specified in Paragraph C herein. Failure or delay in giving notice of default shall not constitute a waiver of any default.
- (2) Any Default or inability to cure a Default caused by strikes, lockouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes therefore, governmental restrictions, governmental regulations, governmental controls, enemy or hostile governmental action, civil commotion, fire or other casualty, and other similar causes beyond the reasonable control of the party obligated to perform, shall excuse the performance by such party for a period equal to the period during which any such event prevented, delayed or stopped any required performance or effort to cure a Default.

- C. Breach of Agreement. Upon Default as set forth in Paragraphs A and B above, City may declare Developer to be in breach of this Agreement and City (i) may withhold approval of any or all building permits or certificates of occupancy applied for in the Project, but not yet issued; and (ii) shall be under no obligation to approve or to issue any additional building permits or certificates of zoning compliance for any building within the Project until the breach has been corrected by Developer. In addition to such remedies, either City or Developer (in the case of a default by the City) may pursue whatever additional remedies it may have at law or in equity, including injunctive and other equitable relief.

- D. Institution of Legal Action. In addition to any other rights or remedies, either party may institute legal action to cure, correct, or remedy any default or breach, to specifically enforce any covenants or agreements set forth in this Agreement or to enjoin any threatened or attempted violation of this Agreement; or to obtain any remedies consistent with the purpose of this Agreement. Legal actions shall be instituted in the Fourth District Court, State of Utah, or in the Federal District Court for the District of Utah. The option to institute legal action, at least in the case of defaults, is available only after the cure provisions are complied with.

### Section III – GENERAL TERMS AND CONDITIONS

1. **Scope of Agreement.** The parties agree, intend, and understand that the obligations imposed by this Agreement are only such as are consistent with local, state, and federal law. The parties further agree that if any provision of this Agreement becomes, in its performance, inconsistent with local, state or federal law or is declared invalid, this Agreement shall be deemed amended to the extent necessary to make it consistent with local, state, or federal law, as the case may be, and the balance of this Agreement shall remain in full force and effect.

2. **Recording of Agreement.** In the event City approves the Project and all Conditions Precedent have been met, the provisions of this Agreement shall constitute real covenants, contracts and property rights, and equitable servitudes which shall run with all of the land subject to this Agreement. The burdens and benefits hereof shall bind and inure to the benefit of each of the Parties hereto and all successors in interest to the Parties hereto. This Agreement shall be recorded as a covenant running with the Property herein described in order to put prospective purchasers or other interested parties on notice as to the terms and provisions hereof. The City or Developer may cause this Agreement, or a notice concerning this Agreement, to be recorded with the Utah County Recorder.

3. **Transfer/Assignment of Property.**

- A. General. The Developer shall have the right, with the City's written consent, to assign or transfer all or any portion of its rights and obligations under this Agreement to any party acquiring an interest or estate in the Project or any portion thereof, except as specifically set forth below.
- B. Consent. The City may not unreasonably withhold its consent to such an assignment.
- C. Notice. Developer shall provide written notice acknowledged by the City of any proposed or completed assignment or transfer. In

the event the City does not object in writing within thirty (30) days of receipt of said written notice, the City shall be deemed to have approved of and consented to the assignment.

- D. Rights and Obligations. In the event of an assignment, the transferee shall succeed to all of Developer's rights and obligations under this Agreement. Notwithstanding, Developer selling or conveying individual lots or parcels of land to builders, individuals, or other developers shall not be deemed to be an assignment subject to the above requirement for approval unless specifically designated as an assignment by Developer.
  
- E. Related Party Transfer. Developer's transfer of all or any part of the Property to any entity "related" to Developer (as defined by regulations of the Internal Revenue Service), Developer's entry into a joint venture for the development of the Project or Developer's pledging of part or all of the Project as security for financing shall also not be deemed to be an "assignment" subject to the above-referenced approval by the City unless specifically designated as such an assignment by the Developer.
  
- F. Partial Assignment. If any proposed assignment is for less than all of Developer's rights and responsibilities then the assignee shall be responsible for the performance of each of the obligations contained in this this Agreement to which the assignee succeeds. Upon any such approved partial assignment, Developer shall be released from any future obligations as to those obligations which are assigned but shall remain responsible for the performance of any obligations that were not assigned.

**4. Severability.** If any paragraph of this Agreement, or portion thereof, is declared by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement will not be affected and each paragraph of this Agreement will be valid and enforceable to the fullest extent permitted by law.

