October 23, 2023 **CONFIDENTIAL**

Viridian Farm Public Infrastructure District No. 1
C/o Jeff Stephenson
12351 S Gateway Park
Draper, UT 84020
801.558.4355

Sent via email: Mr. Jeff Stephenson: jastephson@drhorton.com

Cc: Mr. Tom Wynne, Wells Fargo: tom.wynne@wellsfargo.com

Subject: Viridian Farm Public Infrastructure District No. 1 Market Study and Competitive Market Area Analysis specific to the area in Salem, within Utah County, Utah

Dear Metropolitan District Representative(s),

Zonda Advisory, a Delaware limited liability company ("Zonda Advisory" or "we"), is pleased to present this agreement (this "Agreement") to provide quantitative real estate research services (this "Agreement") to Viridian Farm Public Infrastructure District No. 1 ("Client," or "you").

This Agreement contains seven sections:

1. Background and Objectives
2. Scope of Work
3. Deliverables and Timing
4. Experience
5. Fee Requirements
6. Terms and Conditions
7. Acceptance

1. BACKGROUND AND OBJECTIVE

The goal of this research is to provide the Client with an assessment of the competitive position of the future planned parcels within the District for the Viridian Farm community, marketed under the name 'Viridian', within the context of the local housing market, home prices by product segment, and a build-out model forecast of home absorption over time. District No. 1 will focus on the planned 1,770 total units.

Zonda Advisory will evaluate the proposed residential program for home closings starting in 2024 ("the District") within the larger community. The study will specifically review the District's anticipated total of 1,770 for-sale single-family attached and detached units within the following program:

