

**DEVELOPMENT AGREEMENT
FOR CANYON GATES, NORTH LOGAN, UTAH**

This Development Agreement ("Agreement") is entered into as of this 17th day of August 2006, by and between Amditus, LLC, a Utah limited liability company ("Developer"), as the owner and developer of a single family residential project known as "Canyon Gates" ("Project"), and North Logan City, a municipality and political subdivision of the State of Utah ("City").

RECITALS:

Developer owns or has the contractual right to acquire approximately 143 acres of real property located within the municipal boundaries of North Logan City, Utah, as more fully described in Exhibit A (the "Property"), on which it proposes the development of the Project. The Project is an undertaking of sufficient magnitude that Developer requires assurances from City, in the form of this Agreement, of Developer's rights to timely complete the development, before expending the substantial effort and costs in developing the Project.

City, acting in furtherance of its current land use policies, goals, objectives, General Plan and ordinances as well as existing state and federal law (hereinafter "City Laws") desires to have the input and control regarding the design and development of the Project which is provided by the terms of this Agreement, and City further desires to have Developer provide certain public improvements within the Project.

In exchange for City's assurances as provided by this Agreement, Developer is willing to provide certain public improvements to City specifications and to design and develop the Project as outlined herein.

In exchange for the rights granted to it by this Agreement, City, acting pursuant to the authority granted by UTAH CODE ANN. § 10-9-101, *et seq.*, and City Laws and in the exercise of its legislative discretion, has elected to approve this Agreement as being in harmony with the long-range policies, goals and objectives and in the best interests of City.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and terms as more fully set forth below, Developer and City hereby agree as follows:

1. **Recitals and Exhibits.** The recitals set forth above and all exhibits are hereby incorporated by reference as part of this Agreement.

2. **Property Affected by This Agreement.** The legal description of the Property contained within the Project boundaries is attached and specifically described in Exhibit A. No additional property may be added to this description for purposes of this Agreement, except by written amendment to this Agreement executed and approved by the parties hereto.

ARTICLE 1
Responsibilities and Rights of Developer

1.1 Vested Rights and Reserved Legislative Powers.

1.1.1 Rights Granted by this Agreement. To the maximum extent permissible under the laws of Utah and the United States, at common law and at equity, City grants Developer all rights to develop the Property in fulfillment of this Agreement, including "vested rights," pursuant to UTAH CODE ANN. § 10-9a-509 and other City Laws. Development of the Property and the Project are subject to City Laws, except as such processes, rules, regulations and official policies are amended by this Agreement. Developer shall have the vested right to develop and construct the Project in the general manner, densities and configuration as depicted in Exhibit B, and as reflected in the concept plan and zoning approvals reflected in Ordinance No. 06-08 approved on May 18, 2006, attached as Exhibit C, and the concept plan which was approved by resolution that same date. City may not impose or enact any additional development conditions, exactions, dedications, development fees, impact fees, open space requirements, residential units limits, extended processing or waiting periods or other rules or regulations applicable to or governing development of the Project or the Project beyond City Laws. The parties acknowledge that the precise location and details of the public improvements, lot layout and design and any other similar item regarding the development may change based upon differing circumstances, including economic changes which are not currently known. Developer shall have the ability to make necessary modifications of the plan so long as they are consistent with the terms of this Agreement and comply with the densities provided by the current zoning and City Laws.

1.1.2 Reserved Legislative Powers. Developer acknowledges that City is restricted in its authority to limit its police powers by contract and that the limitations, reservations and exceptions set forth herein are intended to reserve to City all of its police powers that cannot be so limited. Notwithstanding the retained power of City to enact such legislation under the police powers, the parties agree that the currently existing City Laws shall apply and control the development and interpretation of this Agreement. Future legislation shall only be applied to modify the vested rights of Developer under the terms of this Agreement based upon the policies, facts and circumstances meeting the compelling, countervailing public interest exception to the vested rights doctrine in the State of Utah. Any such proposed change, including the imposition of any moratoria, affecting the vested rights of the Project shall be of general application to all development activity in City; and unless in good faith City declares a bona fide emergency, Developer shall be entitled to prior written notice and an opportunity to be heard with respect to the proposed change and its applicability to the Project under the compelling, countervailing public interest exception to the vested rights doctrine.

1.2 Required Public Improvements. As a condition to the rights granted to Developer by this Agreement, Developer agrees to construct the following public improvements:

1.2.1 Developer must construct as a part of Phase One of the Project a catch basin park, as outlined in Exhibit B. At his own cost, Developer must acquire and install appropriate playground features and must construct an appropriate catch basin for detaining flood waters. After construction, the property shall be deeded to City and shall be maintained by City.

1.2.2 Consistent with Exhibit B, Developer shall construct a trail system linking the Project to the Bonneville Shoreline Trail. Developer shall have no responsibility for acquiring or constructing those portions of the trail which are not on the land it owns or is acquiring.

1.2.3 Within 90 days of the issuance by City of final plat approval for Phase One of the Development, all mining or excavation operations (as defined by North Logan City Ordinance 10-1000) must cease on the entire 143 acres. Developer shall, however, be allowed to excavate and remove gravel so long as the work is required for the construction of the development or water detention basins.

1.2.4 Developer shall design and construct a flood plain management system, which shall include catch basins as outlined in Exhibit B. The parties agree that Developer shall not be required to construct the entirety of the flood plain management system prior to the approval of Phase One of the project; however, the development plan must include specific information regarding the phasing of the construction of the flood plain management system which ensures the protection of each phase of the Project as it progresses. Developer shall have no responsibility for acquiring or constructing those portions of the flood plain management system which are not on the land it owns or is acquiring.

1.2.5 Within one year of the issuance of final plat approval for Phase One of the Project, Developer must facilitate the removal and/or reclamation of all personal property from the entire 143 acres.

1.2.6 Prior to the issuance of final plat approval of Phase One, Developer agrees to provide to the City a contract, signed by all landowners of the entire 143 acres, which provides for the complete and immediate abandonment of the right to any and all uses not permitted, or which require a conditional use permit, in a residential zone, including, but not limited to, mining or excavation operations or the storage of junk or salvage property.

1.3 **Developer's Default.** If Developer fails to provide the required public improvements as outlined in Section 1.2, City may, at its election:

1.3.1 Withhold all further approvals, licenses, and permits for development of the Property, until such default has been cured.

1.3.2 Through properly noticed hearings of City Planning Commission and City Council, rescind prior approvals for portions of the Project which have not been transferred or sold or which would otherwise effect third parties.

1.3.3 Exercise rights and remedies available at law and in equity, including, but not limited to, injunctive relief, specific performance and/or damages.

1.4 **Right to Cure.** Developer shall have the right to cure any alleged default under this Agreement. In the event that City determines that Developer is in material default, it must give written notice outlining the specifics of the alleged default. Developer shall have 90 days within which to cure. Before any remedy in Section 1.3 may be imposed by City, the City Council shall

hold a public hearing. Before voting to proceed with any remedies provided in 1.3, the City Council must find by clear and convincing evidence that Developer is in default *and* has not cured *and* that he is not pursuing a cure with reasonable diligence.