**5. Time of Performance.** Time shall be of the essence with respect to the duties imposed on the parties under this Agreement. Unless a time limit is specified for the performance of such duties each party shall commence and perform its duties in a diligent manner in order to complete the same as soon as reasonably practicable.

**6. Construction of Agreement.** This Agreement shall be construed so as to effectuate its public purpose of ensuring the Property is developed as set forth herein to protect health, safety, and welfare of the citizens of City. This Agreement has been reviewed and revised by legal counsel for each of the Parties and no presumption or rule that ambiguities shall be construed against the drafting Party shall apply to the interpretation or enforcement of this Agreement.

**7. State and Federal Law.** The parties agree, intend and understand that the obligations imposed by this Agreement are only such as are consistent with state and federal law. The parties further agree that if any provision of this Agreement becomes, in its performance, inconsistent with state or federal law or is declared invalid, this Agreement shall be deemed amended to the extent necessary to make it consistent with state or federal law, as the case may be, and the balance of the Agreement shall remain in full force and effect. If City's approval of the Project is held invalid by a court of competent jurisdiction, this agreement shall be null and void.

**8. Enforcement.** The parties to this Agreement recognize that City has the right to enforce its rules, policies, regulations, ordinances, and the terms of this Agreement by seeking an injunction to compel compliance. In the event Developer violates the rules, policies, regulations or ordinances of City or violates the terms of this Agreement, City may, without declaring a Default hereunder or electing to seek an injunction, and after thirty (30) days written notice to correct the violation (or such longer period as may be established in the discretion of City or a court of competent jurisdiction if Developer has used its reasonable best efforts to cure such violation within such thirty (30) days and is continuing to use its reasonable best efforts to cure such violation), take such actions as shall be deemed appropriate under law until such conditions have been rectified by Developer.

**9. No Waiver.** Failure of a party hereto to exercise any right hereunder shall not be deemed a waiver of any such right and shall not affect the right of such party to exercise at some future time said right or any other right it may have hereunder. Unless this Agreement is amended by vote of the City Council of City, taken with the same formality as the vote approving this agreement, no officer, official or agent of City has the power to amend, modify or alter this Agreement or waive any of its conditions as to bind City by making any promise or representation not contained herein.

**10. Entire Agreement.** This Agreement shall supersede all prior agreements with respect to the subject matter hereof, not incorporated herein, and all prior agreements and understandings are merged herein. This Agreement shall not be modified or amended except in written form mutually agreed to and signed by each of the parties.

**11. Attorneys Fees.** If either party commences any litigation whatsoever, including but not limited to insolvency, bankruptcy, arbitration, declaratory relief, or other litigation proceedings, including appeals or rehearings, and whether or not an action has actually commenced, for the judicial interpretation, reformation, enforcement, or rescission of this Agreement or any addenda or attachments whatsoever, the prevailing party will be entitled to a judgment against the other for an amount equal to reasonable attorneys' fees and court and other costs incurred. The "prevailing party" shall be the party who is entitled to recover its costs of suit, whether or not the suit proceeds to final judgment. A party not entitled to recover its costs shall not recover attorneys' fees. No sum for attorneys' fees shall be counted in calculating the amount of a judgment for the purposes of determining whether a party is entitled to recover its costs or attorneys' fees.

Should any judgment or final order be issued in any proceeding, said reimbursement shall be specified therein.

**12. Applicable law.** This Agreement and the construction thereof, and the rights, remedies, duties, and obligations of the parties which arise hereunder, are to be construed and enforced in accordance with the laws of the State of Utah.

**13. Notices.** Any notices required or permitted to be given pursuant to this Agreement shall be in writing and shall be deemed to have been sufficiently given or served for all purposes when presented personally, or four (4) days after being sent by registered or certified mail, properly addressed to the parties as follows:

To the Developer: D.R. Horton, Inc.  
Attn: John Linton  
12351 S. Gateway Park Place, Suite D100  
Draper, Utah 84020  
Email: JBLinton@drhorton.com

With a copy to: Paxton@yorkhowell.com

To the City: Mapleton City Attorney  
125 N Community Center Way  
Mapleton, Utah 84664

**14. Execution of Agreement.** This Agreement may be executed in multiple parts as originals or by facsimile copies of executed originals; provided, however, if executed and evidence of execution is made by facsimile copy, then an original shall be provided to the other party within seven (7) days of receipt of said facsimile copy.

