

When recorded return to:  
Salem City  
c/o Vaughn Pickell  
789 W. Center St.  
Spanish Fork, UT 84660

**ANNEXATION**  
**AND**  
**MASTER DEVELOPMENT AGREEMENT**  
**FOR THE VIRIDIAN FARM**

This *Annexation and Master Development Agreement for the Viridian Farm* (this “**MDA**” or “**Agreement**”) is entered into between D. R. Horton Inc., a Delaware corporation (“**Master Developer**”), and Salem City, a Utah Municipal Corporation (“**City**”) as of \_\_\_\_\_, 2021, to set forth the terms of the annexation of certain property into City and the overall, long-term development of that Property in the City, all as more particularly described herein.

**RECITALS**

**A. WHEREAS** Master Developer desires to annex certain real property currently located in the unincorporated Utah County, into the City’s boundaries. A map and full legal description of property to be annexed is attached hereto as **Exhibit A (“Annexation Property”)**, and made a part of this Agreement;

**B. WHEREAS** Master Developer and the City have agreed to certain conditions and terms for development under which Master Developer would like to annex;

**C. WHEREAS** Master Developer desires to develop a portion of the Annexation Property, and the Parties intend to enter into this MDA to allow Master Developer and the City to resolve issues considered essential to the long-term development of the property (“**Project**”) in a manner that benefits Master Developer and City in harmony with the City’s General Plan and applicable zoning ordinances. A map of the portion of the Annexation Property to be developed under this MDA is attached as **Exhibit B** and made part of this Agreement (“**Development Property**”);

**D. WHEREAS** the Parties intend to allow the Master Developer to vest in certain uses, zoning designations, and densities under the terms of this Agreement as more fully set forth below;

**E. WHEREAS** acting pursuant to its authority under the Utah Municipal Land Use and Development Management Act, Utah Code § 10-9a-101, *et seq.*, the City Council of Salem City, in exercising its legislative discretion, has determined that entering into this Agreement

generally furthers the purposes of the Utah Municipal Land Development and Management Act, the City's General Plan, and the Salem City Municipal Code.

Now, therefore, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Master Developer hereby agree as follows:

1. **Effective Date.** The term of this Agreement shall commence on the date of City action approving this Agreement (“**Effective Date**”).

2. **Definitions.** Unless otherwise specified herein, or unless the context requires a different meaning, any term or phrase used in this Agreement shall have that meaning given to it by the City's Zoning Ordinance in effect on the Effective Date. In the event of a conflict between two or more definitions, the definition in this Agreement shall prevail.

3. **Construction and Development Standards** means the standards adopted by Salem City describing and defining the criteria to be met in developing a subdivision in City.

4. **Annexation.** As a condition to any obligations under this Agreement, the Annexation Property shall be annexed into Salem City in accordance with Utah's annexation statute (Utah Code §§ 10-2-401 *et seq.*), the City's annexation policy plan, and that annexation map as shown on Exhibit B.

- A. Upon annexation the City may send a notice pursuant to Utah Code Ann. § 10-2-421 to South Utah Valley Electric Service District (SESD). Master Developer agrees to pay for any and all costs associated with inventory and acquisition of electrical facilities, as well as any and all construction or facility costs associated with the transfer of electrical service, from SESD or any other electric utility provider within the annexation area shown in Exhibit B.
- B. The timing and manner of the inventory and acquisition of facilities is as set forth in Utah Code Ann. § 10-2-421 or successor statute, court order, or may be by agreement between the City and SESD.
- C. Notwithstanding the foregoing, Master Developer understands and acknowledges that if the City cannot acquire or is delayed in its acquisition of electrical facilities or transfer of electrical service from SESD due to no fault of the City, whether such delay is by a court order, injunction, or actions of others, the City's delay or inability to acquire such facilities or transfer electrical service will not be construed to be a breach of this Agreement.

5. **Zoning Upon Annexation.** As a condition to any obligations under this Agreement, upon annexation the Annexation Property shall be zoned by the City as a combination of R-15, A-1, and MPD, Master Planned Development as set forth in **Exhibit A**, and in accordance with the Viridian Farm Conceptual Land Use Plan, attached hereto as **Exhibit C**.

6. **Overall Land Use Plan.** The Viridian Farm Conceptual Land Use Plan portrays the planned land uses, and maximum densities on the Development Property, as well as proposed roads, schools, churches, and other community uses. The parties acknowledge that this plan is

subject to adjustment, in the future, depending on various factors such as geography, efficient planning, or market forces, but only upon the mutual agreement of the parties. Nevertheless, as set forth below, the Parties acknowledge that Master Developer is vested in the representations shown on this plan, including densities, zoning, and uses in particular areas.

**7. Subdevelopers.** Master Developer may assign its rights to develop portions of the Development Property to various third parties (“**Subdevelopers**”). Subdevelopers shall receive all vested rights and other rights to develop pertaining to their portion of the Development Property, as if they were Master Developer. All Subdevelopers shall be obligated to comply fully with all terms and obligations of this MDA in the place of Master Developer, including obligations to plan and develop their portion of the Development Property in accordance with the Viridian Farm Conceptual Land Use Plan, and in line with the Project as a whole. Subdevelopers may enter into independent development agreements with the City if the City and a Subdeveloper agrees. City is under no obligation to enter into an independent development agreement. Upon assignment by Master Developer of development rights, to a Subdeveloper, Master Developer shall have no further obligation under this MDA for the assigned portion of the Development Property. For purposes of this Agreement, references to Master Developer shall include any applicable Subdevelopers.

**8. Phasing; Construction.** The Development Property will be developed in phases. The sequence of phasing will be determined by the Master Developer or Subdevelopers. Unless set forth herein, no sequential phasing is implied by Viridian Farm Conceptual Land Use Plan. The parties acknowledge that the most efficient and economic Phasing will depend on numerous factors, such as market conditions and demand, infrastructure planning, competition, the public interest, and other similar factors. The Parties agree to cooperate in good faith with respect to continued master planning and implementation of such phasing consistent with the public interest. Each phase shall require submission of a preliminary and final subdivision plat and approval for that phase, consistent with the Viridian Farm Conceptual Land Use Plan and this MDA.

- A. City Access Standards. Construction is limited to 24 dwelling units until a second point of access is completed within the Project.
- B. Construction Mitigation. Developer shall provide the following measures, all to the reasonable satisfaction of City, to mitigate the impact of construction within Project Area. Developer shall also adhere to the usual construction impact mitigation measures required by City, including the MS4 requirements as mandated by the State of Utah, as they may be amended from time to time. Additional reasonable site-specific mitigation measures may be required. The following measures shall be included in, but not limited to, each application for development of any final plat:
  - i. Limits of disturbance, vegetation protection, and the re-vegetation plan for all construction, including construction of public improvements;
  - ii. Protection of existing infrastructure improvements from abuse or damage while new infrastructure improvements are being constructed;
  - iii. Construction traffic routing plan to minimize traffic impacts as approved by City.

**9. Total Project Density.** Master Developer, along with any Subdevelopers, shall be entitled to develop the total number of residential units shown on the Viridian Farm Conceptual

Land Use Plan (“**Total Density**”). For avoidance of doubt, the Project is vested with 2,004 dwelling units, which shall be developed in accordance with the Viridian Farm Conceptual Land Use Plan. Any City ordinance enacted by the City on or after the Effective Date, which has the effect of prohibiting and/or restricting the Master Developer’s rights to develop the Total Density shall be inapplicable to the Development Property, unless the Council, on the record, finds that a compelling, countervailing public interest would be jeopardized without applying such ordinance.

**10. Density Transfer.** Master Developer may request to transfer density from one area of the Development Property to another, or from one Subdeveloper to another, in order to facilitate development of the Total Density. Any transfer of density that results in a net change of density units of ten percent (10%) or less (whether an increase or decrease) within any given area/pod as shown on page 11 of the Viridian Farm Conceptual Land Use Plan (each, a “**Pod**”), as amended, shall be approved by City staff in its discretion. Additionally, any approval of a net density change resulting from the addition or removal of a church, public, or quasi-public building site shall be approved by City staff, in its discretion, regardless of the number of units transferred as a result of same; provided that, in the event of any removal of any such building that is shown on page 11 of Exhibit C, Master Developer shall choose to replace said building(s) with a density and product type matching that of any adjacent Pod (whether immediately adjacent or across a right-of-way) as selected by Master Developer in Master Developer’s discretion. All other density transfers shall take place as an amendment to this Agreement approved by the City Council, in accordance with the Viridian Farm Conceptual Land Use Plan, as amended. Notwithstanding anything to the contrary contained in this Section 10, the aggregate Density for the Development Property shall not exceed the Total Density. City shall be entitled to receive an accounting for all used, planned, and transferred density, in order to ensure that the Total Density is not exceeded.