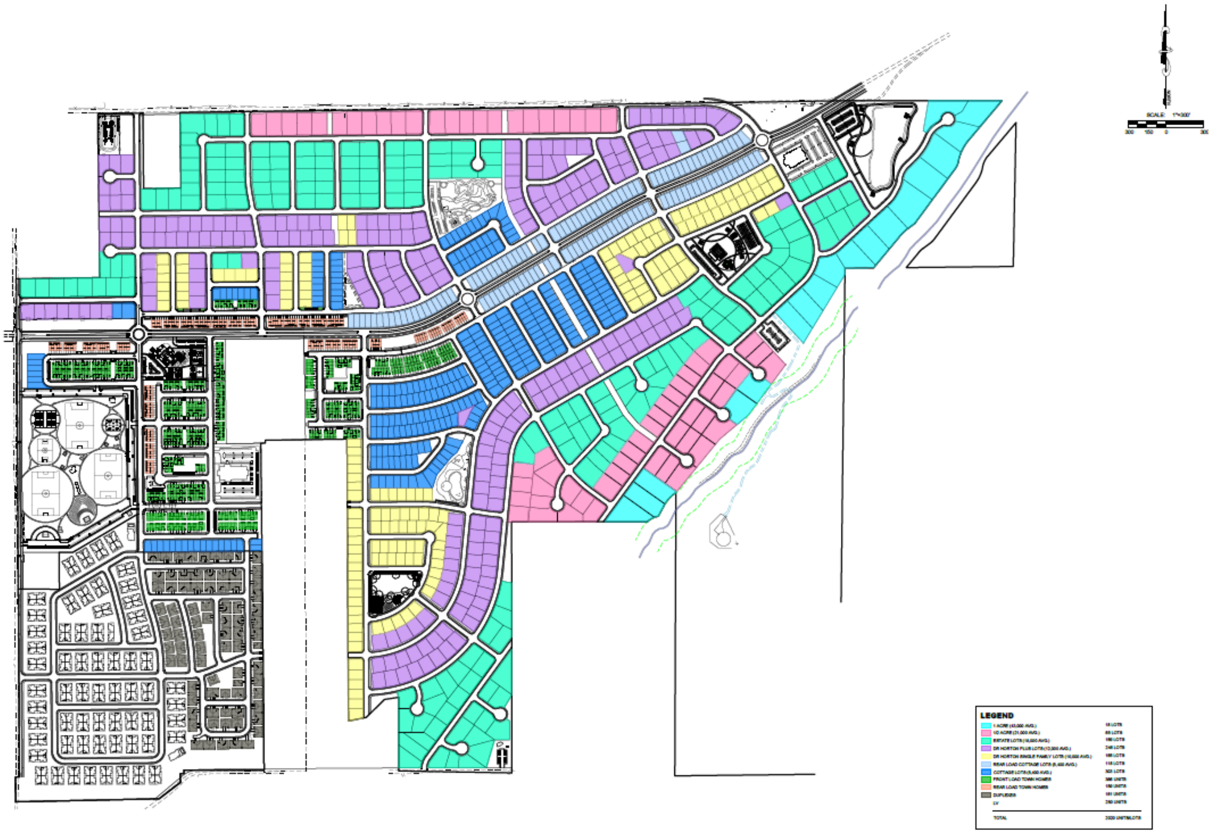


Table-2: For-Sale / For-Rent Detail (Required Assumptions)

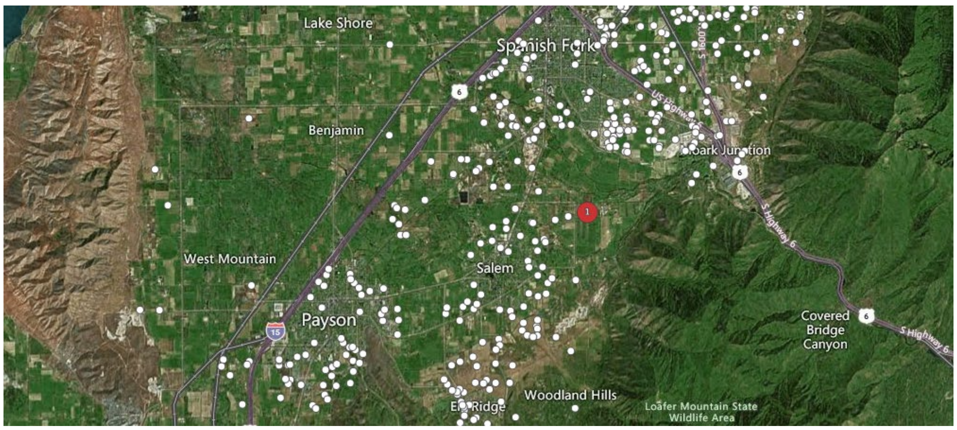
District No.	Filing No. / PA	Name	Product / Lot Size	Builder (LOI, Contract, etc)	Collection (or Fin Sq. Ft.)	District Lots	Home-Lot Status (3Q23 Survey)				Timing Assumptions (provided)		
							Homes Completed	Homes Under Construction	Vacant Developed Lots	Future Lots	District Finished Lots Ready	District Planned Home Closings	District Target Price ($)
1	1		Duplexes	TBD	N/A	161	0	0	0	161	Summer 2024	Nov-24	N/A
1	1		Townhomes - Front	TBD	N/A	159	0	0	0	159	Summer 2024	Nov-24	N/A
1	1		Townhomes - Rear	TBD	N/A	366	0	0	0	366	Summer 2024	Nov-24	N/A
1	1		Cottages (5,400 Lots)	TBD	N/A	303	0	0	0	303	Summer 2024	Nov-24	N/A
1	1		Cottages - Alley (5,400 Lot)	TBD	N/A	118	0	0	0	118	Summer 2024	Nov-24	N/A
1	1		10,000 Lots	DR Horton	N/A	165	0	0	0	165	Summer 2024	Nov-24	N/A
1	1		12,000 Lots	DR Horton	N/A	246	0	0	0	246	Summer 2024	Nov-24	N/A
1	1		Estate - 18,000	TBD	N/A	169	0	0	0	169	Summer 2024	Nov-24	N/A
1	1		1/2 Acre - 21,000	TBD	N/A	65	0	0	0	65	Summer 2024	Nov-24	N/A
1	1		1 Acre - 43,000	TBD	N/A	18	0	0	0	18	Summer 2024	Nov-24	N/A
					Total	**1,770**	**0**	**0**	**0**	**1770**			
					Sub-Total:	0	0	0	0	0			
					For-Sale Residential:	**1,770**	**0**	**0**	**0**	**1,770**			
					For-Rent Residential:	**0**	**0**	**0**	**0**	**0**			
					Total Units:	**1,770**	**0**	**0**	**0**	**1,770**			

Note: Information provided by the District as of 10/17/2023.