**15. Hold Harmless.** Developer shall hold City, its officers, agents, employees, consultants, special counsel, and representatives harmless from liability for damages or equitable relief arising out of claims for personal injury or property damage arising from direct operations of Developer or its contractors, subcontractors, agents, employees or other persons acting on its behalf, in connection with the Project.

- A. The agreements of Developer in Paragraph M shall not be applicable to (1) any claim arising by reason of the negligence or intentional actions of City, or (2) attorneys' fees under Paragraph I herein.
- B. City shall give written notice of any claim, demand, action or proceeding which is the subject of Developer's hold harmless agreement as soon as practicable but not later than thirty (30) days after the assertion or commencement of the claim, demand, action or proceeding. If any such notice is given, Developer shall be entitled to participate in the defense of such claim. Each party



agrees to cooperate with the other in the defense of any claim and to minimize duplicative costs and expenses.

**16. Relationship of Parties.** This Agreement is not intended to create any partnership, joint venture or other arrangement between City and Developer. This Agreement is not intended to create any third party beneficiary rights for any person or entity not a party to this Agreement. It is specifically understood by the parties that: (i) all rights of action and enforcement of the terms and conditions of this Agreement shall be reserved to City and Developer, (ii) the Project is a private development; (iii) City has no interest in or responsibilities for or duty to third parties concerning any improvements to the Property; and (iv) Developer shall have the full power and exclusive control of the Property subject to the obligations of Developer set forth in this Agreement.

- A. Certificate of Compliance. Upon fifteen (15) business days prior written request by Developer or a Subdeveloper, the City will execute a certificate of compliance to any third party seeking to purchase all or a portion of the Property or lend funds against the same generally in the form attached as Exhibit D certifying that Developer or a Subdeveloper, as the case may be, is not in default of the terms of this Agreement.

**17. Title and Authority.** Developer expressly warrants and represents to City that it is a limited liability company in good standing and that such company owns or controls all right, title and interest in and to the Property and that no portion of the Property, or any right, title or interest therein has been sold, assigned or otherwise transferred to any other entity or individual. Developer further warrants and represents that no portion of the Property is subject to any lawsuit or pending legal claim of any kind. Developer warrants that the undersigned individual has full power and authority to enter into this Agreement on behalf of Developer. Developer understands that City is relying on such representations and warranties in executing this Agreement.

**18. Headings for Convenience.** All headings and captions used herein are for convenience only and are of no meaning in the interpretation or effect of this Agreement.

**19. Exhibits.** All exhibits referred to herein are made a part of this Agreement as incorporated by reference date.

**20. Other Miscellaneous Terms.** The singular shall include the plural; the masculine gender shall include the feminine; "shall" is mandatory, "may" is permissive.

**21. Further Assurances, Documents, and Acts.** Each of the Parties agrees to cooperate in good faith with the other and to execute and deliver such further documents, and to take all further acts reasonably necessary in order to carry out the intent and purposes of this Agreement and the actions contemplated hereby. All provisions and requirements of this Agreement shall be carried out by each party as allowed by law.

**22. Assignments.** Neither this Agreement nor any of the provisions, terms, or conditions hereof can be assigned by the Developer to any other party, individual, or entity without assigning the rights as well as the obligations under this Agreement. The rights of the City under this Agreement shall not be assigned.

**23. Electronic Transmission and Counterparts.** Electronic transmission (including email and fax) of a signed copy of this Agreement, any addenda, and any exhibits, and the retransmission of any signed electronic transmission, shall be the same as delivery of an original. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original but only all of which together shall constitute one instrument and execution.

[signature pages follow]

This Development Agreement has been executed by City, acting by and through its City Council, pursuant to a City Council motion authorizing such execution, and by a duly authorized representative of Developer as of the date first written above.

*[Handwritten Signature]*

Signature – authorized representative (D.R. Horton)

Printed Name Jonathan S. Thornley

Title Division CFO

Date 9/16/16

STATE OF UTAH )  
COUNTY OF Utah ) ss.

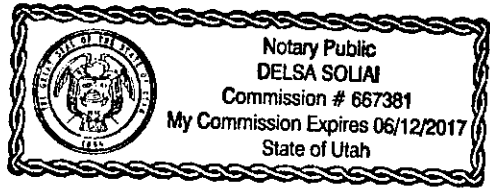
The foregoing instrument was acknowledged before me this 16 day of September, 2016 by Jonathan S. Thornley, in such person's capacity as the Division CFO of D.R. HORTON, INC., a Delaware corporation.