**11. Vested Rights.** The parties specifically intend that this Agreement grants to Master Developer “vested rights” as that term is defined in Utah's statutory code and construed in Utah's common law, to the maximum extent permitted under the law, subject to the modifications herein. Upon the execution of this Agreement, Master Developer shall have the vested right to develop and construct the Project on the Development Property in accordance with:

- A. The Viridian Farm Conceptual Land Use Plan;
- B. The terms and conditions of this Agreement;
- C. The terms and conditions of local ordinances and state laws as they exist as of the execution date of this Agreement, to the extent that they do not conflict with the terms and conditions of this Agreement, excepting the following:
  - (1) Future laws that Master Developer and City mutually agree in writing regarding the application thereof to the Project;
  - (2) Future laws which are generally applicable to all properties in the City and which are required to comply with State and Federal laws and regulations affecting the Project;
  - (3) Future laws that are updates or amendments to existing building, plumbing, mechanical, electrical, dangerous buildings, drainage, or similar construction or safety related codes, such as the International Building Code, the APWA Specifications, AAI-ISTO Standards, the Manual of Uniform Traffic Control Devices or

similar standards that are generated by a nationally or statewide recognized construction/safety organization, or by the State or Federal governments and are required to meet legitimate concerns related to public health, safety or welfare. Subject to Section 18 below, Construction and Development Standards existing at the time of each final plat approval shall be followed for that plat. Developer expressly acknowledges that nothing in this Agreement shall be deemed to relieve it from its obligations to comply with all applicable requirements of City necessary for approval and recordation of subdivision plats and site plans for the Property in effect at the time of development approval, or re-approval in the event of expiration, including the payment of required fees, the approval of subdivision plats and site plans, the approval of building permits and construction permits, and compliance with all applicable ordinances, resolutions, policies, and procedures of City

- (4) Taxes, or modifications thereto, so long as such taxes are lawfully imposed and charged uniformly by the City to all properties, applications, persons and entities similarly situated.
- (5) Changes to the amounts of fees, except impact fees, for the processing of Development Applications that are generally applicable to all development within the City (or a portion of the City as specified in the lawfully adopted fee schedule) and which are adopted pursuant to State law.
- (6) Impact Fees duly imposed under the Utah Impact Fees Act will vest as of the time of any building permit approval, with respect to that building permit.
- (7) Connection fees for utility connections, which are distinct and separate from impact fees, representing the ordinary cost for connecting to City utilities. Such fees are due at the time of assessment.
- (8) Building permit, plan review, and associated fees typically associated with review and approval of building permits. Such fees are due at the time of assessment.

**12. Reserved Legislative Powers.** This Agreement shall not limit the future exercise of the police powers of the City to enact ordinances, standards, or rules regulating development or zoning. Nothing herein shall be construed to limit the ability of the City Council to exercise its police powers to enact zoning ordinances.

**13. Modifications.** Any future modification, amendment or change to the terms of this MDA, the zoning, density or uses as shown on the Viridian Farm Conceptual Land Use Plan, or to the properties included in the Development Property, shall be considered a major modification hereunder and shall require the review and approval of the City Council. Minor modifications may be subject to the review of City staff or City staff may recommend the modification be resolved by the City Council.

**14. Infrastructure.**

- A. Utilities. The City provides or is soon to provide the following utilities, which need to be brought to the property in order to develop the Property: Sewer, Culinary Water, Pressurized Irrigation Water, Power, Stormwater, and facilities accommodating for future Fiber Internet. Developer bears the sole obligation to bring to the Development Property any utilities which are not present on the Development Property or are needed to be upgraded to serve the Project. No subdivision plat may be recorded or building permit issued until adequate capacity has been provided for that subdivision. Master Developer shall design, build, and dedicate to the City adequate delivery systems for each of these utilities according to the City specifications and standards to meet the needs for the Project as a condition of development. Designs of facilities for which no standard exists, such as tanks, substations, and so on shall require review and approval by the City. All facilities necessary to provide adequate utility services installed within the Project, upon formal acceptance by the City through a recorded dedication deed, shall be owned, operated, and maintained by the City. Facilities may include, but are not limited to, tanks, pumps, wells, substations, pressurized irrigation ponds, sewer capacities, wastewater treatment plant expansions, and so forth.
- B. Maintenance of Infrastructure. Until such utility or road facilities are completed by Developer and inspected and accepted by the City, Developer shall be solely responsible for the maintenance thereof. Developer shall design, build, and dedicate to City the utility and road infrastructure according to utility and transportation master plans and City Construction and Development Standards, subject to Section 18 below. The Master Developer may tie into existing infrastructure provided there is adequate capacity in the infrastructure as determined by the City Engineer.
- C. Utility Capacities. Developer acknowledges and understands that City does not reserve utility or other infrastructure capacity until a final plat is approved. Developer agrees that it is not vested with utility or infrastructure capacity until a final plat is approved and that City may decline to approve any plat submitted if it determines that capacities do not exist. Developer acknowledges and understands that utility and infrastructure capacity is determined on a first-come, first-served basis, based upon the approval of a final plat. Nevertheless, capital improvements that are paid for by the Master Developer shall result in the Project capacity created by such improvements being reserved for Master Developer.
- D. The Master Developer shall be permitted to post a letter of credit from a federally insured financial institution in a form reasonably acceptable to the City and from an institution for all warranty bonds required for the development of the Development Property.
- E. The Master Developer may seek the creation of one or more Public Infrastructure Districts permitted pursuant to Utah statutes, particularly

Chapter 2a, Part 12 of the Public Infrastructure District Act, (the "PID Act") in order to implement and facilitate the financing, construction and operation of public improvements and infrastructure (including improvements and infrastructure that will, after construction and acceptance by the City, be dedicated for public use) for the Development Property. Subject to the provisions of the PID Act, Master Developer may seek the creation of a Public Infrastructure District in order to accommodate development circumstances, to fund, construct and/or provide public facilities and services set forth in this Agreement or otherwise required in connection with the development of the Development Property. The City and Master Developer acknowledge and agree that the City is under no obligation to approve or authorize a Public Infrastructure District. Any Public Infrastructure District created for the Development Property, or any portion thereof, shall not create any financial liabilities for the City.

**15. System Improvements and Reimbursements.** Except as set forth in Section 17, Parks and Open Spaces, below, City may require Master Developer to up-size certain components of the infrastructure for the benefit of the surrounding property or other property in the City. Any such upsizing, or any system improvements as that term is defined in the Utah Impact Fees Act, installed by Master Developer or any Subdeveloper will be subject to reimbursement by the City. The City and the Master Developer shall work together in good faith to determine those portions of the improvements that constitute system improvements or upsizing and shall determine the method and timing of reimbursements. Reimbursements shall be made pursuant to a reimbursement agreement to be negotiated by the Master Developer and the City.

A. Pursuant to City ordinance and to the extent permitted by the Utah Impact Fees Act and other applicable law, the City shall assess and collect a parks and recreation impact fee. Notwithstanding the foregoing, in the event any law or court decision hereafter prohibits, limits, or eliminates the ability of a city to assess or collect all or a portion of the impact fees, the City shall not be obligated to assess, collect, or reimburse impact fees, except to the extent authorized by then-existing law and any applicable court decision.

B. Notwithstanding anything in this Agreement to the contrary, the City shall have no obligation to make any reimbursement to the Master Developer until completed and accepted by the City and available for use. The City shall not be obligated to pay interest. The Master Developer agrees to accept the impact fees reimbursed as a full and final reimbursement and satisfaction of all sums relating to system improvements or upsizes, and agrees to hold the City and its officers, employees, representatives, and agents harmless for any amounts claimed by the Master Developer for reimbursement in the event the City is unable to collect the impact fees for any reason whatsoever despite the City's good faith and diligent efforts.

**16. Easements, Rights-of-way and Publicly-owned Parcels.** Master Developer shall grant to the City, at no cost to the City, all easements, rights-of-way, and publicly-owned parcels necessary for the operation, maintenance, and replacement of all utilities, parks, trails, and City facilities located within the Project as shown in the attached exhibits. The exact location of roadways

and intersections as shown in the attached exhibits may vary to accommodate further traffic engineering studies, as reasonably agreed to by the Parties, in order to allow for optimization of traffic flow for the benefit of the Development Property.

**17. Parks and Open Spaces.** Master Developer shall construct certain trails, parks or make other improvements to other Open Spaces for the benefit of the general public, all as contemplated by the Viridian Farm Conceptual Land Use Plan. City acknowledges that the Viridian Farm Conceptual Land Use Plan satisfies the City's requirements to preserve open spaces.

- A. Completion Schedule. The parks, trails, and other amenities described in the Viridian Farm Conceptual Land Use Plan shall be completed according to the following schedule outlined in **Exhibit D**. The City may withhold approval of any or all preliminary plats, final plats, site plans, building permits or certificates of occupancy applied for in the Project for parks, trails and amenities that do not meet the Completion Schedule.
  
