

WHEN RECORDED, RETURN TO:

Randall M. Larsen
Gilmore & Bell, P.C.
15 West South Temple, Suite 1400
Salt Lake City, Utah 84101

COURTYARDS AT SHURTZ CANYON PUBLIC INFRASTRUCTURE DISTRICT
COURTYARDS AT SHURTZ CANYON ASSESSMENT AREA

DESIGNATION RESOLUTION

DATED AS OF JANUARY 8, 2025

DESIGNATION RESOLUTION

WHEREAS, the Board of Trustees (the “Board”) of the Courtyards at Shurtz Canyon Public Infrastructure District (the “District”), adopted Resolution No. 2025-05 on January 8, 2025, pursuant to which the Board authorized and approved the form of this Designation Resolution; and

BE IT RESOLVED by the Board of Trustees of the Courtyards at Shurtz Canyon Public Infrastructure District, as follows:

Section 1. The Board hereby determines that it will be in the best interest of the District to designate an area to finance the costs of publicly owned infrastructure, facilities or systems more specifically described in Section 4 herein, along with other necessary miscellaneous improvements, and to complete said improvements in a proper and workmanlike manner (collectively, the “Improvements”). The Board hereby determines that it is in the best interest of the District to levy assessments against properties benefited by the Improvements to finance the costs of said Improvements. The Board hereby finds that pursuant to the Act, the Improvements constitute a publicly owned infrastructure, facility or system that (i) the District is authorized to provide or (ii) is necessary or convenient to enable the District to provide a service that the District is authorized to provide.

Section 2. Pursuant to the Assessment Area Act, Title 11, Chapter 42, Utah Code Annotated 1953, as amended (“Utah Code”), and the Public Infrastructure District Act, Title 17D, Chapter 4 of the Utah Code (together, the “Act”), the owners (the “Owners”) of all properties to be assessed within the designated assessment area have voluntarily waived, among other things, all notice and hearing requirements, the right to contest or protest, and the right to have a board of equalization appointed as set forth in the Act, and have consented to (a) the levy of an assessment against their property for the benefits to be received from the Improvements, (b) the designation of the assessment area as herein described, (c) the financing of the Improvements by the District through the issuance of assessment bonds, including the payment of installments over a period of not to exceed 30 years, (d) the acquisition and/or construction of the Improvements, and (e) the method and estimated amount of assessment as set forth herein in accordance with the Acknowledgment, Waiver and Consent Agreement attached hereto as Exhibit A. The properties to be assessed are identified by legal description in Exhibit B attached hereto.

Section 3. The District hereby designates an assessment area which shall be known as the “Courtyards at Shurtz Canyon Assessment Area” (the “Assessment Area”). A map and depiction of the Assessment Area is attached hereto as Exhibit C. The District received an appraisal of the unimproved property (from an appraiser who is a member of the Appraisal Institute), which was addressed to the District, verifying that the market value of the property, after completion of the Improvements, is at least three times the amount of the assessments proposed to be levied against the unimproved property.

Section 4. The Improvements shall be generally located in and around the map and depiction area attached hereto as Exhibit C. The District plans to finance the costs of publicly owned infrastructure, facilities or systems as part of an approximately 59-acre commercial and residential development (the “Development”). The District plans to levy the assessments to

finance the Improvements within the Development. The Improvements are more particularly described as follows:

- Sewer improvements, including, but not limited to, mains, treatment facilities, lift stations, manholes and manhole linings, sewer cleanouts, and laterals (various sizes).

- Water improvements, including, but not limited to, water tanks, wells, pumps, water treatment facilities, meters, mains, valves, tees/crosses, bends, thrust bonds, fire hydrants, blow offs and appurtenances (various sizes).

- Roads and roadway improvements including, but not limited to, rights of way, earthwork, curbs, gutters, sidewalks, street signage, centerline monuments, conduit crossings, street striping, streetlights and mailboxes.