*[Handwritten Signature]*

Notary Public

Residing at: Utah Cent

My commission expires:  
06/12/2017





*Brian Wall*

Signature - Mayor

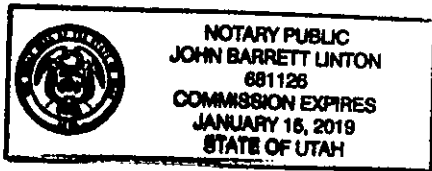
Printed Name Brian Wall

Title MAYOR

Date 10/6/16

STATE OF UTAH )  
COUNTY OF Utah ) ss.

The foregoing instrument was acknowledged before me this 6 day of September, 2016 by Brian Wall, in such person's capacity as the Mayor of Mapleton, UT.



*John Barrett Linton*  
Notary Public

Residing at: South Ogden, UT

My commission expires:

1-15-19

## EXHIBIT A

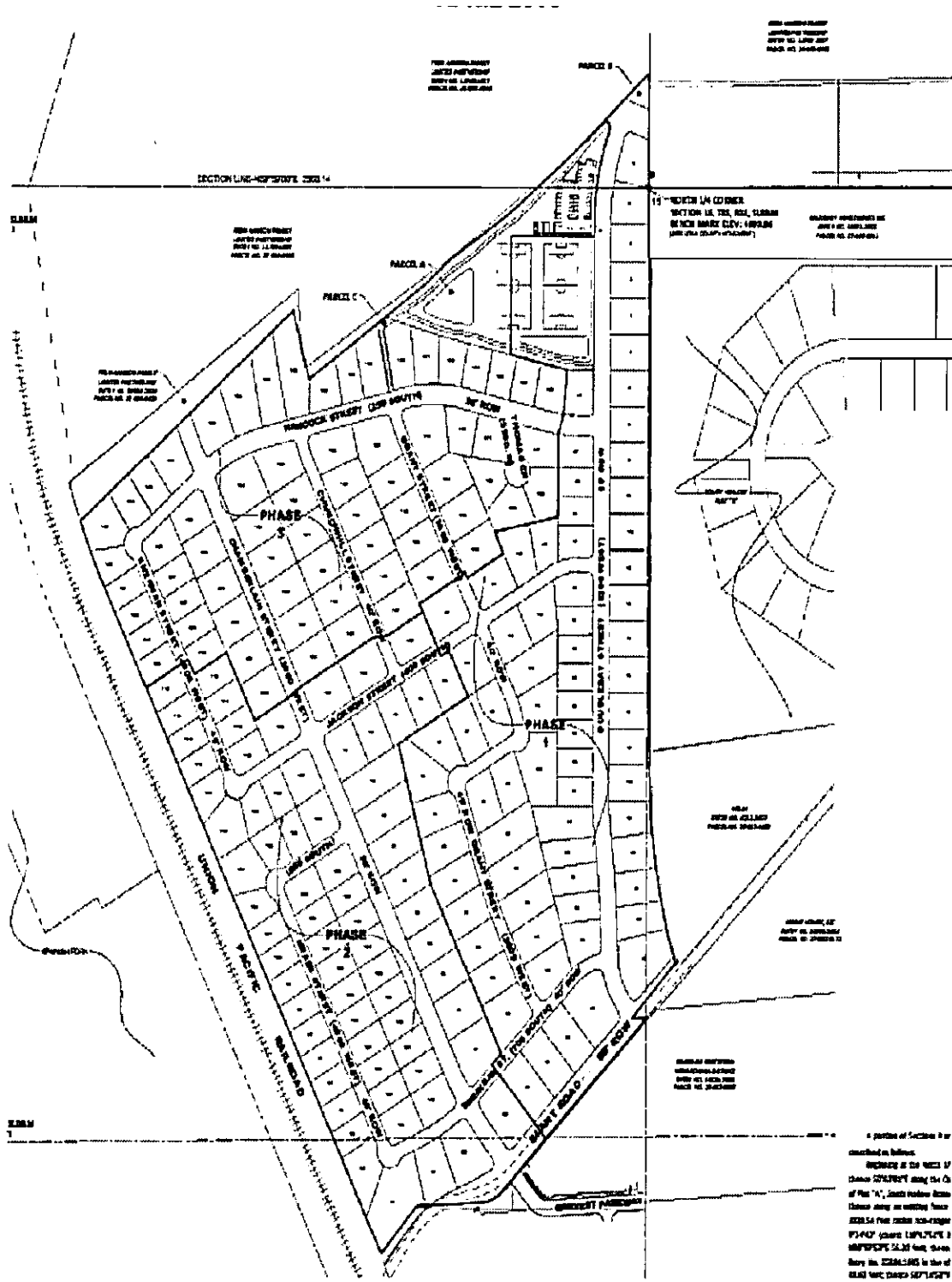
## LEGAL DESCRIPTION FOR MAPLETON GROVE

Parcel #: 27:006:0025

Beginning at the North 1/4 Corner of Section 16, Township 8 South, Range 3 East, Salt Lake Base and Meridian; thence S0°03'01"E along the Quarter Section Line 198.00 feet; thence N89°40'26"E 8.73 feet to the Northwest Corner of Plat "A", South Hollow Estates Subdivision; thence S0°03'49"E along the West Line of said subdivision 1378.40 feet; thence along an existing fence line the following three (3) courses: S1°30'47"E 190.43 feet; thence along the arc of a 2023.54 foot radius non-tangent curve to the left (radius bears: N83°59'30"E) 332.40 feet through a central angle of 9°24'42" (chord: S10°42'51"E 332.02 feet); thence S20°11'53"E 83.15 feet; thence S44°59'53"W 221.56 feet; thence N86°59'53"E 56.20 feet; thence S46°43'53"W 729.67 feet to the north line of that real property described in