1.5 Mediation of Default. If the City Council votes to find Developer in default under Section 1.4 and Developer and City are unable to resolve a disagreement regarding whether Developer has defaulted or whether Developer has cured or is pursuing a cure with reasonable diligence, the parties shall, within fourteen (14) days, appoint a mutually acceptable mediator with knowledge of the issue in dispute. The parties will equally share the fees of the mediator. The mediator shall, within fourteen (14) days, review the positions of the parties regarding the issue and promptly attempt to mediate between the parties. If the parties are unable to reach agreement, the mediator shall notify the parties in writing of the resolution that the mediator deems appropriate. The mediator's opinion shall not be binding on the parties.

1.6 Final Resolution. If City and Developer are unable to resolve the dispute through mediation, the parties may litigate in the courts of the State of Utah for final resolution of the dispute.

1.7 Land Transfer. It is the intention of the parties that Developer shall complete a land exchange in regards to the Property designated on Exhibit B as "land exchange property." A portion of the Land Exchange Property has been zoned R-1-12 and accordingly has substantial value. Developer is willing to trade the Land Exchange Property upon terms and conditions acceptable to City and Developer. Nothing contained herein shall change such zoning designation. Developer must in good faith attempt to effectuate the transfer with an entity acceptable to City. Refusal of Developer to diligently and in good faith pursue the exchange shall be deemed a breach of this Agreement.

1.8 Specific Architectural and Design Standards. The Project shall comply with the specific architectural and design standards set forth in the Canyon Gates Guidelines, which are attached hereto as Exhibit D, in addition to all other City Laws.

1.9 Compliance With Subdivision and Other City Regulations. Developer agrees, unless otherwise provided for herein, that it shall be necessary to comply with all of the requirements of City subdivision ordinances in order to approve specific phases of the Project; and nothing in this Agreement shall be deemed to relieve Developer from the obligation to comply with all applicable laws and requirements of City necessary for approval of individual subdivision plats and other aspects of the Project, including the payment of fees and compliance with City's design and construction standards.

Ent 924324 Bk 1422 Pg 1882

1.10 Phasing. Developer may proceed by platting and constructing the Project all at one time or by phase for portions of the Project as long as each phase provides for a logical extension of roads, infrastructure and utilities through the Project as approved by City, in conformance with the requirements of this Agreement and City Laws.

1.11 Transfer of Development. It is contemplated that Developer may sell various portions of the Property to one or more third parties or developer(s), who will develop specific projects

on their respective portions of the Property. Developer shall be entitled to transfer any or all portions of the Property to any third party subject to the terms of this Agreement. In the event of any such transfer, the transferee shall be deemed to be Developer for all purposes under this Agreement with respect to that portion of the Property transferred and shall have all of the rights and all of the duties provided Developer under this Agreement.

Nothing in this Section shall prohibit Developer from selling any parcels in the ordinary course of the business of developing the Property; nor shall Developer be prohibited from selling a portion of the Property to one or more third parties for the purpose of erecting, constructing, maintaining, and operating (or causing to be erected, constructed, maintained, and operated) improvements thereon consistent with the requirements of this Agreement and the other applicable ordinances and regulations of City. The provisions of this Section shall not prohibit the granting of any security interests for financing the acquisition and development of residential housing, or other development parcels within the Project, subject to Developer complying with City's Laws and the requirements of this Agreement.

1.12 **Release of Developer.** In the event of a transfer of any portion of the Property and upon assumption by the transferee of Developer's obligations under this Agreement, the respective transferee shall have the same rights and obligations as Developer under this Agreement, and the Developer executing this Agreement shall be released from any further obligations with respect to that portion of the Property.

1.13 **Required Studies.** City shall have the right to require Developer to perform reasonable studies required by the approved concept plan. City reserves the right to require additional studies if substantial information reveals the need for any such studies prior to development.

ARTICLE 2 Rights and Responsibilities of City

2.1 **Authorization of this Agreement.** Subject only to Developer's continuing performance of its obligations under this Agreement, City hereby authorizes Developer to implement this Agreement.

Ent 924324 Bk 1422 Pg 1883

2.2 **General Town Services.** City shall provide all city services to the Property that it provides from time to time to other residents and properties within City, including, but not limited to, police and other emergency services, city engineering, planning, parks and recreation and other staff services as well as sewer, storm drainage and water. Such services shall be provided to the Property on the same terms and at the same rates as provided to other residents and properties in the City.

2.3 **Public Improvements and Developer Reimbursement.**

2.3.1 As a part of this Agreement, Developer has been required to install certain public improvements in order to provide access, infrastructure and municipal services to the Property, the Project and adjoining properties which may also benefit City as a whole and which may be consistent with City's Capital Facilities Plans.

2.3.2 Some of the public improvements to be installed or constructed by Developer as part of the Project are "System Improvements" or "Capital Facilities" as defined in the Utah Impact Fees Act, UTAH CODE ANN. § 11-36-101, *et seq.*, regarding the policies for expenditure of impact fees, and Developer may be entitled to credits or reimbursement for the cost of construction of certain qualifying public improvements or which may also create excess or additional capacity beyond the proportionate share of the need created by the Project under the policies regarding expenditure of impact fees as reflected in City Laws.

2.3.3 The parties agree that while Developer shall be assessed and shall pay impact fees calculated by City in accordance with City Laws, Developer may be entitled to credits and reimbursements, based upon the contributions and improvements which are provided to City, under the terms of this Agreement.

2.3.4 If City fails to perform any obligation of the terms of this Agreement or City Laws, Developer may exercise all rights and remedies available at law, including, but not limited to, injunctive relief, specific performance and/or damages. All rights and remedies shall be deemed cumulative and the selection of one of the rights or remedies shall not be deemed a waiver of any other right or remedy, and in equity, including, but not limited to, injunctive relief, specific performance and/or damages.

ARTICLE 3

Ent 924324 Bk 1422 Pg 1884

Application Approval Process

3.1 **All Applications.** City shall cooperate reasonably, promptly and fairly in processing Developer's applications for the Project. City agrees and understands that Developer is entering into this Agreement in part based upon the assurances provided herein that all applications will be promptly considered. The parties agree that unjustified or excessive delay in processing applications by City shall be considered a breach of this Agreement.

ARTICLE 4

General Terms and Conditions

4.1 **Term of Agreement.** The term of this Agreement shall be for a period of fifteen (15) years following the date of its adoption by City, or until the build-out of the entire Project is complete, whichever comes first, unless the Agreement is earlier terminated or its term modified by written amendment to this Agreement.

4.2 **Agreement to Run With the Land.** This Agreement shall be recorded in the office of the Cache County Recorder against the Property and is intended to and shall be deemed to run with the land. The benefits of this Agreement shall inure to successors-in-interest and/or subsequent owners.

