## DEVELOPMENT AGREEMENT FOR TECH CENTER 2000 COMMERCIAL SUBDIVISION

Parcel # 34-06-301-007

THIS AGREEMENT is made and entered into as of the 18 day of April , 2000, by and between DRAPER CITY, a Utah municipal corporation, hereinafter referred to as the "City," and KL & KL INVESTMENTS, INC., a Utah corporation, hereinafter referred to as "Developer."

#### **RECITALS:**

- A. Developer owns 2.85 acres of property within Draper City, which property is more particularly described in Exhibit "A," attached hereto and incorporated herein by this reference, hereinafter referred to as the "Property."
- B. Developer has filed applications with the City for approval of Developer's project as a planned office/business park with warehouse storage for tech-oriented companies, consisting of three (3) lots. Developer's project shall be known as Tech Center 2000, hereinafter referred to as the "Project."
- C. The Planning Commission approved a conditional use permit and granted commercial site plan approval for the Project on September 9, 1999. Minor subdivision approval was granted by the City on February 7, 2000.
- D. All approvals or issuance of permits for the Project noted herein are subject to specific conditions of approval. This Agreement includes various conditions consistent therewith which must be satisfied by Developer in development of the Project. Unless otherwise specifically excepted herein, the Project is subject to all of the City's ordinances and regulations, including, but not limited to, provisions of the City's General Plan, the City's zoning ordinances, the City's subdivision standards and specifications and any permits issued by the City pursuant to the foregoing ordinances and regulations, all requirements collectively referred to as the "City's Law."
- E. Persons and/or entities hereafter developing the Property or any portion of the Project thereon shall accomplish such development in accordance with the City's Laws and the provisions set forth within this Agreement.

#### AGREEMENT

**NOW, THEREFORE**, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. <u>Incorporation of Recitals</u>. The above Recitals are hereby incorporated into this Agreement.

- 2. <u>Property Development</u>. Developer shall develop the Project as a planned office/business park consisting of three (3) lots with one commercial building located on each lot, in accordance with the terms and conditions of this Agreement.
- 3. Site Plan. The Project has received site plan approval from the City which included approval of site, landscape and architectural plans submitted by Developer. The Project must be developed in strict accordance with such approved plans, attached hereto as Exhibit "B" and incorporated herein by this reference. No amendments or modifications to the plans for the Project shall be made by Developer without the prior written approval of the City in accordance with the procedures and requirements set forth in City Laws for site plan amendments.
- 4. <u>Conditions of Approval</u>. The Project received conditional use approval from the City and must be developed in strict accordance with the following specific conditions of approval:
  - Timing of Installation of Improvements. The Developer has received minor subdivision approval from the City to divide the Property into three separate lots. Developer intends to construct a commercial building on each lot, each building to be approximately 14,000 square feet. Public improvements ("Improvements") to be constructed in conjunction with the total Project include improvements to Minuteman Drive from the north boundary of the Project to the point on the south of the Project where the improvements have been installed, specifically, widening, paving, and installation of curb and gutter and sidewalk. Developer shall also install park strips to match the park strips in the adjacent development to the north, Founders Point. Said park strips are of a non-standard width. Developer further agrees to landscape and maintain that portion of the public right-of-way which lies between the constructed park strips and the Property. Storm drainage shall be constructed for the Project and shall tie in with the Founders Point development to the north and shall not discharge into the existing ditch or the canal. Developer shall extend the Water Pro water line in accordance with the requirements of Water Pro to serve the Project. improvements to be constructed include grading, drainage, parking, truck circulation and perimeter landscaping.
    - i. <u>Public Improvements</u>. Except as otherwise provided herein, all public improvements for the Project shall be fully constructed, improved and dedicated to the City in accordance with City Laws and construction drawings approved for the Project. The City may approve building permits for the Project prior to completion of all public improvements conditioned on Developer providing security for the installation of said improvements in accordance with Draper City ordinances.
    - ii. <u>Site Improvements</u>. Satisfaction of available parking requirements on each of the three separate lots is interdependent on the total of available parking on the entire site. Therefore, the conditional use approval granted to the Project requires that the parking areas on each lot will serve the entire Project. To assure the availability of sufficient parking for each building, all site work relating to grading, drainage, parking, internal traffic circulation routes and perimeter landscaping shall

be constructed with the first building within the Project. Developer shall be allowed to leave a portion of Lot 3 of approximately 1.054 acres unpaved and without curbing to permit the storage of construction equipment and to allow sufficient area to assemble the concrete tilt-up panels from which the buildings will be constructed. However, in no event shall that portion remain unpaved for a period longer than one year from the date the first building permit for the Project is issued. Building permits will be issued for individual buildings, however, the first building permit issued by the City shall include the infrastructure improvements for the entire site, which will be part of the Developer's work and City's inspection process on the first issued building permit. Storage of construction equipment on-site shall be enclosed to the extent possible and in all cases shall be maintained at the rear of the site. Additionally, Developer shall construct temporary paved routes within the unpaved portion of the Project to allow for traffic circulation.