Deed Entry No. 55884:1995 in the official records of the Utah County Recorder; thence S66°39'00"W along said north line 48.63 feet; thence S87°14'53"W 249.50 feet; thence S43°29'53"W 182.24 feet to the easterly right-of-way line of the railroad; thence along said right-of-way line the following two (2) courses: N28°09'34"W 2090.56 feet; thence along the arc of a 2221.41 foot radius curve to the right 230.98 feet through a central angle of 5°57'27" (chord: N25°10'50"W 230.87 feet) to that boundary line agreement described in Deed Entry No. 53635:2014 in the official records of the Utah County Recorder; thence N52°00'53"E along said boundary line 959.15 feet; thence N53°00'00"E 138.00 feet; thence N58°30'00"E 236.95 feet; thence N58°30'00"E 236.95 feet; thence N54°04'00"E 125.18 feet; thence N53°26'42"E 157.31 feet; thence N50°57'47"E 102.95 feet; thence N49°33'41"E 165.62 feet; thence N50°48'36"E 80.34 feet; thence N62°44'07"E 2.29 feet to the Quarter Section Line; thence S0°32'00"E along the Quarter Section Line 20.67 feet; thence N89°40'26"E 681.82 feet to the northwest corner of that real property described in Deed Entry No. 32948:2015 in the official records of the Utah County Recorder; thence along said real property the following three (3) courses: N88°45'26"E 415.24 feet; thence S0°00'07"E 303.64 feet to the north line of said Section 16; thence S89°40'26"W along the Section Line 1094.22 feet to the point of beginning.

