

64/5

Paul T

SOUTH WEBER CITY
1600 East - South Weber Dr.
South Weber, Utah 84405

ESCROW PLANNED UNIT DEVELOPMENT (P.U.D.) AGREEMENT

Lots 1 thru 43, Commanders + Park
Cedar Cove P.U.D.
13 - 211-0001 thru 0046

THIS AGREEMENT entered into this 18th day of May, 1999, between U. S. Development, Inc. of 1513 North Hillfield Road, Suite #2, Layton, Utah 84041, a Corporation, hereinafter called "Developer" and South Weber City, a municipal corporation and political subdivision of the State of Utah, located in Davis County, hereinafter called "City", and Bank Of Utah, of 717 West Antelope Dr. Layton, Utah 84041, hereinafter called "Escrow". The above named parties agree as follows:

WITNESSETH:

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SHERYL L. WHITE, DAVIS CNTY RECORDER
1999 JUL 27 2:02 PM FEE 64.00 DEP DJW
REC'D FOR SOUTH WEBER CITY

1. Developer's Purpose for Escrow Agreement. Developer is desirous of developing and recording a proposed Planned Unit Development (P.U.D.) of land in South Weber City, Davis County, Utah said Planned Unit Development (P.U.D.) to be known as Cedar Cove PUD, approximately in the location of 2000 E. 7500 S., in South Weber City, Davis County, Utah pursuant to City ordinances and agreements.
2. Requirements of City. The City will not accept said Planned Unit Development (P.U.D.) unless adequate provisions are made for the guaranteed construction or installation of the off-site improvements in said Planned Unit Development (P.U.D.). Said improvements are to be installed in accordance with the specifications of the City Construction Staff South Weber City ordinances as described and set forth in the "Developer's Agreement", which is attached hereto as Exhibit "A", and by this reference made a part hereof.
3. Guarantee of Improvements. To guarantee satisfactory installation and construction of said subdivision improvements within the time set forth in the Developer's Agreement, the Developer has deposited with said Escrow on account an equal to the total of the cost of the improvements as determined by South Weber City.
4. Completion Date. Developer agrees to complete said improvements within eighteen (18) months of the date of approval by the City Council of the Developer's final plat, and that City shall be entitled to specifically enforce said agreement against Escrow or Developer after the two year period unless an extension has been granted pursuant to terms of the Developer's Agreement.
5. Escrow Funds. Developer hereby assigns and sets over to the City all its right, title and interest in the principal of that certain escrow account with Escrow entitled "Trust Account of Bank Of Utah", in the amount of \$482,398.66, Account Number, _____ (including 10% of total cost to be retained by City as a guarantee amount), which has been deposited with Escrow prior to this Agreement being signed by Escrow. The City therefore has first priority to said funds for the purposes stated herein.
6. Release of Funds. As the improvements required are installed and "initially accepted", the funds in the escrow account will be authorized by the City to be released for the payment of said improvements. The Community Development Director shall notify Escrow's agent in writing as to the installation of the improvement and the amount to be released. Escrow is entitled to release funds from this account only after receiving the written notification above. The City is not responsible to determine the party to be paid.

Ten percent (10%) of the total estimated cost of the improvements is to be retained in the escrow account for one year after the last improvement has been "initially accepted" and a "final acceptance" of the improvements and Planned Unit Development (P.U.D.) is made by the City. The 10% may then be released after proper notification by the City. The purpose of the retention of 10% of the total cost of the improvements is to guarantee that the improvements have been installed correctly. Therefore,

E 1534838 B 2537 P 513

If the improvements have not been installed, for whatever reason, to the satisfaction of the Construction Staff, City standards and specifications, or in accordance with the provisions of said Developer's Agreement, and the Developer's time period for doing the work has expired or the repair work of any improvement was of an emergency nature, then upon receipt of written notice from the City, Escrow shall pay over to the City, the amount estimated by the Community Development Director to be required to satisfactorily complete or repair said improvements or the actual cost of the work. In the event that the costs of repairing or replacing said improvements are less than the amount of deposit delivered to the City, the excess deposit shall be paid to the developer or his assignee. If said costs exceed the amount of the remaining escrow funds, the developer shall, within ten (10) days of notice thereof, pay an amount equal to excess cost to the City. In the event the needed improvements will exceed the escrow amount, the City shall not issue any building permits in said Planned Unit Development (P.U.D.) until the cost of all improvements including a 10% retention guarantee is secured through an increase in the escrow account.