In order to do this, Zonda Advisory will evaluate the Competitive Market Area for housing demand, active and future lot supply, and new home competition to determine the likely pace of absorption for the existing and proposed product. This will include a forecast for the broader Market, in light of today's current and expected economic and housing market conditions.

The analysis will involve field research and a compilation of Zonda statistical data and other economic information. The proposed market analysis report is a condensed version of our more detailed market study, **in coordination with Special District Public Finance teams, specifically for infrastructure districts**, to include approximately 10-15 pages of written narrative commentary in an Executive Summary format with appropriate illustrations and tables, and an Appendix at the end of the report.

The district area is located Salem, within Utah County. The following map(s) illustrate the Subject Property's location:



Source: Zonda Satellite, Zonda Advisory[1]

2. SCOPE OF WORK

Zonda Advisory's role is to provide an independent, third-party opinion on the local economy, housing market, and strategies based on our proprietary data, lot survey, and local market knowledge. Our analysis will be guided by local market dynamics, but also by current and projected economic trends, as well as the nature of the Subject Property itself, its characteristics, and surrounding uses. The following is a summary of the analysis that will be conducted to provide an up-to-date market perspective.

<u>Analysis of the Regional, and Local Markets</u>

- Research and discuss influences of current conditions in the local economy.
- Regional economic and demographic trends.
- Population and household growth trends and projections for both the Market and local competitive area.
- Employment and job growth trends.
- Income categories and trends for both the Market and local competitive area.
- Migration trends within the County.

[1] Any above image not supplied by Client is: Copyright, Zonda Advisory and/or its licensors. Neither Client nor any Representative (as defined below in this Agreement) thereof may copy, distribute, share, publish, reuse or repurpose any such image without Zonda Advisory's prior written consent.

- Any additional factors that may influence a buyer's ability to make a purchase will also be discussed.

Local Area and Site Analysis

- Review all relevant material (e.g., site plans, conceptual drawings, prior market studies, pertinent agreements, etc.)

- Zonda Advisory will physically inspect the property and chronicle its surrounding land uses, such as proximity to retail and services, access, mobility, schools, and employment centers.

- Discuss the strengths and weaknesses of the subject site location.

- Define the CMA and describe the boundary of this area with an illustrative map, which will include all the active and new residential subdivisions, including details on each project.

Analysis of the For-Sale Housing Competitive Market Area

- Provide a housing snapshot for the last three years comparing the Market and CMA, in terms of housing construction, inventory of homes and home sales of both new and resale homes, segmented by detached and attached type and price.

- Review the historical and current supply of vacant developed lots in the CMA segmented by size, product type and price.

- Evaluate the supply of future lots in the CMA and the competitive influence they will have if and when they are delivered into the market.

- Analyze home sales activity for both new and resale homes and provide average pricing and square footage for each.

- Prepare a *Competitive Community Analysis*, which will include all relevant information such as a project description, number of lots, lot sizes, active builders, and historical sales rates. Zonda Advisory will physically inspect these communities.

- Prepare a price-positioning analysis of targeted price segments (recommended) for each product against new base price, new home closings, and the resale market segments.

- Collect and analyze competitive lot premiums and options/upgrades within the CMA.

- Review deed transactions for the Subject Property (if available) and competitive projects to further examine closing price values.