- B. Reimbursements. Subject to Section 15, System Improvements and Reimbursements, above, the City agrees to make available and to reimburse to Master Developer the costs to construct all public parks, trails and recreational facilities within the Development Property through parks and recreation impact fee reimbursements of the parks and recreation impact fees actually collected from development activity within the Development Property (Master Developer shall be first in line and first in right to receive all impact fees previously collected and not yet reimbursed to Master Developer from development of the Development Property which fees shall be reimbursed in immediately available funds incrementally by phase by the City to Master Developer within 30 days following the City's acceptance of the "City Dedicated Parks/Amenities" required for each grouping of lots as shown in the Viridian Farm Amenities Schedule contained in **Exhibit D**); provided, however, that in no event shall the City be liable for any cost for the construction of the public parks, trails and recreational facilities within the Development Property in excess of the amount of parks and recreation impact fee credits collected from development activity within the Development Property) as the City finds that the construction of the parks, trails and recreational facilities in the Viridian Farm Conceptual Land Use Plan satisfy the City's level of service identified by its impact fee analysis. Developer acknowledges and agrees that the promise of reimbursement of the cost to construct all public parks, trails and recreational facilities within the Development Property according to this Section 17.B and **Exhibit D**, together with the density vested by this agreement, are adequate consideration for the public amenities promised to be constructed by the Master Developer pursuant to the terms hereof. Notwithstanding anything to the contrary in this Agreement, all parks and recreation impact fees actually collected from development activity within the Development Property shall be used within the Development

Property until the completion and acceptance of all parks, trails, and other amenities described in the Viridian Farm Conceptual Land Use Plan, at which time any parks and recreation impact fees not reimbursed to Mater Developer pursuant to the terms hereof (i.e., any parks and recreation impact fees not spent within the Development Property) may be utilized by the City outside of the Development Property.

- C. **City Park and Recreation Facilities Fee.** Master Developer agrees to pay \$1,497.01 per residential lot within any portion of the Development Property at the point of final plat approval for said portion as an additional assessment (the “**City Park and Recreation Facilities Fee**”). The City hereby acknowledges and agrees that all portions of the City Park and Recreation Facilities Fee must be used for the improvement and/or maintenance of City parks and other recreational facilities (whether inside the Development Property or in other locations within the City at the City’s discretion).

**18. Development Standards.** Master Developer will construct the various Pods within the Project using specific building and development standards that will be applied to each Pod as outlined in **Exhibit E**, annexed hereto (the “**Project Development Standards**”). The Project Development Standards will include details that may vary from the City’s Construction and Development Standards regarding specific R.O.W. cross-sections and profiles, building setbacks and specifications, etc. If there are any contradictions between the City’s Construction and Development Standards and the Project Development Standards, the latter shall control.

**19. Standard for Approval of Subdivision Plats.** All subdivision plats must be approved in accordance with Salem City Municipal Code and must conform to applicable requirements of the Salem City Municipal Code, State and Federal Law, and this Agreement. All subdivision plats must comply with the City’s ordinances and development standards in place at the time the final plat is recorded.

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

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

**22. Successors and Assigns.** This Agreement shall be binding on the successors and assigns of Master Developer. Notwithstanding the foregoing, a purchaser of the Project or any portion thereof shall be responsible for performance of Master Developer's obligations hereunder as to any portion of the Project so transferred.

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

**24. Default.**

- A. Events of Default. Upon the happening of one or more of the following events or conditions Master Developer or City, as applicable, shall be in default ("Default") under this Agreement:
- (1) A warranty, representation or statement made or furnished by Master Developer under this Agreement is intentionally false or misleading in any material respect when it was made.
  - (2) A determination made upon the basis of substantial evidence that Master Developer or City has not complied in good faith with one or more of the material terms or conditions of this Agreement.
  - (3) Any other event, condition, act or omission, either by City or Master Developer, (i) violates the terms of or (ii) materially interferes with the intent and objectives of this Agreement.
- B. Procedure Upon Default.
- (1) Upon the occurrence of Default, the non-defaulting party shall give the other party thirty (30) days written notice specifying the nature of the alleged default and, when appropriate, the manner in which said Default must be satisfactorily cured. In the event that the Default cannot reasonably be cured within thirty (30) days, the defaulting party shall have such additional time as may be necessary to cure such default so long as the defaulting party takes action to begin curing such default within such thirty (30) day period and thereafter proceeds diligently to cure the Default. After proper notice and expiration of said thirty (30) day or other appropriate cure period without cure, the non-defaulting party may declare the other party to be in breach of this Agreement and may take the action specified in Paragraph C herein. Failure or delay in giving notice of default shall not constitute a waiver of any default.
  - (2) Any Default or inability to cure a Default caused by strikes, lockouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes therefore, governmental restrictions, governmental regulations, governmental controls, enemy or hostile governmental action, civil commotion, fire or other casualty, and other similar causes beyond the reasonable control of the party obligated to perform, shall excuse the performance by such party for a period equal to the period during which any such event prevented, delayed or stopped any required performance or effort to cure a Default.
- C. Breach of Agreement. Upon Default as set forth in Paragraphs A and B above, City may declare Master Developer to be in breach of this

Agreement and City (i) may withhold approval of any or all preliminary plats, final plats, site plans, building permits or certificates of occupancy applied for in the Project, but not yet issued; and (ii) shall be under no obligation to approve or to issue any additional building permits or certificates of zoning compliance for any building within the Project until the breach has been corrected by Master Developer. In addition to such remedies, either City or Master Developer (in the case of a default by the City) may pursue whatever additional remedies it may have at law or in equity, including injunctive and other equitable relief.

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

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

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

**27. Transfer/ Assignment of Property.**

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

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

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

- 28. **Severability.** If any paragraph of this Agreement, or portion thereof, is declared by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement will not be affected and each paragraph of this Agreement will be valid and enforceable to the fullest extent permitted by law.
- 29. **Time of Performance.** Time shall be of the essence with respect to the duties imposed on the parties under this Agreement. Unless a time limit is specified for the performance of such duties each party shall commence and perform its duties in a diligent manner in order to complete the same as soon as reasonably practicable.
- 30. **Construction of Agreement.** This Agreement shall be construed so as to effectuate its public purpose of ensuring the Property is developed as set forth herein to protect health, safety, and welfare of the citizens of City. This Agreement has been reviewed and revised by legal counsel for each of the Parties and no presumption or rule that ambiguities shall be construed against the drafting Party shall apply to the interpretation or enforcement of this Agreement.
- 31. **State and Federal Law.** The parties agree, intend and understand that the obligations imposed by this Agreement are only such as are consistent with state and federal law. The parties further agree that if any provision of this Agreement becomes, in its performance, inconsistent with state or federal law or is declared invalid, this Agreement shall be deemed amended to the extent

necessary to make it consistent with state or federal law, as the case may be, and the balance of the Agreement shall remain in full force and effect. If City's approval of the Project is held invalid by a court of competent jurisdiction, this agreement shall be null and void.

32. **Enforcement.** The parties to this Agreement recognize that City has the right to enforce its rules, policies, regulations, ordinances, and the terms of this Agreement by seeking an injunction to compel compliance. In the event Master Developer violates the rules, policies, regulations or ordinances of City or violates the terms of this Agreement, City may, without declaring a Default hereunder or electing to seek an injunction, and after thirty (30) days written notice to correct the violation (or such longer period as may be established in the discretion of City or a court of competent jurisdiction if Master Developer has used its reasonable best efforts to cure such violation within such thirty (30) days and is continuing to use its reasonable best efforts to cure such violation), take such actions as shall be deemed appropriate under law until such conditions have been rectified by Master Developer.
33. **No Waiver.** Failure of a party hereto to exercise any right hereunder shall not be deemed a waiver of any such right and shall not affect the right of such party to exercise at some future time said right or any other right it may have hereunder. Unless this Agreement is amended by vote of the City Council of City, taken with the same formality as the vote approving this agreement, no officer, official or agent of City has the power to amend, modify or alter this Agreement or waive any of its conditions as to bind City by making any promise or representation not contained herein.
34. **Entire Agreement.** This Agreement shall supersede all prior agreements with respect to the subject matter hereat: not incorporated herein, and all prior agreements and understandings are merged herein. This Agreement shall not be modified or amended except in written form mutually agreed to and signed by each of the parties.
35. **Attorney's Fees.** If either party commences any litigation whatsoever, including but not limited to insolvency, bankruptcy, arbitration, declaratory relief, or other litigation proceedings, including appeals or rehearings, and whether or not an action has actually commenced, for the judicial interpretation, reformation, enforcement, or rescission of this Agreement or any addenda or attachments whatsoever, the prevailing party will be entitled to a judgment against the other for an amount equal to reasonable attorneys' fees and court and other costs incurred. The "prevailing party" shall be the party who is entitled to recover its costs of suit, whether or not the suit proceeds to final judgment. A party not entitled to recover its costs shall not recover attorneys' fees. No sum for attorneys' fees shall be counted in calculating the amount of a judgment for the purposes of determining whether a party is entitled to recover its costs or attorneys' fees. Should any judgment or final order be issued in any proceeding, said reimbursement shall be specified therein.
36. **Applicable law.** This Agreement and the construction thereof, and the rights, remedies, duties, and obligations of the parties which arise hereunder, are to be construed and enforced in accordance with the laws of the State of Utah.
37. **Notices.** Any notices required or permitted to be given pursuant to this Agreement shall be in writing and shall be deemed to have been sufficiently given or served for all purposes when presented personally, or four (4) days after being sent by registered or certified mail, properly addressed to the parties as follows:

To the Master Developer:

D.R. Horton, Inc.  
Utah Division  
Attn: Boyd A. Martin and Robert B. Hartshorn  
12351 South Gateway Park Place, Suite D-100  
Draper, UT 84020  
Tel: (801) 571-7101  
Fax: (801) 571-7102  
Email: bamartin@drhorton.com;  
rbhartshorn@drhorton.com

To the City:

City Manager

30 W. 100 S.  
P.O. Box 901  
Salem, Utah 84653

With a copy to:

Salem City Attorney  
40 S. Main Street  
Spanish Fork, Utah 84660

38. **Execution of Agreement.** This Agreement may be executed in multiple parts as originals or by facsimile copies of executed originals; provided, however, if executed and evidence of execution is made by facsimile copy, then an original shall be provided to the other party within seven (7) days of receipt of said facsimile copy.
39. **Hold Harmless.** Master Developer shall hold City, its officers, agents, employees, consultants, special counsel, and representatives harmless from liability for damages or equitable relief arising out of claims for personal injury or property damage arising from direct or indirect operations of Master Developer or its contractors, subcontractors, agents, employees or other persons acting on its behalf, in connection with the Project.
40. **Relationship of Parties.** This Agreement is not intended to create any partnership, joint venture or other arrangement between City and Master Developer. This Agreement is not intended to create any third-party beneficiary rights for any person or entity not a party to this Agreement. It is specifically understood by the parties that: (i) all rights of action and enforcement of the terms and conditions of this Agreement shall be reserved to City and Master Developer, (ii) the Project is a private development; (iii) City has no interest in or responsibilities for or duty to third parties concerning any improvements to the Property; and (iv) Master Developer shall have the full power and exclusive control of the Property subject to the obligations of Master Developer set forth in this Agreement.
41. **Certificate of Compliance.** Upon fifteen (15) business days prior written request by Master Developer or a Subdeveloper, the City will execute a certificate of compliance to any third party

seeking to purchase all or a portion of the Property or lend funds against the Property in the form reasonable agreed to by the parties hereto certifying that Master Developer or a Subdeveloper, as the case may be, is not in default of the terms of this Agreement.

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

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

44. **Exhibits.** All exhibits referred to herein are made a part of this Agreement as incorporated by reference elate. The following exhibits are attached to this Agreement:

Exhibit A Annexation Property legal description and map

Exhibit B Development Property legal description and map

Exhibit C Viridian Farm Conceptual Land Use Plan

Exhibit D Parks and Recreation Amenities Detailed Descriptions and Completion Schedule

Exhibit E Building and Development Standards

Exhibit F Developer and Associates Biography Summary

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

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

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

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

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

**IN WITNESS WHEREOF**, the Parties have executed this Agreement as of the day and year first above written.

**SALEM CITY** by:

\_\_\_\_\_  
Kurt L Christensen, Mayor

Attest:

\_\_\_\_\_  
Jeffrey D. Nielson, City Recorder

**D.R. Horton, Inc. by:**

Signed:

\_\_\_\_\_  
Printed:

\_\_\_\_\_  
Title:

\_\_\_\_\_

[notary acknowledgment]

# Exhibit A

## Annexation Property Legal Description and Map

### ***ANNEXATION BOUNDARY LEGAL DESCRIPTION***

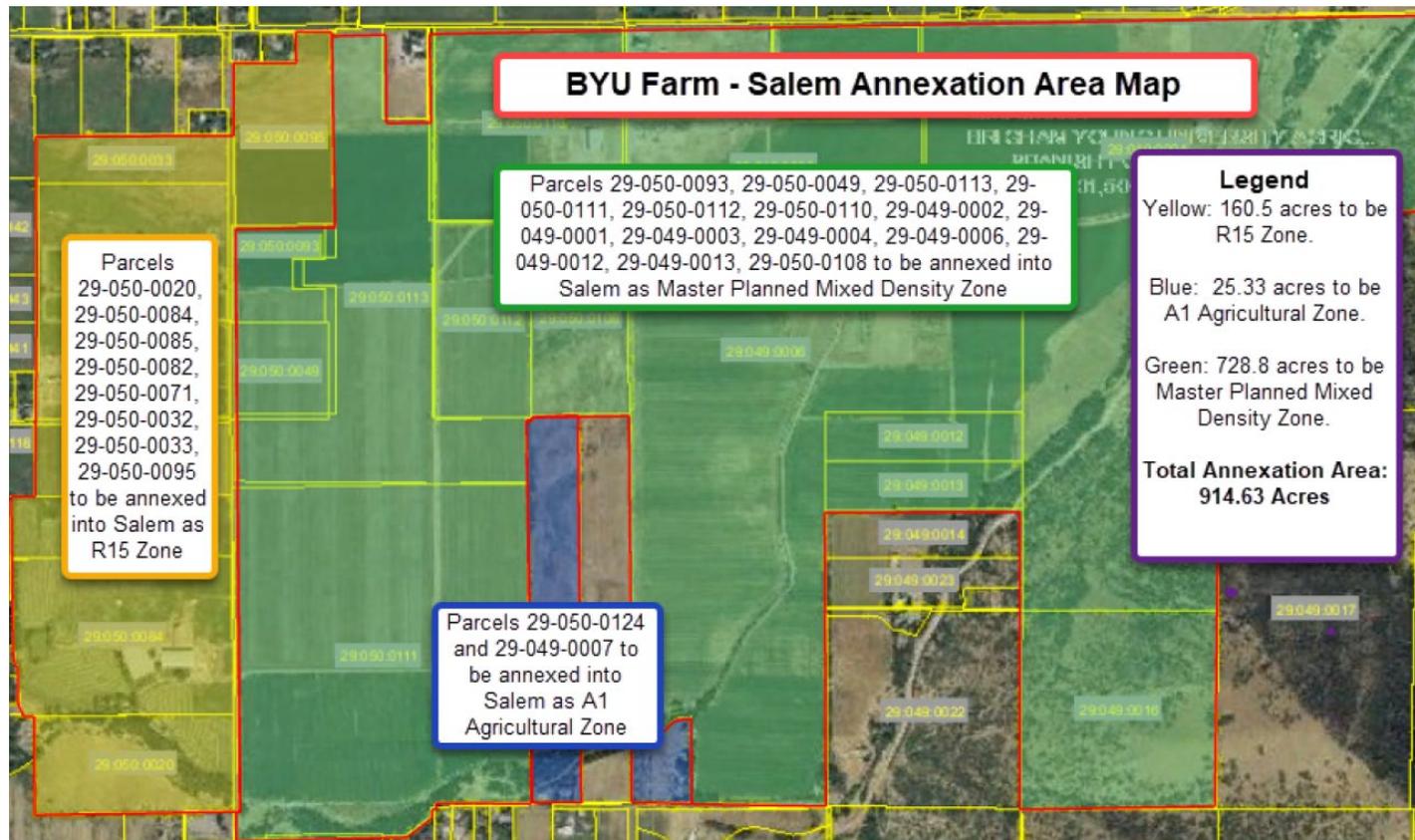
LOCATED IN SECTIONS 5 AND 6, AND A PORTION OF THE NORTHEAST QUARTER AND THE NORTHWEST QUARTER OF SECTION 7, ALL IN TOWNSHIP 9 SOUTH, RANGE 3 EAST, SALT LAKE BASE & MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTH QUARTER CORNER OF SECTION 6, TOWNSHIP 9 SOUTH, RANGE 3 EAST, SALT LAKE BASE & MERIDIAN; THENCE S89°16'47"W ALONG THE SECTION LINE 1334.02 FEET TO AN EXISTING FENCE LINE; THENCE N00°38'31"W ALONG A FENCE LINE 371.16 FEET; THENCE N00°05'17"E 299.58 FEET; THENCE S89°45'29"W 69.16 FEET; THENCE N23°29'14"W 101.63 FEET; THENCE N50°32'45"E 17.08 FEET; THENCE N04°00'29"W 242.51 FEET; THENCE N81°11'26"W 9.63 FEET; THENCE N08°38'17"W 124.47 FEET; THENCE N00°56'33"W 485.44 FEET;; THENCE N00°56'33"W 111.84 FEET; THENCE N00°56'41"W 420.51 FEET; THENCE N89°31'45"E 166.95 FEET; THENCE N00°06'25"E 498.27 FEET; THENCE N02°29'02"E 28.69 FEET; THENCE N00°11'30"W 1646.72 FEET; THENCE EAST 10.99 FEET; THENCE NORTH 286.76 FEET; THENCE N89°37'51"E 1023.02 FEET; THENCE NORTH 5.02 FEET; THENCE EAST 268.54 FEET TO THE QUARTER SECTION LINE; THENCE N0°22'15"W ALONG THE QUARTER SECTION LINE (ALSO BEING ALONG AN EXISTING FENCE LINE ALONG THE WEST SIDE OF 400 EAST STREET) 485.96 FEET TO THE WESTERLY EXTENSION OF THE NORTH LINE OF THAT FENCE LINE AGREEMENT DESCRIBED IN DEED ENTRY NO. 80651:1999 IN THE OFFICIAL RECORDS OF THE UTAH COUNTY RECORDER; THENCE ALONG THE EXTENSION OF AND SAID FENCE LINE AGREEMENT THE FOLLOWING TWO (2) COURSES: ; THENCE S89°59'42"E 455.23 FEET; THENCE N00°51'17"W 222.41 FEET TO THE NORTH LINE OF SAID SECTION 6; THENCE N89°14'02"E ALONG THE SECTION LINE 600.86 FEET TO THE NORTHERLY EXTENSION OF AN EXISTING FENCE; THENCE ALONG THE EXTENSION OF AND SAID FENCE THE FOLLOWING THREE (3) COURSES: S0°30'39"E 622.51 FEET; THENCE N89°06'34"E 298.48 FEET; THENCE N0°39'04"W 621.85 FEET THE NORTH LINE OF SAID SECTION 6; THENCE N89°14'02"E ALONG THE SECTION LINE 1316.91 FEET TO THE NORTHEAST CORNER OF SAID SECTION 6; THENCE N89°09'50"E ALONG THE SECTION LINE 2662.93 FEET TO THE NORTH QUARTER CORNER OF SECTION 5; THENCE N89°08'08"E ALONG THE SECTION LINE 2713.14 FEET TO NORTHEAST CORNER OF SECTION 5; THENCE S1°06'42"W ALONG THE SECTION LINE 1347.05 FEET TO THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 5; THENCE S89°22'44"W ALONG THE NORTH LINE OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER 1346.03 FEET TO THE NORTHWEST CORNER THEREOF; THENCE S0°40'10"W ALONG THE WEST LINE OF SAID SOUTHEAST QUARTER OF THE NORTHEAST QUARTER 1341.01 FEET TO THE SOUTHWEST CORNER THEREOF; THENCE S0°39'59"W ALONG THE EAST LINE OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SAID SECTION 2706.37 FEET TO THE SOUTHEAST CORNER THEREOF; THENCE S89°22'17"W ALONG THE SECTION LINE 1314.65 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 5; THENCE N0°13'24"E ALONG THE QUARTER SECTION LINE 2033.85 FEET TO THE NORTH LINE OF THAT REAL PROPERTY DESCRIBED IN DEED ENTRY NO. 12055:2018 BEING MORE PARTICULARLY DEFINED ON THAT RECORD OF SURVEY NO. 08-349; THENCE S89°58'27"W ALONG SAID SURVEY LINE AND IN PART ALONG AN EXISTING FENCE LINE 1313.57 FEET TO THE WEST LINE OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SAID SECTION 5; THENCE S0°02'31"E ALONG SAID WEST LINE 2010.01 FEET TO THE SOUTHWEST CORNER THEREOF; THENCE N88°58'46"W ALONG THE SECTION LINE 1304.38 FEET TO THE WEST LINE OF SAID SECTION 5; THENCE N0°18'48"W ALONG THE SECTION LINE 2648.29 FEET TO THE WEST QUARTER CORNER OF SAID SECTION 5; THENCE S89°11'13"W ALONG THE QUARTER SECTION LINE 338.90 FEET; THENCE S0°18'49"E 2650.65 FEET TO THE SOUTH LINE OF SECTION 6; THENCE S88°47'12"W ALONG THE SECTION LINE 338.59 FEET; THENCE N0°34'16"W 14.13 FEET TO THE NORTH LINE OF THAT REAL PROPERTY DESCRIBED IN DEED ENTRY NO. 38786:2012 IN THE OFFICIAL RECORDS OF THE UTAH COUNTY RECORDER; THENCE S89°58'54"W 641.60 FEET TO THE NORTHWEST CORNER