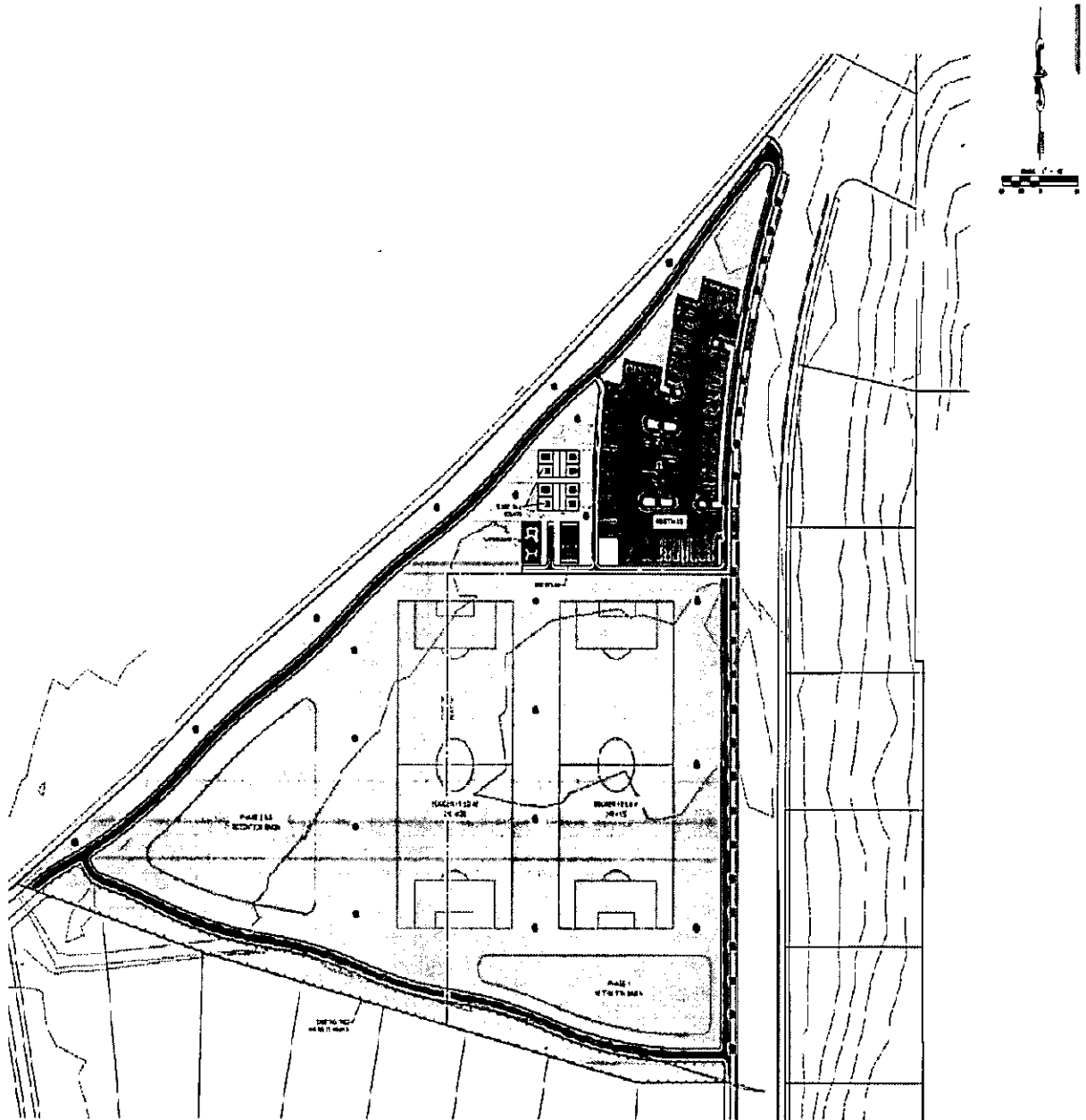
Contains: ±93.46 Acres

# EXHIBIT B Project Concept Plan



# EXHIBIT C

## Park Concept Plan, Amenities Plan & Cost Estimates





<b>Phase 1</b>	
Sod/Seeding & Sprinklers	\$135,000.00
Misc. Grading	\$10,000.00
Trees	\$10,500.00
Tot Lot	
Soccer Goals/Striping	\$7,500.00
Pickle Ball Courts--2 Ea	
Restroom Facility	
Temp Parking Lot	\$18,000.00
Asphalt Parking Lot	
Curb	
Sidewalk	
Asphalt Trail	\$12,500.00
<b>Total</b>	<b>\$193,500.00</b>
<b>Phase 2</b>	
Sod/Seeding & Sprinklers	\$150,000.00
Misc. Grading	\$15,000.00
Trees	\$9,500.00
Tot Lot	\$45,000.00
Soccer Goals/Striping	\$7,500.00
Pickle Ball Courts--2 Ea	\$35,000.00
Restroom Facility	\$45,000.00
Temp Parking Lot	
Asphalt Parking Lot	\$48,000.00
Curb	\$16,000.00
Sidewalk	\$8,500.00
Asphalt Trail	\$62,500.00
<b>Total</b>	<b>\$442,000.00</b>
<b>Total for PH 1 and PH 2</b>	<b>\$635,500.00</b>

EXHIBIT D

SAMPLE CERTIFICATE OF COMPLIANCE

Mapleton hereby certifies that the property identified in exhibit "A" is in compliance with the Mapleton Grove Annexation and Development Agreement recorded with the Utah County Recorder on \_\_\_\_\_.

\_\_\_\_\_  
Community Development Director

Subscribed, acknowledged and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

My Commission Expires:  
\_\_\_\_\_