Conclusions and Recommendations

- Evaluate the current developed and future lot supply of comparable projects to determine percent built-out and how long each community will potentially compete with the Subject Property. A Lanterns absorption model within the construct of an **overall CMA build-out model** will be provided, looking forward approximately five-to-ten years.

- An additional **demand analysis model** is then also provided through the length of the build-out model, measuring the levels of potential demand at several rates of CMA market capture growth over time within the forecast of the Market.

- Offer Zonda's conclusions about the marketability of the proposed plan, opportunities and constraints, and summary of any lessons learned in comparable environments.

- Provide conclusions based on client provided product type for competitive positioning, any alternative recommendations based on product type, size, and/or price point segmentation.

- Present any key marketing considerations in today's environment.

3. DELIVERABLES AND TIMING

Our research will be presented in a concise, presentation-style market report (the "Report," which term includes any drafts and the final thereof) that includes both written findings and key illustrative exhibits such as trend graphs, positioning charts, maps, photos, etc.

Understanding the Metropolitan District's schedule of events and Zonda Advisory's current commitments, Zonda Advisory will anticipate **delivery of a draft of the Report within 4 to 5 weeks of written approval and receipt of the deposit (<u>and your compliance with your other obligations hereunder</u>)**. Should Zonda Advisory be able to begin work and complete the draft study earlier than this timeline, we will notify Client and do so.

<u>All final start and completion times will be finalized upon the execution of this agreement.</u>

The Report is intended for use only by Client and, subject to the other terms and conditions of this Agreement, Client's Representatives (as used herein, "Representative" means, with respect to any party hereto, such party's parent, subsidiaries, affiliates, employees, independent contractors, agents, financing sources and investors, provided, however, that with respect to Client's Representatives, the term Representative shall not include any of the foregoing that are competitive with Zonda Advisory). Use of any Report (or any portion or content thereof) by others is not intended by Zonda Advisory and Client will need to gain prior written approval from Zonda Advisory before sharing, in whole or in part, any, Report (including any data, photographs, images, or other content or reflected therein) with any other person not specifically identified in this Deliverables and Timing section as having a right to have access to the Report. Further, Client agrees that it and each Representative is prohibited from copying (except solely for Client's internal business purposes), making derivative works (defined as any work that contains any portion of any Report, including collections, compilations, subsets or portions of the data from any Report) of selling, sublicensing, renting, timesharing, loaning, leasing or distributing any Report, without Zonda Advisory prior written approval. As between Zonda Advisory and Client, any and all drawings, photographs, images, animations, other creative works and the like in the Report or this Agreement are the sole property of Zonda Advisory and its licensors.

Zonda Advisory understands this finalized work product will be included within a bond offering document by the Metropolitan District for consideration by those making financial decisions.

4. EXPERIENCE

Zonda Advisory is qualified to assist you with this assignment. We believe in providing high quality service to our clients, and our team understands these assets and the competitive market. We are experienced throughout the United States, having completed numerous studies over the last 30 years.

Our team includes the following:

Tim Sullivan, Senior Managing Principal. Mr. Sullivan is an expert in residential feasibility studies, strategic planning and product development and has conducted market analyses all over the United States in his 38 years of experience in the Real Estate Industry.

Evan Forrest, Vice President. Mr. Forrest has over 18 years in the real estate industry. Mr. Forrest has sourced, developed, performed feasibility analysis, and positioned real estate (residential, commercial, retail, industrial, etc.) throughout the country, as well as assisted with capital raises and expert witness cases.

Other resources may be added to the team as necessary to meet the objectives of this Agreement, Including the timing constraints under this Agreement.

5. FEE REQUIREMENTS

Professional Fees. The professional fees for the scope of work under this Agreement are **$16,000**. Such fees include one initial kickoff call and one summary call after delivery of the report to review findings, if requested. If needed, one draft revision with consideration of district, developer, underwriter, and counsel comments and/or minor edits and clarifications to assumptions related to development timeline is also included. Any follow-up work including any further edits, revised product, or development timelines following the first draft revision will be subject to additional billing at a starting revision fee of 10% of the total fee per draft revision requested. Additional meetings will be billed at our standard hourly rates. Major revisions to product offering analysis and/or timeline assumptions will require an updated study proposal addendum and charges will be determined by Zonda Advisory at the time of request.