OF THAT REAL PROPERTY DESCRIBED IN DEED ENTRY NO. 64690:2016 IN THE OFFICIAL RECORDS OF THE UTAH COUNTY RECORDER; THENCE S0°01'06"E 27.52 FEET TO THE SOUTH LINE OF SAID SECTION 6; THENCE S88°47'12"W ALONG THE SECTION LINE 28.70 FEET TO THE EAST LINE OF THAT REAL PROPERTY DESCRIBED IN DEED ENTRY NO.

4258:1959 IN THE OFFICIAL RECORDS OF THE UTAH COUNTY RECORDER; THENCE S1°12'48"E ALONG SAID REAL PROPERTY 70.90 FEET TO THE NORTH LINE OF THAT REAL PROPERTY DESCRIBED IN DEED ENTRY NO. 153220:2002 IN THE OFFICIAL RECORDS OF THE UTAH COUNTY RECORDER; THENCE S52°40'18"W ALONG SAID REAL PROPERTY 215.65 FEET TO THE SOUTH LINE OF THAT REAL PROPERTY DESCRIBED IN DEED ENTRY NO. 4258:1959 IN THE OFFICIAL RECORDS OF THE UTAH COUNTY RECORDER; THENCE ALONG SAID REAL PROPERTY THE FOLLOWING TWO (2) COURSES: S88°47'12"W 1147.95 FEET TO THE QUARTER SECTION LINE; THENCE N0°22'46"W ALONG THE QUARTER SECTION LINE 198.02 FEET TO THE POINT OF BEGINNING.

CONTAINS: ±916.68 ACRES



**Exhibit B**  
**Development Property Legal Description and Map**

**DESCRIPTION OF THE LAND**

Real Property Located in Utah County, State of Utah, described as:

Parcel 1 (Tax ID No. 29-050-0093):

Beginning 20 chains North and 0. 50 of a chain East of the Southwest corner of the Northeast quarter of Section 6, Township 9 South, Range 3 East, Salt Lake Base and Meridian; thence East 9. 5 chains; thence South 3. 50 chains; thence West 3. 33 1/3 chains; thence South 3 chains; thence East 3. 33 1/3 chains; thence South 3. 50 chains; thence West 9. 5 chains; thence North 10 chains to the place of beginning.

LESS AND EXCEPTING therefrom that portion contained within that certain Fence Line Agreement recorded July 15, 1999 as Entry No. 80651 in Book 5152 at Page 846, being more particularly described as follows:

Beginning at a fence corner on the East of Utah County Road 400 East, said point being South 216.29 feet and East 38.27 feet according to Utah Coordinate Bearings Central Zone from the North Quarter corner of Section 6, Township 9 South, Range 3 East, Salt Lake Base and Meridian; thence South 89 degrees 59'42" East along a fence 418.36 feet to a fence corner; thence North 00 degrees 51'17" West along a fence 201.04 feet to a fence corner on the South line of Utah County Road 8800 South (aka POWERHOUSE ROAD); thence North 89 degrees 22'43" East along a fence on said South line of 8800 South 240.11 feet to a fence corner; thence departing said South line of 8800 South, South 00 degrees 10'46" East along a fence 205.42 feet to a fence corner; thence South 00 degrees 54'23" East along a fence 406.38 feet; thence South 00 degrees 33'37" East along a fence 695.82 feet to a fence corner; thence South 89 degrees 09'38" West along a fence 662.131 feet to a fence corner on the East side of Utah County Road 400 East; thence North 00 degrees 22'27" West along said road 1113.66 feet to the point of beginning.

Parcel 2 (Tax ID No. 29-050-0049):

Commencing at the center of section 6, Township 9 South, Range 3 East of the Salt Lake Meridian; thence East 10 chains; thence North 10 chains; thence West 10 chains; thence South 10 chains to the place of beginning.

Parcel 3 (Tax ID No. 29-050-0113):

Commencing 10 chains West of the Northeast corner of the Southeast quarter of Section 6, Township 9 South, Range 3 East of the Salt Lake Base and Meridian; thence South 6.66 2/3 chains; thence West 30 chains; thence North 6.66 2/3 chains; thence East 30 chains to the place of beginning.

And Commencing at the Southeast corner of the Southwest quarter of the Northeast quarter of Section 6, Township 9 South, Range 3 East, Salt Lake Base and Meridian; thence West 10 chains; thence North 13.50 chains; thence West 3 1/3 chains; thence North 3 chains; thence East 3 1/3 chains; thence North 23 1/2 chains; thence East 363 feet; thence South 616.5 feet; thence East 297 feet; thence South 2023.5 feet to the point of beginning.

LESS AND EXCEPTING therefrom that portion contained in the Boundary Line Agreement Quitclaim Deed recorded November 9, 2015 as Entry No. 101395:2015 and corrected by Affidavit recorded January 8, 2016 as Entry No. 1777:2016, and being more particularly described as follows:

A parcel of land, situate in the East Half of Section 6, Township 9 South, Range 3 East, Salt Lake Base and Meridian, more particularly described as follows:

Beginning at the Southeast Corner of said Section 6, and running: thence South 88°46'58" West 677.53 feet along the Section line; thence North 0°34'29" West 2630.01 feet to and along a long-established wire fence, crossing the Salem Canal, to a corner of said fence; thence North 88°42'01" East 35.58 feet along said fence line, to another corner thereof; thence North 0°32'11" West 1339.41 feet along and past the end of said fence line, to its extended intersection with the extension of another fence line; thence North 89°14'02" East 656.67 feet to, along, and past the end of said fence line, to the measured Section line; thence South 0°24'40" East 1316.18 feet along said Section line, to and along another existing fence line, more or less, to the East Quarter Corner of said Section 6; thence South 0°19'03" East 2648.31 feet along the Section line, also following, more or less, another existing fence line, to the Point of Beginning.