4.3 **Construction of Agreement.** This Agreement shall be construed so as to effectuate the public purposes of implementing long-range planning objectives, obtaining public benefits, and protecting any compelling, countervailing public interest while providing reasonable assurances of continuing vested development rights.

4.4 **Invalid Provisions.** The parties agree, intend and understand that the obligations imposed by this Agreement are only such as are consistent with City Laws. The parties further agree that if any provision of this Agreement is declared invalid, this Agreement shall be deemed amended to the extent necessary to make it consistent with City Laws, as the case may be, and the balance of this Agreement shall remain in full force and effect.

4.5 **Force Majeure.** Any prevention, delay or stoppage of the performance of any obligation under this Agreement which is due to strikes; labor disputes; inability to obtain labor; materials, equipment or reasonable substitutes therefore; acts of nature; governmental restrictions, regulations or controls; judicial orders; enemy or hostile government actions; wars; civil commotions; fires or other causality beyond the reasonable control of the party obligated to perform hereunder shall excuse performance of the obligation by that party for a period equal to the duration of that prevention, delay or stoppage.

4.6 **Integration.** This Agreement contains the entire agreement between the parties with respect to the subject matter hereof and integrates all prior conversations, discussions or understandings of whatever kind or nature and may only be modified by a subsequent writing duly executed and approved by the parties hereto.

4.7 **Court Costs and Attorneys Fees.** In the event of any legal action or defense between the parties hereto arising out of or related to this Agreement, or any of the documents provided for herein, the prevailing party or parties shall be entitled, in addition to the remedies and damages, if any, awarded in such proceeding, to recover their costs and a reasonable attorney's fee.

Ent 924324 Bk 1422 Pg 1885

4.8 **Notices.** Any notices, requests or demands required or desired to be given hereunder shall be in writing and shall either be delivered personally or by certified mail or express courier delivery to the parties at the following addresses:

If to Developer:

Matt Nielson
2745 North Juniper Circle
North Logan, Utah 84341

With a copy to:

James C. Bradshaw
Attorney at Law
9537 South 700 East
Sandy, Utah 84070

If to City:

North Logan City
Jeff Jorgensen
City Administrator/Recorder
2076 North 1200 East
North Logan, Utah 84341

With a copy to:


Scott Wyatt
North Logan City Attorney
108 North Main Street
Logan, Utah 84321

Any party may change his address by giving written notice to the other party in accordance with the provision of this section.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.


Developer

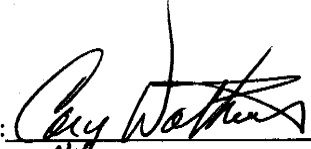
AMDITUS, LLC
a Utah limited liability company

By: 
Its: Memo

NORTH LOGAN CITY

Attest:


City Recorder

By: 
Its: Mayor

HA/CBD/280-2.wpd

Ent 924324 Bk 1422 Pg 1886

EXHIBIT A

Ent 924324 Ik 1422 Pg 1887

EXHIBIT A

Overall Legal

Part of the Southwest Quarter of Section 13 and North Half of Section 24, Township 12 North, Range 1 East of the Salt Lake Baseline and Meridian described as follows:

Commencing at the West Quarter corner of Section 24 monumented with a Cache County Brass Cap; thence N 00°16'59" W 2654.16 feet (basis of bearing) to a pk nail at the intersection of 1600 E 2300 N; thence N 89°37'04" E 20.48 feet to the point of beginning; and running thence N 00°20'11" W 975.95 feet (North 957 feet, By Record) along the west line of Block 33, Plat "G" Logan Farm Survey; thence N 89°52'59" E 643.03 feet (East 643.50 feet, By Record) along the north line of the south half of Lot 5, said Logan Farm Survey; thence S 00°49'58" E 232.27 feet (South 262.31 feet, By Record) along the east line of said Lot 5; thence S 89°23'59" E 645.15 feet (East 643.50 feet, By Record); thence S 00°02'15" W 729.67 feet (727.69 feet, By Record) along the east line of Lots 6 and 3 of said Logan Farm Survey; thence N 89°56'09" E 2677.88 feet more or less to the Northeast Corner of the Northwest Quarter of the Northeast Quarter of Section 24, Township 12 North, Range 1 East of the Salt Lake Baseline and Meridian; thence S 01°35'48" E 1863.08 feet more or less to the Southwest Corner of Parcel 05-004-0002; thence S 89°26'18" W 1431.07 feet along the south line of Parcel 05-004-0002 to the east line of Lot 8, Block 31, Plat "G", Logan Farm Survey; thence N 00°29'10" W 511.50 feet more or less along said east line to the Northeast Corner of said Lot 8; thence S 89°43'06" W 1706.85 feet along the north line of Block 31, Plat "G", Logan Farm Survey; thence N 00°00'00" E 331.55 feet more or less to the Northeast Corner of Parcel 05-003-0008; thence East 70.00 feet; thence North 258.45 feet more or less to the Northeast Corner of Parcel 05-003-0007; thence S 87°42'19" E 221.43 feet; thence N 00°40'03" E 351.45 feet to the south bank of the Logan Hyde Park & Smithfield Canal; thence along said bank the next three courses: 1) thence S 77°33'13" W 71.59 feet; 2) thence S 51°59'39" W 87.97 feet; 3) thence S 65°26'14" W 85.22 feet; thence S 02°01'41" W 237.68 feet; thence West 238.50 feet to the east bank of the Logan Hyde Park & Smithfield Canal; thence along bank S 22°40'00" W 175.45 feet; thence West 63.89 feet more or less Southeast Corner of 05-003-0012; thence N 00°16'59" W 200.00 feet; thence West 556.01 feet; thence N 00°16'59" W 25.22 feet more or less to the Southwest Corner of Parcel 05-003-0002; thence S 89°52'06" E 225.01 feet; thence N 00°16'59" W 194.00 feet; thence East 129.00 feet; thence N 13°07'54" W 333.35 feet more or less along the east line of Parcel 05-003-0010; thence N 33°00'00" W 71.70 feet; thence N 69°04'21" W 272.03 feet; thence N 00°20'11" W 33.00 feet to the point of beginning.