7. This Agreement does not supersede, but implements the Developer's Agreement with the City and the South Weber City Planned Unit Development (P.U.D.) ordinances and all other ordinances and regulations applicable to the subdivision of land and construction of homes or other units thereon, and Developer agrees to comply in all respect with the provisions of said Agreement and said ordinances. No provisions of this Agreement shall limit the City in its right or remedies under the said Developer's Agreement with the City or said Planned Unit Development (P.U.D.) Ordinance or other applicable building ordinances or regulations.

WHEREUPON, the parties hereto have signed the day and year first written above.

Bank Of Utah
Financial Institution

By: B. J. [Signature] 773-2221
Escrow's Authorized Agent/Title/Phone

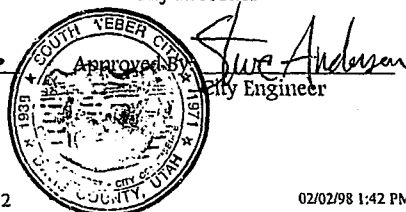
SOUTH WEBER CITY:

BY: [Signature]
Mayor

U.S. Development, Inc.
Developer's Official Name

BY: [Signature]
Authorized Agent/Title

Attest: [Signature]
City Recorder

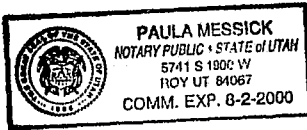


ACKNOWLEDGEMENT OF ESCROW

E 1534838 B 2537 P 514

STATE OF UTAH)
COUNTY OF Webb)
Seeds) \$

On the 24th day of May, 19 99, personally appeared before me Brent S. Haack, who being by me duly sworn did say that he/she is the Vice-President, of Bank of Utah, a corporation, and Escrow named in the foregoing Escrow Agreement, and that the Escrow Agreement was signed in behalf of said corporation by his/her signature and said Brent S. Haack acknowledged to me that the said corporation executed the same and Escrow acknowledges that there is on deposit at Bank of Utah, a sum of money in the amount of \$ 482,398.66, pursuant to the terms of this Escrow Agreement. *Replaces Escrow Agreement Dated 3/29/99 for 474,423.66*



Paula Messick
Notary Public
Residing at: Pay, UT

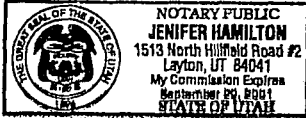
My Commission Expires:
8-2-2000

ACKNOWLEDGEMENT OF CORPORATION

E 1534838 B 2537 P 515

STATE OF UTAH)
COUNTY OF Davis) §

On the 24th day of May, 1999, personally appeared before me Danny C. Brudenstone, who being by me duly sworn did say that he/she is the Owner, of U.S. Development, that the Escrow Agreement was signed in behalf of said corporation by his/her signature and said Danny C. Brudenstone acknowledged to me that said Corporation executed the same.



Jenifer Hamilton
Notary Public
Residing at: Layton, Utah

My Commission Expires:
Sept 29, 2001

BOUNDARY DESCRIPTION

A PARCEL OF LAND SITUATE WITHIN THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 35, TOWNSHIP 5 NORTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN, SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A NORTHWESTERLY CORNER OF SAID PARCEL, WHICH POINT IS SOUTH 00°00'26" EAST, 877.17 FEET ALONG THE WEST LINE OF SAID SECTION 35; AND RUNNING THENCE SOUTH 89°46'52" EAST 442.25 FEET; THENCE NORTH 00°19'12" EAST 199.23 FEET; THENCE SOUTH 89°56'28" EAST 877.12 FEET; THENCE SOUTH 00°00'18" WEST 290.41 FEET; THENCE SOUTH 89°52'02" EAST 299.70 FEET TO THE WESTERLY RIGHT OF WAY LINE OF 2100 EAST STREET; THENCE SOUTH 00°14'56" WEST 66.00 FEET ALONG SAID WESTERLY RIGHT OF WAY LINE; THENCE NORTH 89°52'02" WEST 299.42 FEET; THENCE SOUTH 00°00'18" WEST 290.00 FEET; THENCE NORTH 89°52'02" WEST 945.12 FEET; THENCE NORTH 00°03'46" WEST 269.41 FEET; THENCE NORTH 48°20'16" WEST 206.59 FEET THENCE NORTH 89°46'52" WEST 220.67 FEET TO THE WEST LINE OF SAID SECTION 35; THENCE NORTH 00°00'26" WEST 40.00 FEET ALONG SAID SECTION LINE TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL CONTAINS 642,353 SQUARE FEET IN AREA OR 14.746 ACRES, MORE OR LESS.

* DEED DISTANCE IS 294.00 FEET.

** From the NW Corner