- b. Parking. Parking shall be provided in accordance with the parking requirements set forth in Section 9-3-150 and other relevant sections of the Draper City Municipal Code, except that for the purposes of speculative space where tenants are not yet known or committed to the Project, warehousing space may be calculated at one (1) space per 1,000 gross square feet rather than by the number of employees on the highest shift. It is understood and agreed between the parties that this provision may affect the percentage of the total building space that can be allocated for a particular approved use.
- Cross-Access Easement. Permanent access to the Project off Minuteman Drive shall be via a shared access with the adjacent property to the north, the Founders Point Project. During construction, Developer may, at its discretion, construct a temporary access solely on its property which access must be approved by the City. At such time as the Founders Point Project or its successor in interest develops its property, Developer will enter into a cross-access easement agreement with Founders Point to provide permanent shared access to each property. Said cross-access easement shall be in substantially the same form as Exhibit "C," attached hereto and incorporated herein by reference. It is acknowledged by City and Developer that the north access on Developer's property is temporary and therefore the allocation of parking stalls to the ratio of office floor space shall not be altered from the original plan of the Developer that is based upon the shared access with the adjacent property.
- d. <u>Easements, Covenants, Conditions and Restrictions</u>. Developer shall submit and record with the final plat a declaration of easements, covenants, conditions and restrictions ("CC&R's") for the Project. The CC&R's shall provide for creation and perpetual existence of an owners association to satisfy all obligations of this Agreement. Said CC&R's shall specifically contain provisions establishing easements for parking benefitting and serving all three parcels within the Project. It is specifically understood by Developer that said easements are necessary to provide adequate parking for the commercial buildings to be constructed on each parcel and failure to properly establish said easements

or any diminution in the available parking may result in suspension or revocation of the conditional use approval granted by the City.

- e. <u>Use of Center Courtyard Area</u>. The center courtyard area of the Project has been designed for use as either a truck loading/distribution area for the warehouse space or for standard parking for office space, but said center courtyard area shall not be used for both purposes due to safety concerns with combining truck loading and employee/customer parking.
- f. Overhead Utility Line Conversion. In accordance with the City's Laws, Developer hereby agrees to pay a fee in lieu of converting existing overhead utility lines to underground facilities. Said fee is based upon the frontage of Developer's Property currently encumbered by overhead utility lines and has been established as \$33,840.00. Developer shall pay said fee prior the issuance of any building permits for the Project. Developer hereby agrees that the undergrounding of said utility lines provides a direct benefit to the Property and that the fee established herein is reasonable and represents an equitable assessment of the benefit to the Property to be obtained through conversion of said utility facilities.
- g. <u>Ditchmaster Approval</u>. There is no abandonment of ditches, therefore, no approval of the ditchmaster is required. Developer further hereby agrees to develop the Project in such a manner that access to the East Jordan Canal for maintenance purposes is maintained.
- 5. <u>Installation of Street Lights</u>. Any street lights within the interior of the Project shall be installed by Developer in accordance with approved plans. Lighting along the public right-of-way adjacent to the Project shall be installed by Pacificorp at the direction of the City, and shall be of a type and size available from Pacificorp. If Pacificorp offers a variety of light styles for a given lighting situation, the Developer may select the style to be used, with the City Engineer's approval. The Developer shall pay the applicable street light fee prior to recordation of the subdivision plat. Interior lighting within the Project shall be of a design that shines downward and is shielded to prevent light-spillover and glare on other properties.

#### 6. Utilities and Infrastructure.

- a. Developer shall install natural gas, underground electrical service, sanitary sewer, and culinary water supply systems for the Project up to the boundary lines of the Project. Such installation shall be done according to the reasonable and customary design and construction standards of the utility providers and the City Engineer.
- b. Developer shall make arrangements with and shall comply with the requirements of the Salt Lake County Sewerage Improvement District No. 1 to provide public sanitary sewer service to the Project.

- 8. Construction Standards and Requirements. All construction shall be conducted and completed in accordance with the City Laws and development standards of the City. All required improvements for the Project shall be constructed in accordance with the City's construction standards and/or plans specifically approved for the Project, and all required public improvements and easements shall be dedicated to the City. The Developer shall construct, or cause to be constructed, all improvements for the Project in conformity with all applicable federal, state and/or local laws, rules and regulations. Security in the form of an escrow deposit account or letter of credit shall be provided by Developer to ensure construction of all off-site and on-site public improvements required herein for the Project in a form acceptable to the City, which security must be provided prior to recordation of the subdivision plat. Upon completion of the Improvements, acceptance by the City, and completion of all associated warranty periods, all securities, bonds or letters of credit will be released by the City in accordance with City's Laws. City agrees that there will be no retention of bonds or letters of credit for the completion of the future shared access and driveway with the adjacent property.
- 9. Ownership of Public Improvements. Unless otherwise provided herein, ownership of all public improvements installed by Developer in conjunction with the Project in accordance with the terms of this Agreement shall be transferred to the City upon acceptance of the same by the City. The City shall not be responsible for maintenance of such improvements until acceptance of the same.
- 10. <u>Engineering Standards</u>. Developer shall comply with all engineering requirements for the Project. All road dedication and design plans, site plans, landscaping plans, and other engineering drawings for the Project shall be reconciled for all elements of the proposed development prior to recording of the subdivision plat for the Project.
- 11. <u>Public Works Requirements</u>. All Draper City Public Works requirements for drainage, detention, utility alignments, street improvements, dedication of roads, bonding for improvements, and other requirements shall be met. All final plans containing required corrections shall be prepared and submitted in conjunction with this Agreement.
- 12. Required Permits. Before commencement of construction or development of any building, structures, grading or other work or improvements upon any portion of the Project, Developer shall, at its expense, secure any and all permits which are required by the City or any other governmental agency having jurisdiction over the work or affected by its construction or development. Failure by the Developer to obtain all required permits when due shall constitute a default on the part of the Developer under this Agreement.