Should delays in the District's bond schedule for the metropolitan district occur with enough time passing between the completion of the market study and the District's offering and close that requires an updated market study/refresh (typically determined in coordination with the Special District Public Finance team underwriter), a new addendum proposal and signed agreement will be required. Additional charges will be determined by Zonda Advisory, and based on the amount of development site changes, market conditions, and/or length of time between analyses.

Direct Expenses. Zonda Advisory will be reimbursed for all out-of-pocket costs, including but not limited to travel, mileage, copies and data costs.

Non-Itemized Administrative Fee. Client also will be charged and responsible for an administrative fee equal to 4% of the professional fees hereunder.

Initial Payment. Upon execution of this Agreement, Zonda Advisory requires from Client a payment equal to 50% of the above-specified estimated professional fees to begin work.

Balance Invoice. Zonda Advisory will submit an invoice for the balance due for the professional fees plus expenses and the non-itemized administrative fee. This balance invoice is due upon delivery of the first draft Report and is in no way contingent on the closing of the District. Any delay or inaccurate information provided by the Client that causes additional analysis or additional work that is outside the scope of this engagement, if any, will be billed separately at Zonda Advisory's then current rates.

Payments, etc. Except as otherwise expressly provided in the above Balance Invoice paragraph, payment will be due upon receipt of invoice. Zonda Advisory reserves the right to charge up to 1.5% interest per month (or, if less, the maximum rate permitted by applicable law) on any outstanding invoices not paid within 30 days of the invoice date. Upon demand, Client shall reimburse Zonda Advisory for its costs of collection, including reasonable attorneys' fees and, where lawful, collection agency fees. Payment by Client of Zonda Advisory's fees and expenses is not any way contingent upon any factor.

Termination Prior to Research Completion. If for some reason the Client decides to end this engagement before completion, upon written notification, Zonda Advisory will stop work immediately and bill for work completed to date.

6. OTHER TERMS AND CONDITIONS

Cooperation; No Guarantees or Warranties. Client is responsible for timely, accurately and completely providing Zonda Advisory with all material information known to Client or any of its Representatives (including, without limitation, regarding Client's plans and expectations) that reasonably could be expected to affect our services under this Agreement, the Report, any other Work Product or the realization of results projected in the Report or any other Work Product. No guarantee, representation or warranty is made regarding the Report, any other Work Product or any result or outcome projected in any of the foregoing, and there will usually be differences between projected and actual results and outcomes, and the differences may be material. We have no responsibility to update the Report or any other Work Product for, among other things, (a) events and circumstances occurring after the date of the Report or such other Work Product, or (b) any information not actually known to us when preparing such Report or other Work Product. The Report and all other Work Product are provided "as-is", and Zonda Advisory expressly disclaims any and all representations and warranties, whether express, implied or statutory, regarding any Work Product (including the Report) or any of the services under this Agreement, including, without limitation, the implied warranties of merchantability and fitness for a particular purpose.

Indemnification. Notwithstanding anything to the contrary in this Agreement, including the Limitations of Liability section below, Client shall, at Its own expense, indemnify and hold harmless Zonda Advisory and its affiliates from and against: (a) any and all third party claims and allegations relating to or arising from the Report or any other Work Product (provided that the claim or allegation at issue is made or asserted by any third party who has or obtains knowledge of the Report or such other Work Product directly or indirectly as a result of any act or omission of Client or any of its Representatives); and (b) in relation to any such claim or allegation, any and all liabilities, losses, damages, costs and expenses (including attorneys' fees and expert fees) that Zonda Advisory or any of its affiliates incurs or suffers or to which Zonda Advisory or any of its affiliates becomes subject.