Ent 924324 Bk 1422 Pg 1888

Phase 1 Legal

Part of the Southwest Quarter of Section 13 and Northwest Quarter of Section 24, Township 12 North Range 1 East of the Salt Lake base and Meridian described as follows:

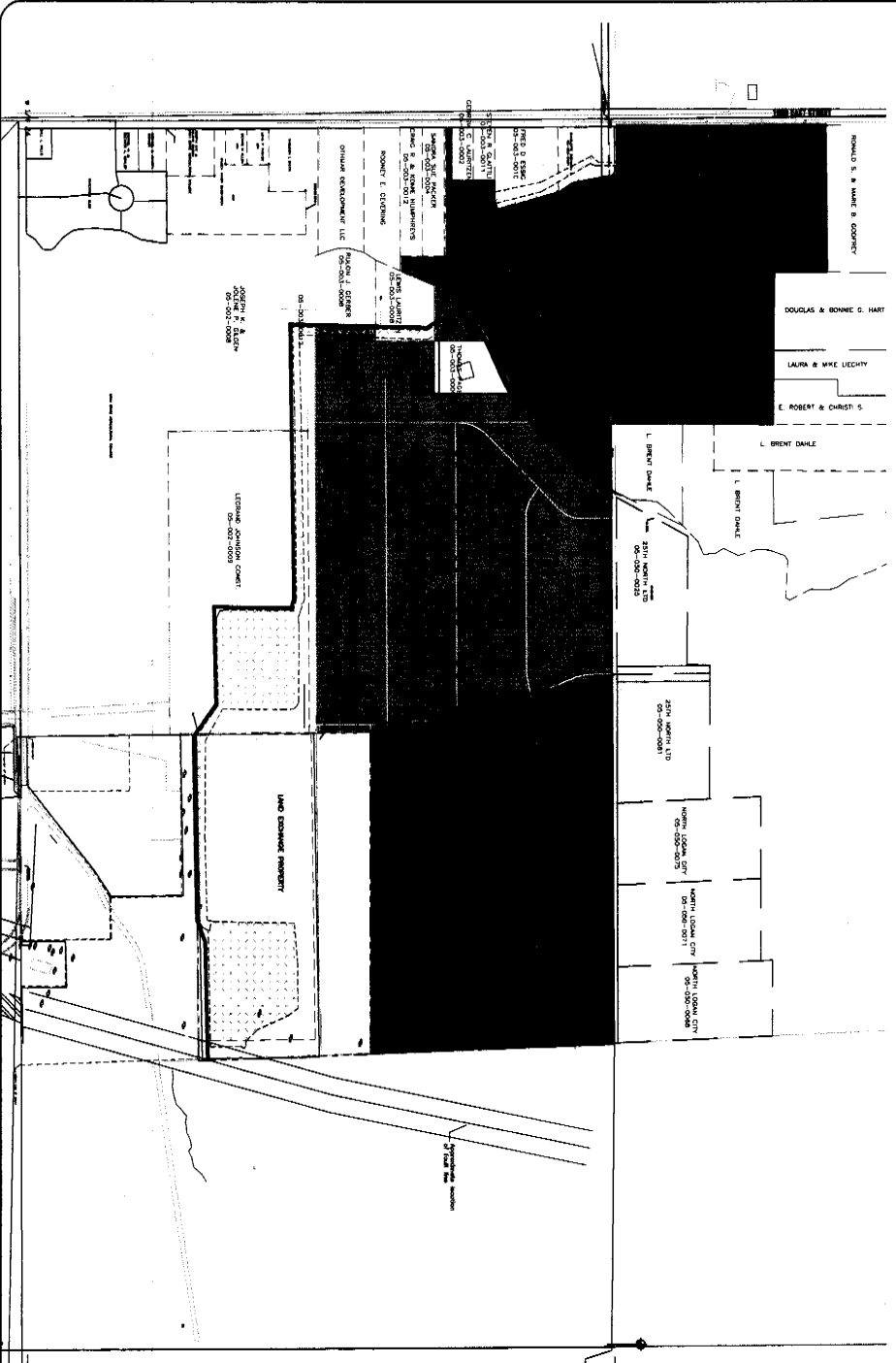
Commencing at the West Quarter corner of Section 24 monumented with a Cache County brass cap; thence N 00°16'59" W 2654.16 feet (basis of bearing) to a pknail at the intersection of 1600

East 2300 North Street; thence N 00°33'55" W 349.05 feet; thence S 89°26'05" W 21.88 feet to the point of beginning and running thence N 00°20'11" W 626.83 along the west line of Block 33, Plat "G" Logan Farm Survey; thence N 89°52'59" E 643.03 feet along the north line of the south half of Lot 5, said Logan Farm Survey; thence S 00°49'58" E 232.27 feet along the east line of said Lot 5; thence S 89°23'59" E 645.15 feet ; thence S 00°02'15" W 762.67 along the east line of Lots 6 and 3 of said Logan Farm Survey; thence S 89°37'04" W 702.98 feet along the south right-of-way line of 2300 north, thence N 00°22'56" W 66.00 feet; thence N 02°12'19" W 116.84 feet; thence N S 87°02'37" W" W 130.16 feet; N 82°37'24" W 127.83 feet; S 00°37'28" E 22.51 feet; S 85°50'57" W 148.47 feet; thence N 13°03'04" W 101.86 feet; N04°08'37" W 108.80 feet; N 85°06'47" W 133.33 feet; thence S 89°39'49" W 11.12 feet, containing 23.19 acres.

EXHIBIT B



CANYON GATES SUBDIVISION
CONCEPT PLAN
 PART OF SECTIONS 13 & 24
 TOWNSHIP 12 NORTH, RANGE 1 EAST, SLAAN
 COUNTY LOGAN, UTAH



NO.	DESCRIPTION	DATE	BY
1	CONCEPT PLAN	8-1-06	AW
2	REVISION		
3	REVISION		
4	REVISION		
5	REVISION		
6	REVISION		
7	REVISION		
8	REVISION		
9	REVISION		
10	REVISION		

NOTES:
 1. THIS CONCEPT PLAN IS SUBJECT TO THE CITY OF LOGAN LAND MANAGEMENT SYSTEM.
 2. THE CITY OF LOGAN LAND MANAGEMENT SYSTEM HAS REVIEWED THIS CONCEPT PLAN AND HAS DETERMINED THAT IT IS IN CONFORMANCE WITH THE CITY OF LOGAN LAND MANAGEMENT SYSTEM.
 3. THE CITY OF LOGAN LAND MANAGEMENT SYSTEM HAS REVIEWED THIS CONCEPT PLAN AND HAS DETERMINED THAT IT IS IN CONFORMANCE WITH THE CITY OF LOGAN LAND MANAGEMENT SYSTEM.
 4. THE CITY OF LOGAN LAND MANAGEMENT SYSTEM HAS REVIEWED THIS CONCEPT PLAN AND HAS DETERMINED THAT IT IS IN CONFORMANCE WITH THE CITY OF LOGAN LAND MANAGEMENT SYSTEM.

