



MEMO

From: Brigham City Corporation
To: Real Estate Professionals
RE: UTOPIA Special Assessment Area liens
Date: February, 2010

As you are probably aware, Brigham City has created a Voluntary Assessment Area for the purpose of connecting properties to the Utah Telecommunications Open Infrastructure Agency ("UTOPIA") fiber-optic telecommunication network in the City.

In accordance with UCA 11-42-206, the Notice of Encumbrance and Assessment Area Designation was recorded on November 12, 2009 as entry number 285177 in Book 1110 at Page 1171 in the official records of Box Elder County, Utah.

In accordance with UCA 11-42-404, the Notice of Assessment Interest was recorded December 15, 2009 as entry number 286337 in Book 1113 at Page 1297 in the official records of Box Elder County, Utah.

An assessment has been levied against each of the properties listed in the Notice of Assessment Interest. UCA 11-42-501(1) states, "Each assessment levied under this chapter... constitutes a lien against the property assessed as of the effective date of the assessment ordinance."

These assessments will pay for improvements that add value to each property. UCA 11-42-501(2) provides that "A lien under this section (a) is superior to the lien of a trust deed, mortgage, mechanic's or materialman's lien or other encumbrances, and (b) is equal to and on a parity with a lien for general property taxes."

As a type of "super lien," similar in nature to general property taxes, the lien created by the Assessment Ordinance is transferable with title, and is not required to be paid at the time a property encumbered by the lien is conveyed to a new owner, nor when existing indebtedness is refinanced. The lien remains with the property, and upon transfer, the seller no longer has any obligation under the lien.

The original amount of the assessment levied against each parcel included in the assessment area is \$3,000.00. That amount will bear interest at the rate of 5.5%. Payments of \$22.50 will be collected each month beginning in June, 2010 and continuing until the entire principal balance, together with interest thereon, has been paid in full. This obligation can be prepaid at any time.

If you have a pending sale or refinance of a property located within the assessment area, we invite you to contact Deniece Roche, Brigham City Treasurer at (435) 734-6601 or at droche@brighamcity.utah.gov. Deniece will let you know whether the payments are current and the current balance, as well as a payoff amount, if desired. If the parties desire, the remaining balance may be paid in full as a part of the transaction, or a new owner may simply assume the obligation to continue to make monthly payments. Apart from providing the name and address of the new owner to Deniece, no further assumption paperwork is required.

Thank you for your cooperation in helping ensure these assessments are properly understood.