- 13. Payment of Fees. The Developer shall pay all required fees to the City in a timely manner which are due or which may become due pursuant to the City's Laws in connection with the Project or any phase thereof. Developer and its successor(s) shall pay all required fees to the City in those amounts which are in effect at the time the fees are actually in fact paid to the City.
- 14. <u>City Obligations</u>. Subject to the Developer complying with all of the City's Laws, rules and regulations and the provisions of this Agreement, the City agrees to provide, or cause to be provided, standard municipal services to the Project including police and fire protection, subject to payment of all fees and charges charged or levied therefor by the City.
- 15. <u>Indemnification</u>. Developer hereby agrees to indemnify and hold the City and its officers, employees, representatives, agents and assigns, harmless from all liability, loss, damage, costs or expenses, including reasonable attorney's fees and court costs, arising from or as a result of the death of any person or any accident, injury, loss, or damage whatsoever caused to any person or to property of any person which shall occur within the Project or occur in connection with any offsite work done for or in connection with the Project which shall be caused by any acts done thereon or act or omission of the Developer or of its agents, contractors, servants, or employees at any time. Developer shall furnish or cause to be furnished to the City a satisfactory certificate of insurance from a reputable insurance company, evidencing general public liability coverage for the Project in a single limit of not less than two million dollars and naming the City as an additional insured.
- 16. <u>Compliance with Law.</u> Developer shall comply with all applicable federal, state and City laws, ordinances, rules and regulations pertaining to Developer's activities in connection with the Project or any phase thereof.
- 17. <u>Default</u>. In the event any party fails to perform its obligations hereunder or to comply with the terms hereof within sixty (60) days after written notice of default, the non-defaulting party may, at its election, have the following remedies:
  - a. All rights and remedies available at law and in equity, including injunctive relief, specific performance and/or damages.
  - b. The right to withhold all further approvals, licenses, permits or other rights associated with the Project until such default has been cured.
  - c. The right to draw on any security posted or provided in connection with the Project.

In the event any default under this Agreement is caused by acts of God or circumstances beyond the control of the Developer, the City, after consulting with Developer, shall grant a reasonable time for such default to be cured. The rights and remedies set forth herein shall be cumulative.

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18. <u>Notices</u>. Any notices, requests and demands required or desired to be given hereunder shall be in writing and shall be served personally upon the party for whom intended, or if mailed, by certified mail, return receipt requested, postage prepaid, to such party at its address shown below:

To the Developer: Ken F. Kelter

KL & KL Investments, Inc.

P.O. Box 1025

Pleasant Grove, Utah 84062

To City: Draper City

Attn: City Manager 12441 South 900 East Draper, Utah 84020

Any party may change its address for notice by giving written notice to the other party in accordance with the provisions of this section.

- 19. <u>Attorneys' Fees.</u> In the event of any lawsuit between the parties hereto arising out of or relating 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 reasonable attorneys' fees and costs.
- 20. Entire Agreement. This Agreement, together with the Exhibits hereto, integrates all of the terms and conditions pertaining to the subject matter hereof and supersedes all prior negotiations, representations, promises, inducements or previous agreements between the parties hereto with respect to the subject matter hereof. Any amendments hereto must be in writing and signed by the respective parties hereto.
- 21. <u>Headings</u>. The headings contained in this Agreement are intended for convenience only and are in no way to be used to construe or limit the text herein.
- 22. <u>Non-Liability of City Officials and Employees</u>. No officer, representative, agent or employee of the City shall be personally liable to the Developer, or any successor in interest or assignee of the Developer, except for fraud, malice or intentional misrepresentation in the event of any default or breach by the City, or for any amount which may become due Developer, or its successors or assignees, for any obligation arising under the terms of this Agreement.
- 23. No Third Party Rights. The obligations of the parties set forth in this Agreement shall not create any rights in or obligations to any persons or parties other than to the City and the Developer. The City and Developer alone shall be entitled to enforce or waive any provisions of this Agreement to the extent that such provisions are for their benefit.

- 24. Agreement to Run With the Land; Binding Effect. This Agreement may be recorded against the Property and shall be deemed to run with the Property. This Agreement shall be binding upon and inure to the benefit of the City and the Developer, and their respective heirs, representatives, officers, agents, employees, members, successors and assigns. The rights of the City under this Agreement shall not be assigned. Developer may assign its rights and interest to the Property but must give notice of such assignment in writing to the City within thirty (30) days of such assignment. Any future assignee shall consent in writing to be bound by the terms of this Agreement as a condition precedent to the assignment. Any reference to the Developer herein shall be construed to refer to any subsequent developer with respect to the portion of the Property owned by such subsequent developer.
- 25. <u>Binding Effect</u>. This Agreement shall inure to the benefit of, and be binding upon the parties hereto and their respective heirs, representatives, officers, agents, employees, successors and assigns (if any assignments are allowed as provided hereinabove).
- 26. <u>Termination</u>. The term of this Agreement shall commence as of the date hereof and shall continue in full force and effect until all conditions and requirements of approval and development are completed, unless sooner terminated as provided herein.
- 27. <u>Amendment</u>. This Agreement may be amended only in writing signed by the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by and through their respective, duly authorized representatives as of the day and year first above written.