Ent 924324 Bk 1422 Pg 1891

 ALLIANCE CONSULTING ENGINEERS 760 WEST 200 NORTH SUITE 8 LOGAN, UTAH 84321 (435) 750-9121	PROJECT	CANYON GATES SUBDIVISION	SCALE	DATE	JOB NO.	REVISION
		CONCEPT PLAN	AS SHOWN	8-2006		
		AW	CONCEPT/PLANNING			
OVERSIGHT OF DOCUMENTS THE DESIGNER, ENGINEER, ARCHITECT OR OTHER PROFESSIONAL PERSON IS RESPONSIBLE FOR THE DESIGN AND CONSTRUCTION OF THE PROJECT AND SHALL BE RESPONSIBLE FOR THE PROTECTION OF THE PROJECT FROM ANY DAMAGE TO THE PROJECT OR TO THE PUBLIC SAFETY. THE DESIGNER, ENGINEER, ARCHITECT OR OTHER PROFESSIONAL PERSON SHALL BE RESPONSIBLE FOR THE PROTECTION OF THE PROJECT FROM ANY DAMAGE TO THE PROJECT OR TO THE PUBLIC SAFETY. THE DESIGNER, ENGINEER, ARCHITECT OR OTHER PROFESSIONAL PERSON SHALL BE RESPONSIBLE FOR THE PROTECTION OF THE PROJECT FROM ANY DAMAGE TO THE PROJECT OR TO THE PUBLIC SAFETY.			DRAWN BY: AW CHECKED BY: CONCEPT/PLANNING DATE: 8-2006 JOB NO.: REVISION: SCALE: AS SHOWN			
			SHEET 1 OF 1			

EXHIBIT C

Ent 924324 Bk 1422 Pg 1892

ORDINANCE NO. 06 - 08

WHEREAS, the City Council of the City of North Logan, Utah, adopted and passed the Code of Revised Ordinance of the City of North Logan on March 16, 1989, which Code was published and effective on March 20, 1989; and

WHEREAS, said Code included Title 12, Land Use, which is the City's Zoning Ordinance; and

WHEREAS the City's Planning and Zoning Commission has determined there is need and good cause to amend the city's zoning structure in response to a request for re-zone as submitted by the developer of the property described herein; and the Commission has recommended that the City Council amend said Land Use Ordinance and the zoning map attached thereto.

NOW, THEREFORE, pursuant to Section 12A-302 of Title 12 of said code and Section 10-9-403, Utah Code Annotated, 1953, as amended, and after fifteen (15) days' notice and a public hearing as required therein, the City Council of the City of North Logan, Utah hereby adopts, passes and publishes the following:

AN ORDINANCE AMENDING TITLE 12., LAND USE, OF THE CITY'S CODE OF REVISED ORDINANCES AND THE ZONING MAP ATTACHED THERETO

BE IT ORDAINED by the City Council of the City of North Logan, Utah as follows:

1. The following described real property owned by Nella W. Lauritzen etal and located in North Logan, Utah is hereby rezoned as described below.

Two parcels (tax ID number of 04-050-0020 and 04-050-0023) of 13.89 and 10.26 acres respectively, which are currently zoned Residential Estate One Acre (RE-1) zone, are hereby rezoned as Single Family Residential 20,000 (R-1-20) Zone.

That portion of the parcel identified with tax ID number of 05-003-0003 that is lying east of the Logan Hyde Park and Smithfield Canal, currently zoned Single Family Residential 12,000 (R-1-12) zone, is hereby rezoned as Single Family Residential 15,000 (R-1-15) Zone.

That portion of the parcel identified with tax ID number of 05-003-0007 which is lying west of the proposed 2000 East street as shown in the concept plan for the Canyon Gates Subdivision and approved by the City Council on May 15th, 2006, currently zoned Residential Estate One Acre, (RE-1) zone, is hereby rezoned as Single Family Residential 15,000 (R-1-15) Zone.

That portion of the parcel identified with tax ID number of 05-003-0007 which is lying east of the proposed 2200 East street as shown in the concept plan for the Canyon Gates Subdivision and approved by the City Council on May 15th, 2006, currently zoned Residential Estate One Acre, (RE-1) zone, is hereby rezoned as Single Family Residential 20,000, (R-1-20) Zone excepting that the southernmost approximate 8.25 acres which shall remain zoned Residential Estate One Acre, (RE-1) zone.

It is also clarified hereby that the portions of the parcels identified with tax ID numbers of 05-003-0003 and 05-002-0007 and lying west of the Logan, Hyde Park & Smithfield Canal was previously zoned as Single Family Residential 20,000, (R-1-20) Zone and remains such.

2. A map generally showing the areas to be re-zoned is attached to this Ordinance and incorporated herein by reference as Attachment #1, with the area to be rezoned shown with crosshatching. The revised zoning

map, (Attachment #2) to the North Logan, Utah Land Use (Zoning) Ordinance, is hereby amended to reflect the change authorized hereunder.


3. Should any section, clause or provision of this ordinance be declared by a court of competent jurisdiction to be invalid, in whole or in part, the same shall not affect the validity of the ordinance as a whole, or any other part thereof.

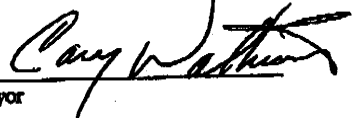
4. This ordinance shall go into effect on the day of its first posting as required by law.

ADOPTED AND PASSED by the City Council of the City of North Logan, Utah, this 18th day of May, 2006.

NORTH LOGAN CITY

ATTEST:


City Recorder

By 
Mayor

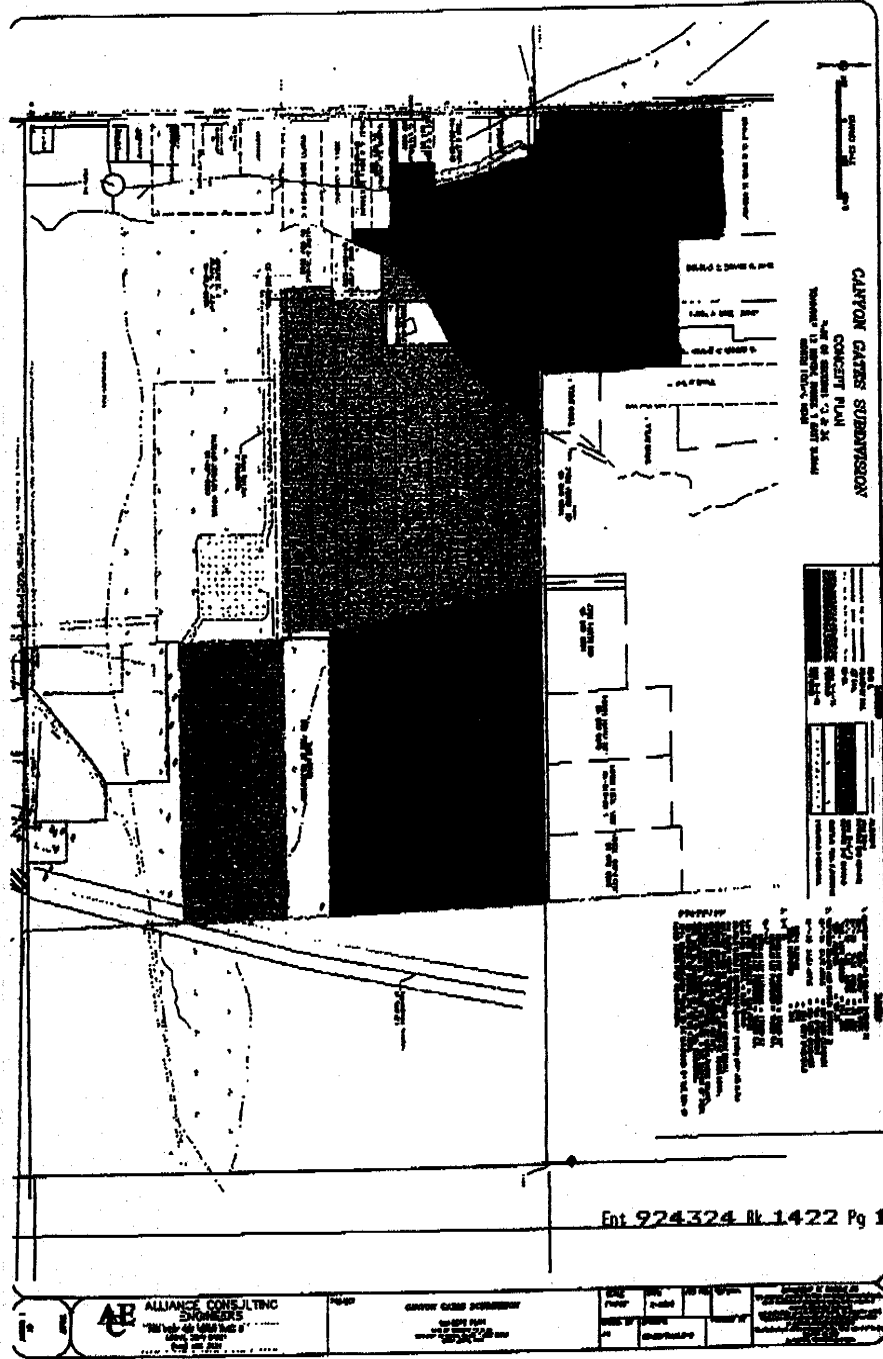
CERTIFICATE OF DUE POSTING

I, JEFFREY M. JORGENSEN, City Recorder of North Logan, Utah, hereby certify that I, on the 19th day of May, 2006, in the City of North Logan, County of Cache, State of Utah, posted the foregoing Ordinance No. 06-08 in a likely manner, a copy of which is hereto attached, in each of three of the most public places in the said City of North Logan, to-wit:

1. North Logan City Office, 2076 North 1200 East
2. North Logan City Library, 475 East 2500 North
3. North Park Police Department

WITNESS my hand this 19th day of May, 2006.


Jeffrey M. Jorgensen
City Administrator/Recorder



Attachment #1

Attachment #2

Rezoned to R-1-15

Rezoned R-1-20

- | | | |
|-------|----------|--------|
| ■ CC | ■ HOSP | □ RE-1 |
| ■ CG | ■ R-1-10 | ■ RE-2 |
| ■ MC | □ R-1-12 | ■ RM |
| ■ M-2 | ■ R-1-20 | ■ A-10 |
| ■ PR | ■ R-1-15 | ■ RB |

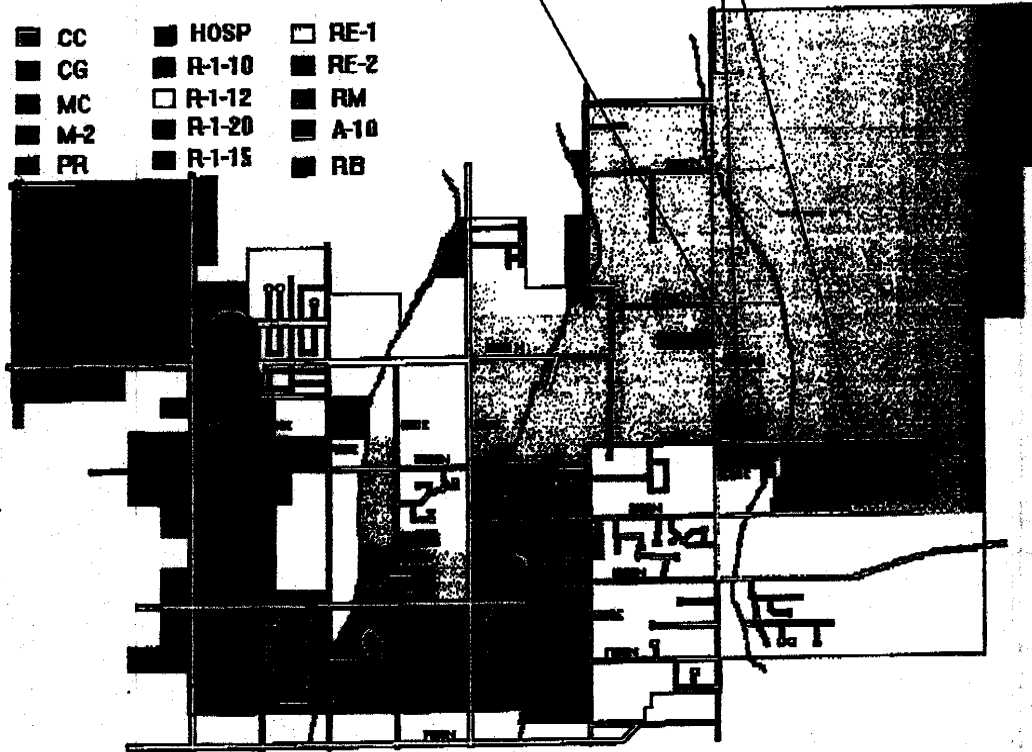


EXHIBIT D

Ent 924324 Bk 1422 Pg 1897

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR THE
CANYON GATES SUBDIVISION**

THIS DECLARATION is made this ____ day of _____, 2006, by Amditus L.L.C., as the owner of record of all of the subdivided lots (the "Lots") in the Canyon Gates Subdivision, hereafter referred to as the "Declarant."

RECITALS:

A. Declarant is the record owner of certain property located in Cache County, State of Utah, which is more particularly described as follows:

B. Declarant has deemed it desirable, for the efficient preservation of the values and amenities in the real property described above (the "Property"), to create a non-profit corporation under the Utah Revised Non-Profit Corporation Act to which should be delegated and assigned the powers of administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created, which said corporation is sometimes hereafter referred to as the Canyon Gates Home Owners Association, Inc. or the Association.

Ent 924324 Bk 1422 Pg 1898

C. Declarant has caused or shall cause such Association to be created, the members of which shall be the respective owners of the various lots ("Owner" or "Owners"). Each Owner of a lot shall be a member of the Association as provided in the Articles of Incorporation and each of the lots shall have one (1) vote in the Association. The common obligations of the Association shall be distributed in like percentages.

D. Declarant will develop and convey all of the Lots, as herein defined, pursuant to a general plan for the Property and subject to certain protective covenants, conditions, restrictions, reservations, easements, equitable servitudes, liens and charges, all running with the Property and the Lots as hereinafter set forth.