Limitations of Liability. In no event shall Zonda Advisory or any of its parents, subsidiaries, affiliates, directors, officers, employees, contractors, agents, licensors and suppliers (collectively, the "Research Group") be liable, whether based in tort, contract, or otherwise, for any of: (a) indirect, special, incidental, reliance, consequential (including lost profits or revenue), exemplary, punitive, loss or similar damages arising out of or relating to this Agreement, any services rendered by Zonda Advisory under this Agreement, the Report, any other Work Product or any other subject matter of this Agreement, even if Zonda Advisory has been apprised of the possibility thereof; and (b) damages, including but not limited to attorneys' fees, exceeding, in the aggregate for all claims arising out of or relating to (i) this Agreement, (ii) any services rendered by Zonda Advisory under this Agreement, (iii) the Report, (iv) any other Work Product or (v) any other subject matter of this Agreement, the total professional fees paid by Client and received by Zonda Advisory pursuant to this Agreement. It is further understood and agreed that the Research Group shall not be liable for any claim in the event that Zonda Advisory is not: (A) notified promptly by Client upon Client becoming aware of the existence of such claim, and (B) given a reasonable opportunity to cure or mitigate such claim if possible. It is understood and agreed that this Limitations of Liability paragraph shall survive the termination of this Agreement and Zonda Advisory's engagement under this Agreement. The foregoing limitations shall apply notwithstanding any failure of essential purpose of any remedy.

Confidentiality. Neither party to this Agreement shall advertise, market or otherwise disclose or make known to any other person (except such party's Representatives) any of the other party's non-public information (as defined below), and each party to this Agreement shall use (and shall ensure that its Representatives use) the other party's non-public information only for such first party's receipt of benefits and performance of obligations under this Agreement; provided that if a party to this Agreement discloses any such non-public information of the other party to any of the first party's Representatives, then such first party shall do so only on a need to know basis to such Representatives who are bound in writing or by applicable law by obligations of confidentiality no less restrictive than those set forth in this paragraph. In furtherance of the preceding sentence, this Agreement and its terms and conditions (including any pricing and payment information) are the non-public information of Zonda Advisory. Notwithstanding the foregoing provisions of this paragraph or anything else, Client grants Zonda Advisory permission to: (i) disclose the fact that Client is Zonda Advisory's client orally or in writing to third parties of Zonda Advisory' choosing; (ii) include Client's name and logo on any client list to appear on any websites of Zonda Advisory or any of its affiliates; and (iii) include Client's name and logo on any client list to appear in presentations to be given to Zonda Advisory's current or prospective clients. As used in this Agreement, in respect of any particular party to this Agreement, the term "non-public information" means any of such party's information, or that of any of its affiliates, suppliers, vendors, licensors, contractors and employees, in any case that is not generally available to the public; provided that, if any of such information of a party becomes publicly available due to the fault (including breach of this Agreement) of the other party or any of its parents, subsidiaries, affiliates, employees, consultants, agents, representatives, financing sources and investors, then such information nonetheless shall be deemed the first party's non-public information for the purposes of this Agreement. Client acknowledges and agrees, notwithstanding anything to the contrary in this Confidentiality section, that Client's rights under this Confidentiality section are subject to the obligations the restrictions imposed on Client under the above Deliverables and Timing section.

Relationship of Parties. Zonda Advisory shall serve as an independent contractor to Client, and under no circumstances shall Zonda Advisory be, or be deemed to be, a partner, agent, servant, joint venturer, distributor or employee of Client in relation to this Agreement or performance under this Agreement.

Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of California, without reference to conflict of law principles.

Entire Agreement. etc. This Agreement sets forth the entire agreement and understanding of Zonda Advisory and Client regarding the subject matter of this Agreement and supersedes any and all prior and contemporaneous agreements and understandings between the parties with respect to such subject matter. No amendment, modification or waiver of any of the terms and conditions of this Agreement shall be valid and binding unless agreed to in a writing signed by Zonda Advisory and Client that states that it is such an amendment, modification or waiver. A waiver of any specific term of this Agreement shall not be deemed to constitute a waiver of any other term of this Agreement, nor shall a waiver of any one or more occasions be deemed to imply or constitute a waiver of the same or any other term on any other occasion. Client may not assign or delegate this Agreement, in whole or in part, whether by operation of law or otherwise, without the prior written consent of Zonda Advisory.