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"CITY"

DRAPER CITY

By /X/

Mayor

APPROVED AS TO FORM City Attorney's Office "DEVELOPER"

KL & KL INVESTMENTS, INC.

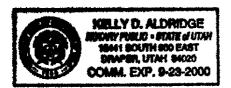
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Ken F. Kelter, Vice President

#### CITY ACKNOWLEDGMENT

STATE OF UTAH	)	
	:ss.	
COUNTY OF SALT LAKE	E )	
On the 18 day of	april ,200	0, personally appeared before me Richard D. Alsop,
	•	layor of DRAPER CITY, a municipal corporation
		rument was signed in behalf of the City by authority
of its governing body and s	aid Richard D. Als	sop acknowledged to me that the City executed the
same.		
		Kelles aldudai
		Notary Public
My Commission Expires:		Residing at:
9/23/00		Satt Lake



#### DEVELOPER ACKNOWLEDGMENT

STATE OF UTAH	)	
COUNTY OF SALT LAKE	:ss. )	
KELTER who being by m INVESTMENTS, INC., a Ut	ne duly sworn, di ah corporation, and	2000, personally appeared before me KEVIN C. d say that he is the President of KL & KL that the foregoing instrument was duly authorized rity of its operating agreement and signed in behalf
My Commission February	CARY PUBLIC LIS S. HUNT 12300 South, Suits A per, UT 84020 nmission Expires lary 25th, 2002 LTB OF UTAH	Notary Public Residing at:
STATE OF UTAH	) :ss.	
COUNTY OF SALT LAKE	)	., .
KELTER who being by me INVESTMENTS, INC., a Ut by the company at a lawful me	e duly sworn, did tah corporation, and	_, 2000, personally appeared before me KEN F. say that he is the Vice President of KL & KL d that the foregoing instrument was duly authorized ority of its operating agreement and signed in behalf
of said company.  NOT ARY PLE MARILYN E SIM 12441 South 96 Draper. UT 8 My Commission February 2.2 My Commission Expires: 011	MONS 30 East 4020 Expires 2003	Notary Public  Residing at:
Jelo. 2, 2003		Salt Sake County

#### EXHIBIT "A"

**Property Description** 

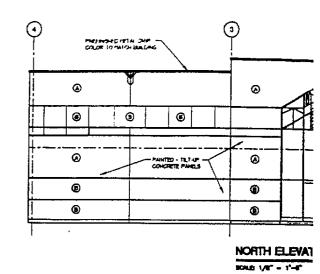
FILE NO.: 18989-7M 1ST AMENDMENT

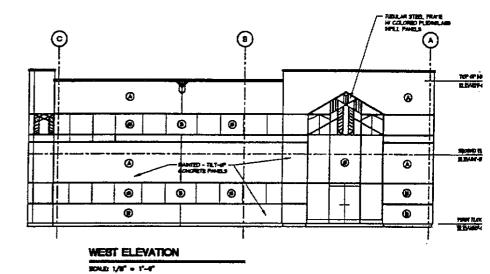
SCHEDULE A (Continued)

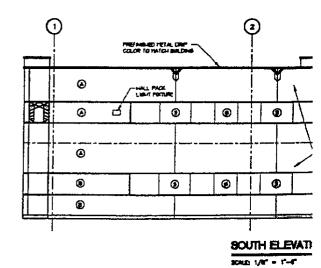
BEGINNING AT POINT THAT IS NORTH 200.00 FEET AND EAST 230.71 FEET FROM THE SOUTHWEST CORNER OF SECTION 6, TOWNSHIP 4 SOUTH, RANGE 1 EAST, SAID POINT BEING ON THE EAST RIGHT OF WAY LINE OF THE I-15 FEAST FRONTAGE ROAD, KNOWN AS MINUTEMAN DRIVE, SAID POINT ALSO BEING THE TRUE POINT OF BEGINNING NORTH 100.00 FEET AND EAST 560.70 FEET FROM THE COUNTY WITNESS CORNER MONUMENT LOCATED ON SECTION LINE AND IN THE CENTERLINE OF SAID MINUTEMAN DRIVE; THENCE SOUTH 89° 51' 21" EAST (SOUTH 89° 51'21" EAST), A DISTANCE OF 429.29 FEET; THENCE SOUTH 00° 00'00" WEST (SOUTH 00° 00'00" WEST), A DISTANCE OF 152.45 FEET; THENCE SOUTH 60° 45'04" WEST (SOUTH 60° 45'04" WEST), A DISTANCE OF 234.37 FEET; THENCE ALONG-A CURVE TO THE LEFT HAVING A RADIUS OF 1060.00 FEET, ARC LENGTH OF 62.74 FEET, DELTA ANGLE OF 03° 23'28" (03° 23'28"), A CHORD BEARING OF SOUTH 659° 03'20" WEST (SOUTH 59° 03'20" WEST), AND A CHORD LENGTH OF 62.73 FEET; THENCE SOUTH 57° 21'36" WEST (SOUTH 57° 21'36" WEST), A DISTANCE OF 189.54 FEET; THENCE ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 124.00 FEET, ARC LENGTH OF 51.53 FEET, DELTA ANGLE OF 23° 48'32" (23° 45'32"), A CHORD BEARING OF SOUTH 69° 15'52" WEST (SOUTH 69° 15'52" WEST), AND A CHORD LENGTH OF 51.16 FEET; THENCE ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 2904.79 FEET, ARC LENGTH OF 422.59 FEET, DELTA ANGLE OF 08° 20'07" (08° 20'07"), A CHORD BEARING OF NORTH 04° 57'09" EAST (NORTH 04° 57'09" EAST), AND A CHORD LENGTH OF 422.22 FEET TO THE TRUE POINT OF BEGINNING.