Parcel 4 (Tax ID No. 29-050-0111):

Beginning at the South 1/4 corner to Section 6, Township 9 South, Range 3 East, of the Salt Lake Base and Meridian; thence East along the section line 33.0 feet; thence North and parallel to the quarter section line 2,200.0 feet; thence East and parallel to the South Section line 1975.0 feet more or less to a point that is 660 feet West of the East Section line to Section 6; thence South and parallel to the East Section line to Section 6, 2,200.0 feet to the South line to Section 6; thence West along the South line to Section 6, 688.0 feet; thence South 198.0 feet; thence West and parallel to the Section line 1,320.0 feet; thence North 198.0 feet to the 1/4 corner which is the point of beginning.

LESS AND EXCEPTING therefrom that portion contained in that certain Warranty Deed recorded April 14, 1976 as Entry No. 8567 in Book 1469 at Page 268, and being more particularly described as follows:

Commencing at a Point along the Section Line 1322.29 feet (S 89° 08' 54" W) and S 0° 51' 06" E 52.1 feet from the Northeast Corner of Section 7, T9S, R3E, SLB&M; thence S 0° 51' 06" E 145.9 feet; thence S 89°08' 54" W 200.0 feet more or less to the Center line of a road; thence N 53 ° 02' E along said Center line of road 247.55 feet more or less to the point of commencement.

ALSO LESS AND EXCEPTING therefrom that portion contained in the Boundary Line Agreement Quitclaim Deed recorded November 9, 2015 as Entry No. 101395:2015 and corrected by Affidavit recorded January 8, 2016 as Entry No. 1777:2016, and being more particularly described as follows:

A parcel of land, situate in the East Half of Section 6, Township 9 South, Range 3 East, Salt Lake Base and Meridian, more particularly described as follows:

Beginning at the Southeast Corner of said Section 6, and running: thence South 88°46'58" West 677.53 feet along the Section line; thence North 0°34'29" West 2630.01 feet to and along a long-established wire fence, crossing the Salem Canal, to a corner of said fence; thence North 88°42'01" East 35.58 feet along said fence line, to another corner thereof; thence North 0°32'11" West 1339.41 feet along and past the end of said fence line, to its extended intersection with the extension of another fence line; thence North 89°14'02" East 656.67 feet to, along, and past the end of said fence line, to the measured Section line; thence South 0°24'40" East 1316.18 feet along said Section line, to and along another existing fence line, more or less, to the East Quarter Corner of said Section 6; thence South 0°19'03" East 2648.31 feet along the Section line, also following, more or less, another existing fence line, to the Point of Beginning.

Parcel 5 (Tax ID No. 29-050-0112):

The West Half of the Southeast Quarter of the Northeast Quarter of Section 6, Township 9 South, Range 3 East, Salt Lake Base and Meridian. LESS AND EXCEPTING therefrom that portion contained in the Boundary Line Agreement Quitclaim Deed recorded November 9, 2015 as Entry No. 101395:2015 and corrected by Affidavit recorded January 8, 2016 as Entry No. 1777:2016, and being more particularly described as follows: A parcel of land, situate in the East Half of Section 6, Township 9 South, Range 3 East, Salt Lake Base and Meridian, more particularly described as follows:

Beginning at the Southeast Corner of said Section 6, and running: thence South 88°46'58" West 677.53 feet along the Section line; thence North 0°34'29" West 2630.01 feet to and along a long-established wire fence, crossing the Salem Canal, to a corner of said fence; thence North 88°42'01" East 35.58 feet along said fence line, to another corner thereof; thence North 0°32'11" West 1339.41 feet along and past the end of said fence line, to its extended intersection with the extension of another fence line; thence North 89°14'02" East 656.67 feet to, along, and past the end of said fence line, to the measured Section line; thence South 0°24'40" East 1316.18 feet along said Section line, to and along another existing fence line, more or less, to the East Quarter Corner of said Section 6; thence South 0°19'03" East 2648.31 feet along the Section line, also following, more or less, another existing fence line, to the Point of Beginning.

Parcel 6 (Tax ID No. 29-050-0110):

Commencing 1 rod South and 1 rod West of the Northeast corner of Section 6, Township 9 South, Range 3 East, Salt Lake Base and Meridian; thence South 20 chains; thence West 19.75 chains; thence North 20 chains; thence East 19.75 chains to beginning.

LESS AND EXCEPTING therefrom that portion contained in the Boundary Line Agreement recorded November 9, 2015 as Entry No. 101395:2015 and corrected by Affidavit recorded January 8, 2016 as Entry No. 1777:2016, and being more particularly described as follows:

A parcel of land, situate in the East Half of Section 6, Township 9 South, Range 3 East, Salt Lake Base and Meridian, more particularly described as follows:

Beginning at the Southeast Corner of said Section 6, and running: thence South 88°46'58" West 677.53 feet along the Section line; thence North 0°34'29" West 2630.01 feet to and along a long-established wire fence, crossing the Salem Canal, to a corner of said fence; thence North 88°42'01" East 35.58 feet along said fence line, to another corner thereof; thence North 0°32'11" West 1339.41 feet along and past the end of said fence line, to its extended intersection with the extension of another fence line; thence North 89°14'02" East 656.67 feet to, along, and past the end of said fence line, to the measured Section line; thence South 0°24'40" East 1316.18 feet along said Section line, to and along another existing fence line, more or less, to the East Quarter Corner of said Section 6; thence South 0°19'03" East 2648.31 feet along the Section line, also following, more or less, another existing fence line, to the Point of Beginning.

Parcel 7 (Tax ID No. 29-049-0002):

Commencing 0.25 of a chain South and 0.25 of a chain East of the Northwest corner of Section 5, Township 9 South, Range 3 East of the Salt Lake Base and Meridian; thence East 29.50 chains; thence South 9.23 chains; thence West 29.50 chains; thence North 9.23 chains to the place of beginning.

AND

Commencing 0.25 of a chain South from the Northwest corner of Section 5, Township 9 South, Range 3 East, Salt Lake Base and Meridian; thence East 0.25 of a chain; thence South 19.75 chains; thence East 29.50 chains, thence North 10.52 chains; thence East 22.6 feet; thence South 698.37 feet; thence West 1986.1 feet; thence North 1307.55 feet to the place of beginning.

Parcel 8 (Tax ID No. 29-049-0001):

Commencing 25 links South and 15 chains East of the Northwest corner of Section 5, Township 9 South, Range 3 East of the Salt Lake Base and Meridian; thence East 14.75 chains; thence South 9.23 chains; thence West 14.75 chains; thence North 9.23 chains more or less to the point of beginning.

Parcel 9 (Tax ID No. 29-049-0003):

Commencing 25 links East and 9.48 chains South of the Northwest corner of Section 5, Township 9 South, Range 3 East of the Salt Lake Base and Meridian; thence running East along the center of the U.S. R. S. Canal 29.50 chains; thence South 10.52 chains; thence West 29.50 chains; thence North 10.52 chains to the place of beginning.

Parcel 10 (Tax ID No. 29-049-0004 and 29-049-0016):

All of Lots 1 and 2 and the East 10.25 chains of Lot 3; the Southwest Quarter of the Northeast Quarter; and the West half of the Southeast Quarter, all in Section 5, Township 9 South, Range 3 East of the Salt Lake Base and Meridian.