E. Declarant hereby declares that all of the Property and the lots shall be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied and improved, subject to the following easements, restrictions, covenants, conditions and equitable servitudes, all of which are for the purpose of uniformly enhancing and protecting the value, attractiveness and desirability of the Property and Lots in furtherance of a general plan for the protection, maintenance, subdivision, improvement and sale of the Property, or any portion thereof. The covenants, conditions, restrictions, reservations, easements and equitable servitudes set forth herein shall run with the Property and each Lot thereon and shall be binding upon all persons having any right, title or interest in the Property and shall inure to the benefit of every portion of the Property and any interest therein and shall inure to the benefit of and be binding upon Declarant, its Successors in interest and each Owner and his respective successors in interest and may be enforced by an Owner and his successors in interest and/or by the Association.

F. Notwithstanding the foregoing, no provision of this Declaration shall be construed as to prevent or limit Amditus L.L.C.'s rights to complete development of the Property and construction of improvements therein, nor Amditus L.L.C.'s right to maintain model homes,

construction, sales or leasing offices or similar facilities on any portion of the Property owned by Verdant Vista, Inc., nor Verdant Vista, Inc.'s right to post signs incidental to construction, sales or leasing.

**ARTICLE I
GENERAL TERMS**

1. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot situated upon the Property but, notwithstanding any applicable theory of mortgage or trust deed, shall not mean or refer to the mortgagee or other lender unless and until such mortgagee or lender has acquired title pursuant to foreclosure or Trustee's sale, or any proceeding in lieu of foreclosure.

2. "Mutual and Reciprocal Benefits," etc. All of these restrictions, conditions, covenants, and agreements are made for the direct and mutual and reciprocal benefit of each and every Lot contained within the Property.

3. Initial Review. Prior to the acquisition of the building permit of a Lot, grantees of said Lots, their heirs, successors, and assigns, are required to meet with the Association Board of Directors, or subcommittee as may be created by the Association, in order to review all of said restrictions, conditions, covenants, and agreements established for the Verdant Vista Subdivision.

4. "Notices." Any notice required to be sent to any Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who is as an Owner at the time of such mailing.

5. "Enforcement." Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages; and failure by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. Enforcement shall be by an Owner or his successors in interest and/or by the Association.

Ent 924324 Bk 1422 Pg 1899

**ARTICLE II
GENERAL RESTRICTIONS**

6. Signs. No signs shall be displayed on any of the Lots except for one for sale or for lease sign not exceeding twenty-four (24) inches by thirty-six (36) inches when required for the purpose of advertising such sale or lease.

7. Private Residences; Moving of Structures. The Lots contained within the Property shall be used for private residences only, and no structure shall be moved from any place on said premises without prior written approval of the Association.

8. Excavation. No excavation for stone, gravel, or earth shall be made on the Property unless such excavation is made for the purpose of the erection of a building or structure thereon.

9. Rubbish. No rubbish, debris, or waste products shall be stored or allowed to accumulate on the Lots except such as is kept in the municipal waste containers and emptied according to the municipal garbage collection schedule. Compost piles are acceptable provided that they are maintained at a moisture content that will not create a fire hazard. The composted material may consist of vegetation generated from the Lot, and vegetable kitchen wastes that are generated by the Owner. No meat or animal by-products may be composted.

10. Repair and Storage of Personal Property. Personal property of the Owner in the process of being repaired shall not be left in the visible site of neighbors unless such repairs occur within the confines of the Owner's garage. Recreational vehicles of the Owner, which include, but are not limited to, boats, snowmobiles, motor homes, and campers, shall not be stored on any Lot unless such vehicles are stored in a garage and out of sight of the neighbors.

11. Easements and Rights of Way. Such easements and rights of way shall be reserved to the Declarant, its successors and assigns, in and over said Property, for the erection, construction, maintenance, and operation therein, drainage pipes of conduits and pipes, conduits, poles, wires, and other means of providing to and from Lots contained within the Properties, gas, electricity, power, water, telephone, and telegraph services, cable television, sewage and other necessities for the convenience of the Owners of the Lots contained within the Properties, as may be shown on the Final Plat Map of the Property; and Declarant, its successors and assigns, shall have the right to reserve any further necessary easements for said purposes in contracts and deeds to any or all of the said Lots contained within the Properties. No structure of any kind shall be erected over any such easements except upon written permission of the Declarant, its successors and assigns, and the Verdant Vista Home Owners Association, Inc., and except as may be required by the company or entity furnishing utilities.

12. Resubdivision of Site. None of said Lots may be resubdivided except that Lot Owners, their successors or assigns, may convey away any part of said Lots so as to increase the size of adjoining lots; but in no event shall the number of lots within the subdivision be increased.

Ent 924324 Bk 1422 Pg 1900

13. Maintenance of Lots. Buildings, outbuildings, fences, landscaping and other improvements shall be continuously maintained to preserve a well kept appearance. If the appearance of a Lot falls below reasonable levels, the Association, or its successor, shall notify the Owner of the Lot in writing and the Owner shall have thirty (30) days after receipt of such notice to restore the property to an acceptable level of maintenance. Should the Owner fail to do so, the Association, or its successor, may order the necessary work done at the expense of the Owner of the Lot. Lots that are held in ownership but not occupied are subject to the same maintenance conditions.

**ARTICLE III
SPECIFIC RESTRICTIONS**

14. Intent of Restrictions on Improvements. Declarant intends by these covenants to restrict the design, materials used, and landscaping of improvements only to the extent of ensuring quality in external appearance and maintaining property values on a long-term basis.

15. Type of Structure. No building other than one single-family dwelling house and appropriate buildings as defined by the North Logan Zoning Laws shall be erected on any of the Lots, nor shall any house constructed on any of the Lots be used for any purpose other than a dwelling house or approved outbuildings.

16. Architectural Controls. No house or outbuilding shall be erected, placed, or altered on any lot until the construction plans and specifications and a plan showing the location of the structures and its architectural style and design in detail, as well as color, have been approved by the Architectural Control Committee as to quality of materials, workmanship, overall architectural design, harmony of external design and appearance with existing structures and the natural landscape, and as to location with respect to topography and finish grade elevations.

17. Materials. A minimum of different types of exterior wall materials should be used. There should be strong transitions between changes of material and plane. All materials, with the exception of windows, should be non-reflective in character or surface shall be treated to eliminate the reflectiveness of the material. Aluminum window frames are to be anodized or acrylic coated to create a non-reflective finish.

18. Colors. The colors of all structures should blend with the other structures on the Lot, with neighboring structures, and with the natural landscape. The use of earth-tone colors are recommended. All projections such as vents, rain gutters and down spouts are to be painted to match the color of the surface from which they project or painted in an approved color.