#### EXHIBIT "B"

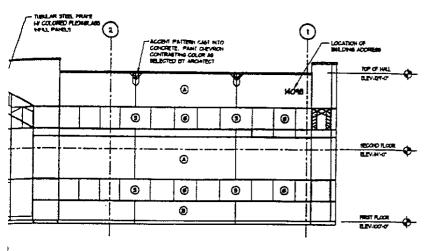
**Approved Plans** 







BK 8392 Pg 5441

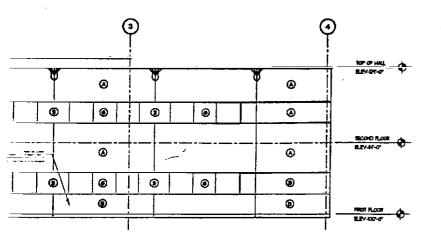


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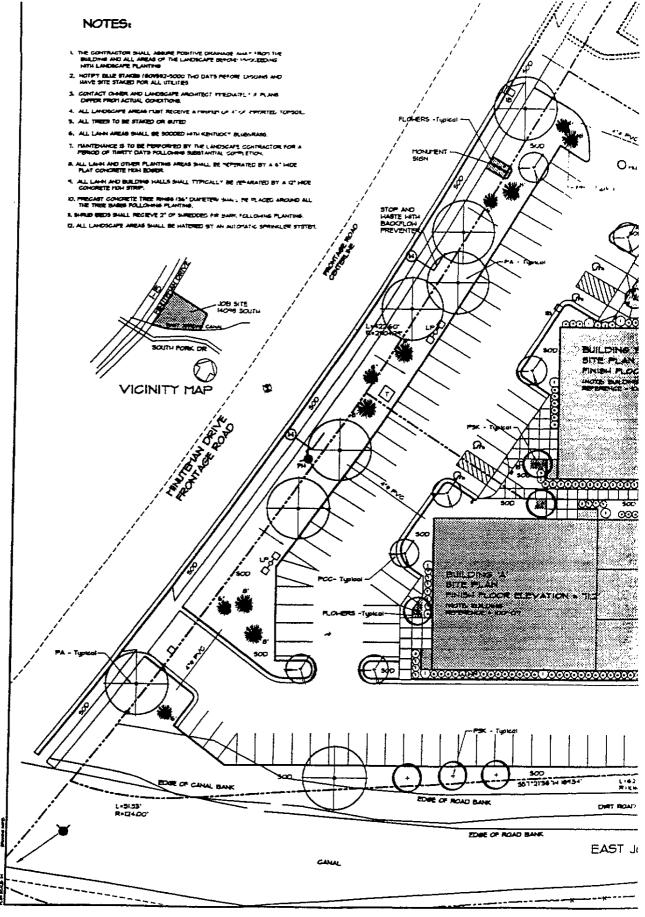
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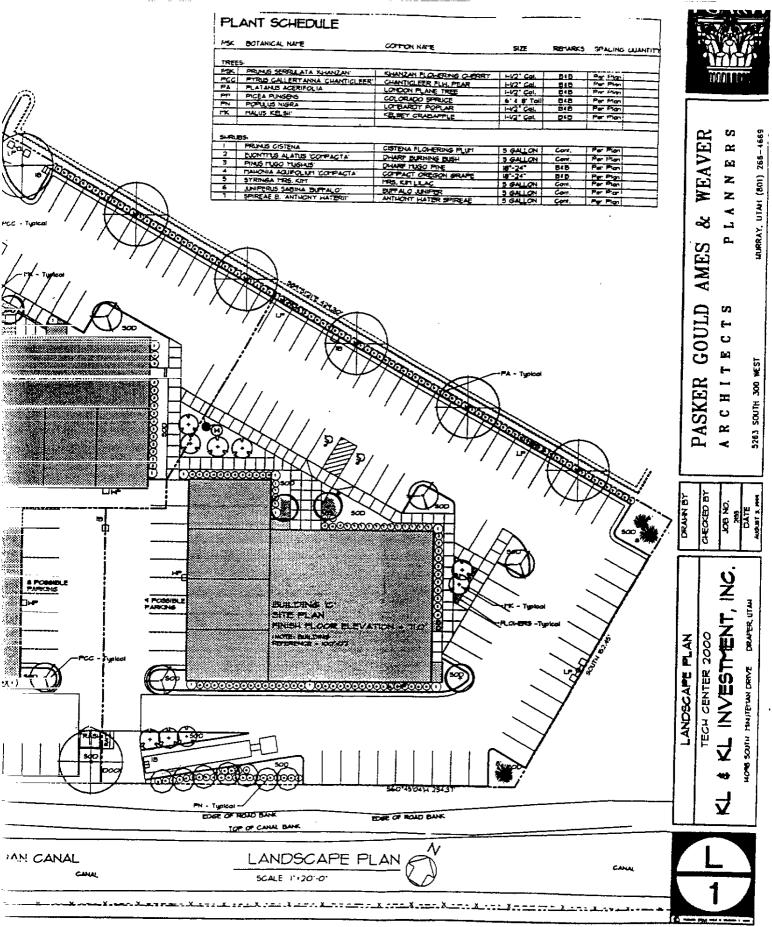
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EXTERIOR ELEVATIONS - BUILDINGS A 1 B
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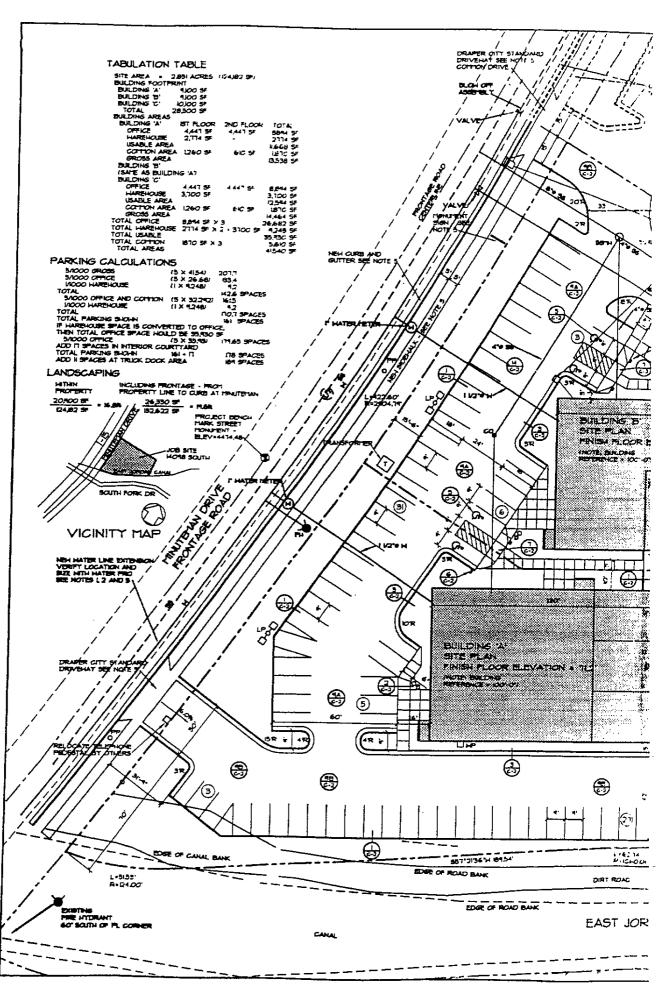
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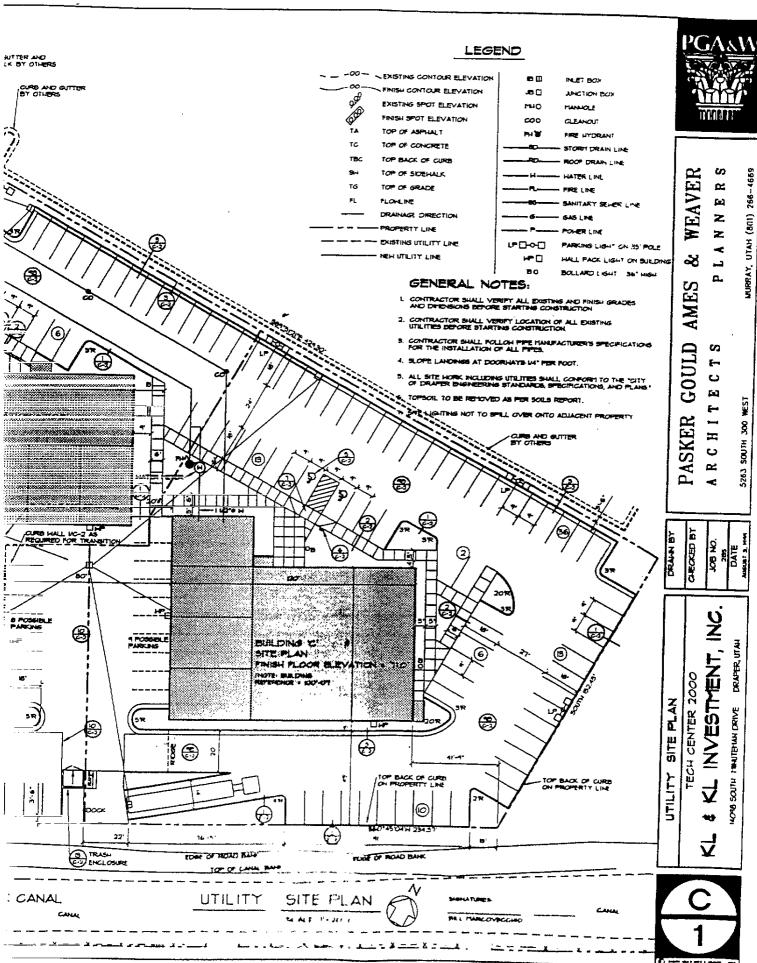


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#### EXHIBIT "C"

#### **Cross-Access Easement**

#### AFTER RECORDING, PLEASE RETURN TO:

Ken F. Kelter KL & KL Investments, Inc. P.O. Box 1025 Pleasant Grove, UT 84062

### RECIPROCAL EASEMENT AGREEMENT FOR COMMON DRIVE ENTRY BETWEEN TECH CENTER 2000 AND FOUNDERS POINTE

THIS EASEMENT AGREEMENT ("Agreement") is made this \_\_\_\_\_ day of \_\_\_\_\_, 2000, by and between Kenneth F. and Laura K. Kelter, as trustees of the Kilbane/Kelter Family Trust, and Kevin C. Kelter, as trustee of the Kelter Family Trust (collectively, "Kelter"), and Draper Land Development Company, Inc. ("Draper Land"), with reference to the following:

- A. Kelter owns that certain real property ("Kelter Parcel") located in Salt Lake County, State of Utah and more particularly described on Exhibit A attached hereto and made a part hereof.
- B. Draper Land owns that certain real property ("Founders Parcel") located in Salt Lake County, State of Utah and more particularly described on Exhibit B attached hereto and made a part hereof. The Founders Parcel is contiguous to the Kelter Parcel.
- C. Kelter and Founders desire to grant each other easements on, over, across and through the Kelter Parcel and the Founders Parcel ("Easement Area"), for pedestrian and vehicular ingress to, and egress from the public street known as Minuteman Drive located in Draper, Utah, in accordance with the terms of this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in consideration of the benefits to be derived from the easement set forth below, the parties agree as follows:

- 1. <u>Grant of Easement to Founders</u>. Kelter hereby conveys, assigns, transfers and grants to Draper Land a non-exclusive easement ("<u>Easement</u>") for pedestrian and vehicular ingress and egress on, over, across and through the Kelter Parcel.
- 2. <u>Grant of Easement to Kelter</u>. Draper Land hereby conveys, assigns, transfers and grants to Kelter a non-exclusive easement ("<u>Easement</u>") for pedestrian and vehicular ingress and egress on, over, across and through the Founders Parcel.

#### 3. <u>Construction of Improvements.</u>

a. <u>Construction</u>. Kelter shall construct certain improvements and perform work on the Easement Area including leveling, grading and paving the Easement Area as a common drive for the Kelter Parcel and the Founders Parcel (collectively, "<u>Improvements</u>"). The Improvements shall be designed and constructed in conformity with ordinances and requirements of the City of Draper, Utah, and to the mutual satisfaction of Kelter and Draper Land.

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- b. <u>Right to Enter Upon Founders Parcel</u>. Draper Land hereby grants to Kelter and its authorized agents a limited temporary easement on, over, across and through the Founders' property contiguous to the Founder Parcel for the limited purpose of the construction of the Improvements, including making such surveys and site analyses, and engineering studies as Kelter may reasonably deem necessary.
- c. <u>Costs of Construction</u>. Except as provided for the Reimbursement Amount (as defined below), Kelter shall be responsible for the payment of any and all costs and fees associated with, or relating to, the construction of the Improvements ("<u>Construction Costs</u>").
- d. <u>Reimbursement of Construction Costs</u>. Upon written request by Kelter, Draper Land shall reimburse Kelter for one-half of the Construction Costs ("<u>Reimbursement Amount</u>"). Draper Land shall pay to Kelter the Reimbursement Amount within 20 days of Kelter's completion of the Improvements, or upon Founders construction loan funding, which ever is later. In the event Founders should install the Improvements prior to Kelter, Kelter shall reimburse Founders under the same terms as 3.d. Construction of the Improvements shall be deemed complete upon acceptance thereof by the City of Draper.
- 4. <u>Maintenance</u>. Kelter and Draper Land shall maintain, repair, replace and operate their portion of the Easement Area and any related improvements, in a safe, clean and working manner. Kelter and Founders shall equally pay any and all costs and fees associated with or relating to such maintenance, repair or replacement.
- 5. <u>No Interference</u>. The parties construction, use, maintenance, repair, replacement and operation of the Easement within the Easement Area and any related improvements shall be conducted in a manner so as not to unreasonably interfere with the access, development, use, occupancy, operation and enjoyment of the Kelter Parcel and the Founders Parcel.
- 6. <u>Duration</u>. This Agreement and the Easement and undertakings set forth herein shall be perpetual and may be terminated only upon the recordation of a notice of termination in the official records of the Recorder's Office of Salt Lake County, Utah executed by Kelter and Founders.
- 7. Not a Public Dedication. Nothing contained herein shall be deemed to be a gift or dedication of any portion of the Easement Area to or for the general public or for any public purposes whatsoever, it being the intention of the parties that this Agreement be strictly limited to and for the purposes expressed herein.

#### 8. <u>Mutuality, Reciprocity Runs with the Land</u>

a. The Easement, and the rights and obligations granted or created by this Agreement are appurtenances to the Kelter Parcel and the Founders Parcel and none of the easements, rights or obligations may be transferred, assigned or encumbered except as an appurtenance to the Kelter Parcel and the Founders Parcel. For the purposes of the easements and rights set forth herein, the parcel benefited thereby shall constitute the dominant estate, and the parcel burdened thereby shall constitute the servient estate.

- b. Each of the easements and rights contained in this Agreement (whether affirmative or negative in nature) (i) shall constitute covenants running with the land; (ii) shall bind every person having a fee, leasehold or other interest in any portion of the parcels at any time or from time to time to the extent such portion is affected or bound by the easement or right in question, or to the extent that easement or right is to be performed on such portion; (iii) shall inure to the benefit of and be binding upon the parties and their respective successors and assigns as to their respective parcels; and (iv) shall create mutual, equitable servitudes upon each parcel in favor of the other parcel.
- 9. <u>No-Third Party Beneficiaries</u>. Nothing in this Agreement is intended to create an enforceable right, claim, or cause of action upon any third party which is not a party to this Agreement. However, this agreement shall be binding upon and be for the benefit of the successors and assigns of the parties hereto. The size of this easement shall not be unreasonably increased except by mutual agreement of the parties.
- 10. <u>Notices</u>. All notices, requests, demands, and other communications hereunder shall be in writing and shall be given by (i) established express delivery service which maintains delivery records, (ii) hand delivery, or (iii) certified or registered mail, postage prepaid, return receipt requested, to the parties at the following addresses, or at such other address as the parties may designate by written notice in the above manner:

To Kelter: KL & KL Investments, Inc.