LESS AND EXCEPTING all that portion contained in that certain Warranty Deed recorded 2, 1910 as Entry No. 3477 in Book 109 at Page 95, and being more particularly described as follows:

Beginning at the Northeast corner of Section five (5) Township nine (9) South, Range three (3) East Salt Lake Base And Meridian, and running thence South eighty eight (88) degrees, fifty-six (56) minutes and thirty (30) seconds West, one hundred two (102) feet (scaled) thence South forty (40) degrees, five (5) minutes and thirty (30) seconds West, four hundred thirty-six (436) feet (scaled) thence on a curved line having a radius of three hundred eighty six and fifty-seven one-hundredths (386.57) feet (the chord of which bears South twenty-five (25) degrees sixteen (16) minutes and thirty (30) seconds West) one hundred ninety-seven and seventy-two one-hundredths (197.72) feet; thence on a curved line having a radius of one hundred five and forty-nine one-hundredths (105.49) feet, the chord of which bears South twenty-three (23) degrees, twenty four (24) minutes and thirty (30) seconds West, forty-seven and twenty eight one hundredths (47.28) feet; thence, South thirty-six (36) degrees, twenty-one (21) minutes and thirty (30) seconds West five hundred fifty-three and five one-hundredths (553.05) feet; thence, on a curved line having a radius of two and fifty-seven one-hundredths (2.57) feet, the chord of which bears South forty-four (44) degrees, fifty-nine (59) minutes and thirty (30) seconds West, seventy-seven one-hundredths (0.77) feet; thence, South fifty-three (53) degrees, thirty-seven (37) minutes and thirty (30) seconds West, sixty-four and seventy-one one-hundredths (64.71) feet, thence on a curved line having a radius of three hundred eighty-six and fifty-seven one-hundredths (386.57) feet, the chord of which bears South forty-six (46) degrees, forty (40) minutes and fifteen (15) seconds West, ninety-three and sixty-one one-hundredths (93.61) feet; thence, South thirty-nine (39) degrees and forty-three (43) minutes West, three hundred fifteen (315) feet (scaled) thence, North eighty-eight (88) degrees, fifty-six (56) minutes and thirty (30) seconds East, two hundred sixty-four and ten one-hundredths (264.10) feet; thence North thirty-nine (39) degrees, and forty-three (43) minutes East, one-hundred forty (140) feet (Scaled); thence on a curved line having a radius of one hundred eighty-six and fifty-seven one-hundredths (186.57) feet, the chord of which bears North forty-six (46) degrees, forty (40) minutes and fifteen (15) seconds East forty-five and eighteen one-hundredths (45.18) feet; thence North fifty-

three (53) degrees, thirty-seven (37) minutes and thirty (30) seconds East, sixty-four and seventy-one one-hundredths (64.71) feet; thence on a curved line having a radius of two hundred two and fifty-seven one-hundredths (202.57) feet, the chord of which bears North forty-four (44) degrees, fifty-nine (59) minutes, and thirty (30) seconds East, Sixty and eighty-two one hundredths (60.82) feet; thence North thirty-six (36) degrees, twenty-one (21) minutes and thirty (30) seconds East, five hundred fifty-three and five one-hundredths (553.05) feet; thence, on a curved line having a radius of three-hundred five and forty-nine hundredths (305.49) feet, the chord of which bears North twenty-three (23) degrees, twenty-four (24) minutes, and thirty (30) seconds East, one-hundred thirty-six and ninety two one-hundredths (136.92) feet; thence, on a curved line having a radius of one-hundred eighty-six and fifty-seven one-hundredths (186.57) feet, the chord of which bears North twenty-five (25) degrees, sixteen (16) minutes and thirty (30) seconds East, ninety-five and forty-two one-hundredths (95.42) feet; thence North forty (40) degrees five (5) minutes and thirty (30) seconds East, three-hundred sixty (360) feet (scaled) thence North one-hundred ninety-seven and twenty-two one-hundredths (197.22) feet, to place of beginning.

Parcel 11 (Tax ID No. 29-049-0006):

Commencing 25 links East and 20 chains South of the Northwest corner of Section 5, Township 9 South, Range 3 East, Salt Lake Base and Meridian; thence East 29.50 chains; thence North 10.52 chains; thence East 22.6 feet; thence South 698.37 feet; thence West 1969.6 feet; thence North 4.05 feet to the place of beginning.

And

The South half of the Northwest quarter and the West half of the Southwest quarter of Section 5, Township 9 South, Range 3 East, Salt Lake Base and Meridian.

LESS AND EXCEPTING from the above described property the following:

Beginning at the Southwest corner of Section 5, Township 9 South, Range 3 East, Salt Lake Base and Meridian, and running thence North 393.5 feet to the South side of the Salem Canal right of way; thence along the said canal right of way North 79° East 142.0 feet; thence North 45°30" East 206.0 feet; thence North 81°30" East 115.0 feet; thence South 583.7 feet to the North side of an East-West road; thence along the North side of said road South 89°45' West 400.0 feet to the place of beginning.

Parcel 12 (Tax ID No. 29-049-0012):

Commencing at the Northwest Corner of the Northeast Quarter of the Southwest Quarter of Section 5, Township 9 South, Range 3 East, Salt Lake Base and Meridian; and running thence South 5 chains; thence East 20 chains; thence North 5 chains; thence West 20 chains to the point of beginning.

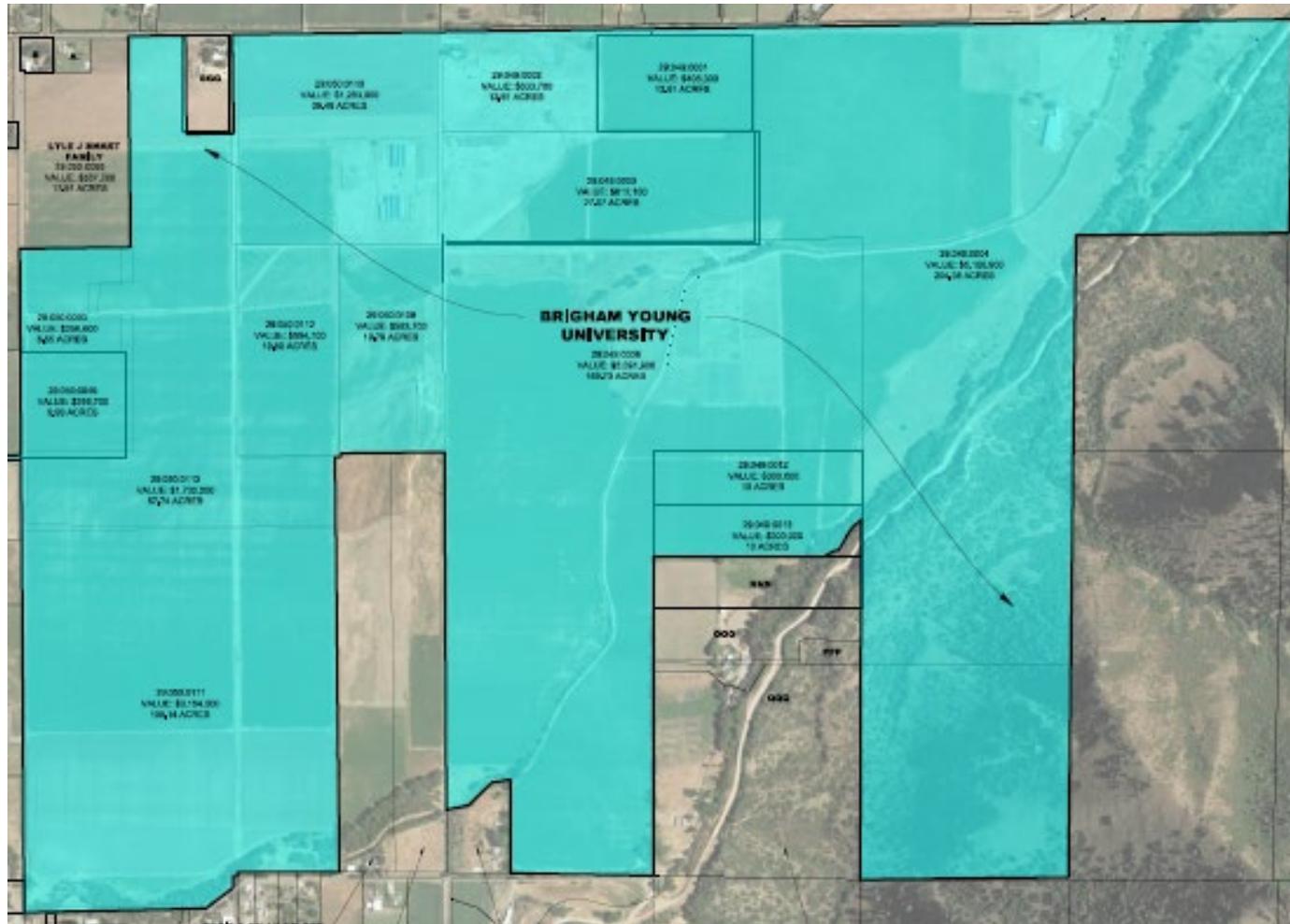
Parcel 13 (Tax ID No. 29-049-0013):

Commencing 5 chains South of the Northwest Corner of the Northeast Quarter of the Southwest Quarter of Section 5, Township 9 South, Range 3 East, Salt Lake Base and Meridian; and running thence South 5 Chains; thence East 20 chains; thence North 5 chains; thence West 20 chains to the point of beginning.

Parcel 14 (Tax ID No. 29-050-0108):

A portion of the Northeast 1/4 of Section 6, Township 9 South, Range 3 East, of the Salt Lake Base and Meridian described as follows:

Beginning at the East 1/4 Corner of Section 6, Township 9 South, Range 3 East, of the Salt Lake Base and Meridian; thence South 89°11'13" West along the Quarter Section line 653.80 feet to an existing fence line as described in that Boundary Line Agreement recorded November 9, 2015 as Entry No. 101395:2015 and corrected by Affidavit recorded January 8, 2016 as Entry No. 1777:2016; thence along said Boundary line Agreement the following three (3) courses: North 00°31'58" West 1316.75 feet; thence North 89°14'15" East 656.67 feet to the Section Line; thence South 00°24'27" East along the Section Line 1316.18 feet to the point of beginning.  
LESS THE CANAL.