Severability. Wherever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

Enforceability. This Agreement has been duly executed and delivered by each of Zonda Advisory and Client and constitutes the legal, valid and binding obligations of each of Zonda Advisory and Client enforceable against each of Zonda Advisory and Client in accordance with the terms of this Agreement, subject to applicable bankruptcy, insolvency and similar laws affecting the rights of creditors generally, and general principles of equity.

Construction. All gender references used in this Agreement include all genders, and the singular will include the plural and the plural will include the singular whenever and as often as may be appropriate. The words “include” and “including,” and other words of similar import when used in this Agreement will not be deemed to be terms of limitation but rather will be deemed to be followed in each case by the words “without limitation.” Headings and captions are for convenience only and are not to be used in the interpretation of this Agreement. No provision of this Agreement shall be construed against a party by reason of the fact that such party or its legal counsel drafted that provision, notwithstanding any rule of law or any legal decision to the contrary.

No Third-Party Beneficiaries. Client agrees that, subject to the Indemnification section above, there are no third party beneficiaries of, to or under this Agreement, the Report or any other Work Product, and that nothing, express or implied, in or from this Agreement, the Report or any other Work Product is intended to or shall confer upon any person, other than the named parties to this Agreement and their successors and permitted assigns, any right, benefit or remedy of any nature whatsoever, under or by reason of this Agreement or the Report or any other subject matter of this Agreement. For the benefit of Zonda Advisory, Client shall ensure that its Representatives are aware of, agree to and are bound by this paragraph.

Notices. All notices, requests, demands and other communications to be given or delivered by or on behalf of a party under or by reason of this Agreement to the other party to this Agreement will be in writing and addressed to any mailing or email address of the noticed party specified below (or such other address or number as specified by such party and noticed to the other party in accordance with this Notices section:

If to Zonda Advisory: Attn.: CFO and Legal Department
4000 MacArthur Blvd., Suite 400

Newport Beach, California 92660
AR-advisory@zondahome.com

If to Client: To the mailing or email address set forth below Client's signature on the signature page to this Agreement.

Notices, requests, demands and other communications sent in accordance with this Notices section will be deemed effectively given: (i) when received, if delivered by hand; (ii) when received, if sent by a nationally recognized overnight courier; (iii) if sent by email (with confirmation of transmission), on the next business day (federal holidays and weekends excluded); and (iv) on the fifth (5th) day after the date mailed, if mailed by certified or registered mail, return receipt requested, postage prepaid.

Survival. No termination or expiration of this Agreement shall relieve either party to this Agreement of any payment or other obligation that has accrued at or prior to the time of termination or expiration. In addition, (a) Section 3 (Deliverables and Timing), and (b) this Section 6 (Other Terms and Conditions, including all subsections), shall survive any termination or expiration of this Agreement.

Counterparts; Signatures. This Agreement and any amendments, waivers or supplements to this Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original. Facsimile copies of signatures, however delivered (including, without limitation, via email), shall be deemed equally binding as originals.

7. ACCEPTANCE

We look forward to working with you. The signed Agreement may be sent via e-mail or can be mailed to the address on page one of this Agreement.

Respectfully,

Timothy P. Sullivan
Senior Managing Principal - Advisory

Evan Forrest
Vice President - Advisory

[Client's signature page follows.]

AGREED AND ACCEPTED:

Client agrees to and accepts this Agreement, as of the date of this Agreement first above set forth:

VIRIDIAN FARMS PUBLIC INFRASTRUCTURE DISTRICT NO. 1

Signature: ______________________

Print Name: Adam R. Loser

Print Title: Vice President

Date: 11/6/23

UT1055-23