P.O. Box 1025, Pleasant Grove, UT 84062

Attention: Ken Kelter Fax No.: 801-763-1588

With a copy to: KL & KL Investments, Inc.

18281 Gothard St., #201, Hunt. Bch, CA 92648

Attention: Kevin Kelter Fax No.: 714-840-4949

To Draper Land: Draper Land Development Company, Inc.

P.O. Box 1094, Draper, UT 84020 Attention: LaVar Christensen

Fax No.: 801-576-9267

With a copy to: LaVar Christensen

12308 S. Raleigh Court, Draper, UT 84020

Attention:

Fax No.: 801-571-4908

Communications may also be given by fax (with printed confirmation of receipt). Notices shall be deemed effective upon the receipt thereof.

11. <u>Entire Agreement.</u> This Agreement sets forth the entire understanding of Founders and Kelter as to matters set forth herein and cannot be altered or otherwise amended except pursuant to an instrument in writing signed by each of the parties hereto.

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- 12. <u>Headings</u>. The headings to the Sections hereof have been inserted for convenience of reference only and shall in no way modify or restrict any provisions hereof or be used to construe any such provisions.
- 13. <u>No Partnership</u>. The parties do not by this Agreement, in any way or for any purpose, become partners or joint venturers of each other in the conduct of their respective businesses or otherwise.
- 14. <u>Applicable Law.</u> This Agreement shall be construed in accordance with and governed by the laws in the State of Utah.
- 15. Attorneys' Fees. In the event it becomes necessary for any party hereto to employ the service of an attorney in connection herewith, either with or without litigation, the losing party of such controversy shall pay to the successful party reasonable attorneys' fees and, in addition, such costs and expenses as are incurred in enforcing this Agreement.
- 16. <u>Severability</u>. In the event that any condition, covenant or other provision herein contained is held to be invalid or void by any court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and shall in no way affect any other condition, covenant or other provision shall be deemed valid due to its scope or breadth, such condition, covenant or other provision shall be deemed valid to the extent of the scope and breadth permitted by law.

IN WITNESS WHEREOF, Founders and Kelter have executed this Agreement as of the date first above written by persons duly authorized to execute the same.

#### DRAPER LAND COMPANY, INC.:

Print Name: La Var Christensen
Title: President
KELTER:
Kenneth F. and Laura K. Kelter, as trustees of the
Kilbane/Kelter Family Trust
By:
Kenneth F Kelter, Trustee
Laura K. Kelter, Trustee
Kevin C. Kelter, as trustee of the Kelter Family
Trust
By:
Kevin C. Kelter, Trustee

STATE OF UTAH	)				
COUNTY OF SALT LAKE	:ss )				
The foregoing instrumen 2000, b		acknowledged,			of of
My commission expires:		Notary l Residin		 · · · · · · · · · · · · · · · · · · ·	_
STATE OF UTAH COUNTY OF SALT LAKE	) :ss )		•		
The foregoing instrumer, 2000, by					
My commission expires:		Notary Residir			
STATE OF UTAH COUNTY OF SALT LAKE	) :ss )				
The foregoing instrume, 2000, byFamily Trust.					
My commission expires:		•	Public		_
298818.1		5			

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# EXHIBIT A TO EASEMENT AGREEMENT

(Legal Description of Kelter Parcel)

COMMENCING AT A POINT NORTH 207.01' AND EAST 220.71' FROM THE SOUTHWEST CORNER OF SECTION 6, TOWNSHIP SOUTH 4 SOUTH, RANGE 1 EAST, SLAT LAKE BASE & MERIDIAN; THENSE AROUND A 15' WIDE, 60' LONG EASEMENT, FOR THE PURPOSE OF INGRESS AND EGRESS, THE FOLLOWING 4 COURSES:

EAST 60'; THENCE SOUTH 15'; THENCE WEST 60'; THENCE

NORTH 15'; TO THE POINT OF BEGINNING

# 3K8392P6545

# EXHIBIT B TO EASEMENT AGREEMENT

(Legal Description of Founders Parcel)

COMMENCING AT A POINT NORTH 207.01' AND EAST 220.71' FROM THE SOUTHWEST CORNER OF SECTION 6, TOWNSHIP SOUTH 4 SOUTH, RANGE 1 EAST, SLAT LAKE BASE & MERIDIAN; THENSE AROUND A 15' WIDE, 60' LONG EASEMENT, FOR THE PURPOSE OF INGRESS AND EGRESS, THE FOLLOWING 4 COURSES:

NORTH 15'; THENCE EAST 60'; THENCE SOUTH 15'; THENCE

WEST 60'; TO THE POINT OF BEGINNING

7732932 10/05/2000 09:24 AM NO FEE Book - 8392 Pg - 5427-5454 NANCY WORKMAN RECORDER, SALT LAKE COUNTY, UTAH DITY OF DRAPER 12441 S 900 E DRAPER UT B4020 BY: RDJ, DEPUTY - WI 28 p.