**Exhibit C**  
**Viridian Farm Conceptual Land Use Plan**

# VIRIDIAN FARM

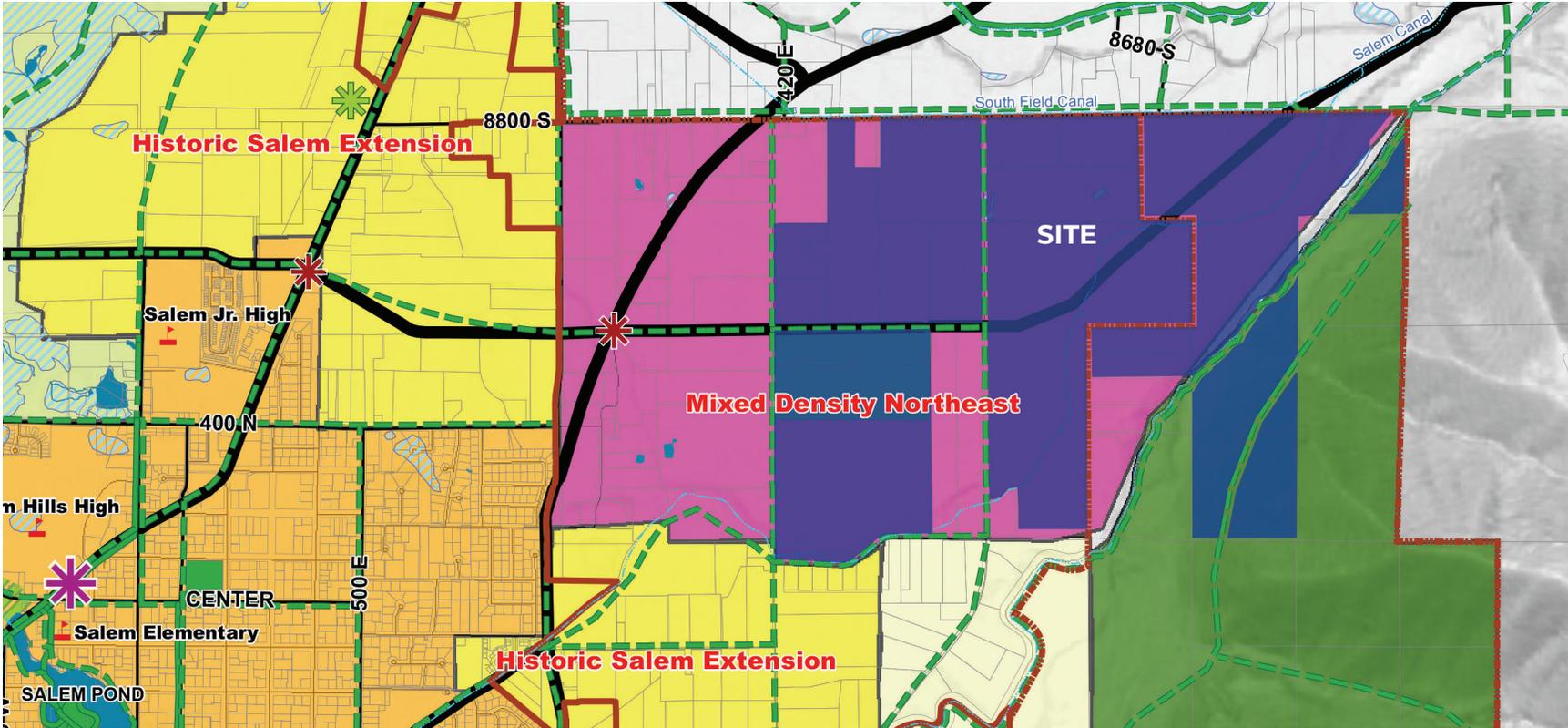
UTAH DIVISION  
**D·R·HORTON®**  
*America's Builder*



**ANNEXATION/ZONING**

Viridian Farm is a 700+ acre piece of land consisting of several parcels that all lie in the Mixed Density Northeast Area according to the city's General Future Land Use Map. It is proposed that this area be annexed into Salem City and be given the designation of a Master Planned Zone.

**FUTURE LAND USE PLAN**



Images are representational only. Photographs of amenities are for illustration purposes only. Actual amenities are subject to change at any time without notice or obligation.

# PROPOSED LAND USE

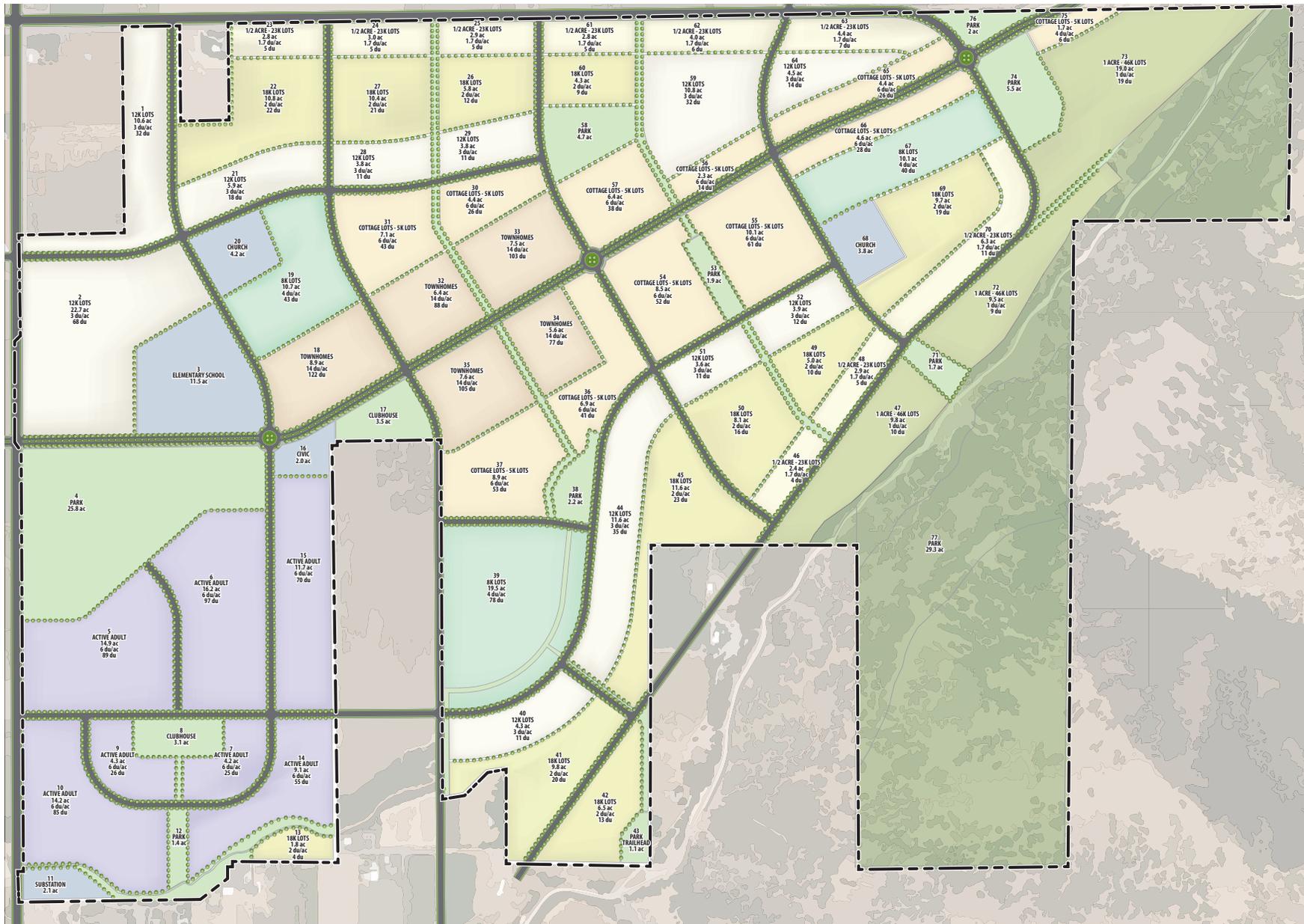
## DEVELOPMENT SUMMARY

Land Use	Acres	DU/AC	Max Units	% of Total
1-Acre Lots	38.3	1	37	5%
1/2-Acre Lots	31.5	1.7	53	4%
Estate Lots	83.8	2	168	11%
DR Horton Plus Lots	85.5	3	255	12%
DR Horton SF Lots	40.3	4	161	6%
Cottage Lots*	65.2	6	387	9%
Active Adult*	74.6	6	448	10%
Townhomes*	36	13.8	495	5%
Public City Parks/Trails	84.5			12%
Public City Native Open Space	93.4			13%
Private / HOA Parks (Estimated)	35			5%
Churches	8			1%
School	11.4			2%
Substation	2			0%
Civic	2.1			0%
Main Roads	37.2			5%
<b>Totals</b>	<b>728.8</b>		<b>2004</b>	

**Total Units Per Acre 2.75**

Open Space % Based on City Code - 22%

\* The acreage on this land use already has the internal parks acreage deducted.



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\* N.I.C = Not Included