19. Siding. All sides of the structures should receive design consideration since most sites expose all sides to either a neighbor or vehicular traffic; a facade unrelated to the rest of the structure is not in keeping with acceptable design. The selection of material for the siding of the home and outbuildings should consider the inherent wildfire potential of the site. The siding should use a non-combustible material such as concrete masonry, brick veneer at least three (3) inches thick, cement plaster, or stucco siding in compliance with the exterior finish requirements of the U.B.C. Vinyl, aluminum, wood, and steel siding may only be used to include up to a total of twenty-five percent (25%) of the exterior walls of the home or outbuilding.

20. Exterior Lighting. All exterior lights shall relate well to the architectural style of the home. All exterior lights shall employ the use of directional down lighting to minimize the amount of ambient light affecting neighbors and to minimize the overall visual impact of the subdivision's nighttime lighting. Exterior lights must be mounted to the residence, garage, or on a free standing pole no greater than 10 feet in height. Large area, overhead lights are discouraged.

Ent 924324 Bk 1422 Pg 1901

21. **Residence Size.** Residence size must be at least fourteen hundred (1400) square feet above grade (excluding basement) and does not include the finished garage.

- a. No building shall be more than two stories tall and must not exceed 35 feet in height as measured from the highest grade along the front facade.
- b. All garages must be built to accommodate a minimum of two vehicles.

22. **Planting Strip Maintenance.** The Lot Owner or his occupant shall be responsible for maintaining the planting strip located between the curb and sidewalk, within the fifty (50) foot road right-of-way.

- a. The lot owner shall be responsible for maintaining the area around the fire hydrants. The vegetation within six (6) feet surrounding the fire hydrant shall be maintained at no greater than eight (8) inches in height.

23. **Preservation of Views.** The Association shall review the planting and growth of trees on Lots in order to prevent one Lot owner or occupant from planting trees, or allowing trees to grow, so as to significantly and substantially impair the view from the other Lots. The Lot Owner or his occupant shall abide by any written decision or order of the Association to cut back and remove trees or other plants that are found to impair the view from other Lots. If the Lot Owner refuses to comply with the direction of said Association, the Association has power to perform said requests and charge the total to the Owner, plus the labor and time costs of completing said work. If payment is not made by the Owner to the Association to cover such costs, the Owner may lose the right to use secondary irrigation water for such disallowed landscaping and any other reasonable restrictions as imposed by the Association.

24. **Fencing.** Fencing must not compete with or dominate a house. No fence shall be more than five feet in height.

25. **Site Planning.** All structures should be designed to relate to grade conditions with a minimum of grading and exposed foundation wall or retention wall. Any grade changes shall be in keeping with the general appearance of neighboring developed areas, and the orientation of individual building sites shall be such as to maintain maximum natural topography and cover. The landscape shall be preserved in its natural state, insofar as practicable, by minimizing tree and soil removal.

Ent 924324 Bk 1422 Pg 1902

26. **Drainage and Erosion Control.** Construction must not cause excessive soil erosion and runoff. Proper measures must be taken to reduce erosion during construction such as control bars, vegetative mats, and temporary containment basins. Site plans must incorporate on-site management of surface runoff.

27. **Weed Control.** Noxious weeds that have established as a result of a site disturbance or are present in the "natural area" of the landscape are required by the landowner, under State, County, and North Logan City Laws and Ordinances, to be managed under a program of control. Such weed species common to the area include, but are not limited to, Dyers

Woad, Scotch Thistle, Canada Thistle, and Hounds Tongue. It is recommended that each Owner consult with a local government branch for control and eradication measures. Owners of Lots that are not occupied must ensure said conditions are met.

28. Diligence in Construction of Improvements. Once the construction of any residence or other structures other than fencing is begun, work thereon must proceed diligently and be completed within twelve (12) months. Measures must be taken during and after construction to minimize erosion and runoff which may impact surrounding landowners. On-site catch basins, erosion bars, vegetation mats, or other temporary features should be implemented until the site work is completed.

29. Temporary Trailers. No temporary trailers on site during construction will be allowed unless submitted and approved by the Association. In any event, if use of a temporary trailer is approved by the Association, said trailer shall be parked immediately adjacent to the residence being constructed and may be on site for no more than six (6) months.

30. Pets and Animals.

a. Household Pets. No more than three household pets shall be kept on any of said Lots, provided that at no time shall more than two dogs be kept on any of said Lots.

b. Livestock. Despite any provision of the North Logan City Ordinances that allows large animals to be kept on real property, the keeping of horses, farm animals, or livestock shall not be allowed in any area of the Property. No animals or fowl of any description which are a nuisance or an annoyance shall be allowed to remain on the Property for any purpose.

c. Wildlife. The capture, containment, and harassment of wildlife within the Property is prohibited. Wildlife that becomes a nuisance is to be managed through measures recommended by the Association or authorized state wildlife management agency. Irrigated and maintained landscape areas surrounding each Lot should be landscaped with plants and materials that are unpalatable to big game and rodents. The feeding of game animals is prohibited.

ARTICLE IV **Ent 924324 Bk 1422 Pg 1903**
AUTHORITY OF HOME OWNERS ASSOCIATION

31. The Association shall have the right to approve or disapprove any building plans and specifications submitted. It shall be in the Association's sole discretion to determine if a submitted plan is in harmony with the neighborhood and may require changes in plans and specifications as it sees fit to bring such plans into harmony with the neighborhood.

32. The Association shall manage all aspects of the allocation and distribution of water to homeowners based upon ownership of water rights in the Upper Canal Water Company. The Association shall maintain, repair and otherwise manage the water distribution system and shall be authorized to collect a required annual fee or assessment for the payment of the water shares held in common by the Association from each Owner and to maintain and repair either

the head gate from the canal and irrigation pipe provided to each Lot as part of the original subdivision.

33. The Association shall have sole discretion to set the annual irrigation water assessment. The Association shall give notice to each lot Owner by March 1st each year of the assessment that is due, which shall be paid by April 1st of each year. If this fee is not timely paid by an Owner, the Association shall have the power and authority cut off the Owner's use of the irrigation water and to utilize the irrigation easement supplied to each Lot for access to turn off and lock the irrigation pipe supplying irrigation water to said Lot until all assessments are paid in full.

34. The Association has full power of authority to do whatever is legally necessary to enforce the terms of this Declaration. Any Owner who violates any term of this Declaration or subsequent rules and restrictions put in place by the Association not inconsistent with this Declaration shall be obligated to pay all enforcement costs incurred by the Association, including reasonable attorney fees and court costs.

Declarant has executed this Declaration on the day and year first above written.

DECLARANT:

AMDITUS LLC

By: _____
Matt Nielson

Its: _____

STATE OF UTAH)
)
:ss
COUNTY OF _____)

Ent 924324 Bk 1422 Pg 1904

On the ____ day of _____, 2006, personally appeared before me Matt Nielson, who being by me duly sworn, did say that he is the managing member of Amiditus LLC and that the foregoing instrument was signed on behalf of said company.

Notary Public