- Storm drain improvements, including, but not limited to, drain pipes, wetlands, junction boxes, inlets, culverts, trash racks, rip-rap and geotextile fabric.

As further engineering, costs, efficiencies, or any other issues present themselves, the District hereby reserves the right to approve reasonable changes to the allocation of expenditures described above and the location and specifications of the Improvements (but not to the Improvements) without obtaining the consent of the property owners within the Assessment Area.

Section 5. Pursuant to the Act, the Board has determined to levy assessments to pay the cost of the Improvements. The assessments are assessed against properties in a manner that reflects an equitable portion of the benefit of the Improvements as required by the Act (and in any event the Owners have consented to such manner without reservation) and shall be payable in annual installments as set forth in the Assessment Ordinance. The District has determined that the reasonable useful life of the Improvements is at least thirty (30) years and that it is in the District and the Owners' best interest for certain property owner installments to be paid for over up to thirty (30) years.

Section 6. The total acquisition and/or construction cost of the Improvements, including estimated overhead costs, administrative costs, costs of funding reserves, and debt issuance costs, is estimated at \$6,807,319, of which \$5,890,000 is anticipated to be paid by assessments to be levied against the properties within the Assessment Area to be benefited by such Improvements, which benefits need not actually increase the fair market value of the properties to be assessed. The District expects to finance a portion of the cost of the Improvements by issuing assessment bonds (the "Bonds"). The District currently estimates selling the Bonds at a true interest cost interest rate of approximately 6.00% per annum, maturing within thirty (30) years of their date of issuance. Inasmuch as bonds have not yet been issued, the District notes that the interest rate and annual payment are only as estimated and not a cap or maximum amount. It is anticipated that the reserve fund will be initially funded with proceeds of the Special Assessment Bonds. The estimated cost of Improvements to be assessed against the benefited properties within the Assessment Area will initially be assessed as follows: (a) for the residential areas and related properties (the "Residential Zone"), pursuant to an equivalent residential unit ("ERU") methodology (the "ERU Methodology") and (b) for the commercial areas and related properties (the "Commercial Zone" and together with the Residential Zone, each an "Assessment Zone" and

collectively, the “Assessment Zones”), on a per square foot methodology (the “Square Footage Methodology”), each as further described below:

Residential Zone

<u>Assessment</u>	<u>Assessment Methodology</u>	<u>Total ERUs</u>	<u>Assessment Per ERU</u>
\$5,350,000	ERU Methodology	132.00	\$40,530.30

Commercial Zone

<u>Assessment</u>	<u>Assessment Methodology</u>	<u>Total Square Feet</u>	<u>Assessment Per Square Foot</u>
\$540,000	Square Footage Methodology	262,667	\$2.06

Section 7. As set forth in the Assessment Ordinance, the assessment methodology may, under certain circumstances, be altered in the future.

Section 8. The Board intends to levy assessments as provided in the Act on all parcels and lots of real property within the Assessment Area to be benefited by the Improvements, and the Owners of which have executed the Acknowledgment, Waiver and Consent Agreement described in Section 2 herein. The purpose of the assessment and levy is to finance the cost of the Improvements, which the District will not assume or pay. The existing planning and zoning conditions of the District shall govern the development in the Assessment Area.

The Owners have waived the right to prepay the assessment without interest within twenty-five (25) days after the ordinance levying the assessments becomes effective. A property owner may prepay the assessment as provided in the Assessment Ordinance. The assessments shall be levied against properties in a manner that reflects an equitable portion of the benefit of the Improvements as required by the Act, and in any case, the Owners have consented to such methodology as provided in Section 11-42-409(5) of the Act. Other payment provisions and enforcement remedies shall be in accordance with the Act.

A map of the Assessment Area and the location of the Improvements and other related information are on file in the office of the Secretary/Clerk who will make such information available to all interested persons.

Section 9. The District will collect the Assessments by directly billing each property owner rather than inclusion on a property tax notice.

Section 10. A professional engineer has prepared a “Certificate of Project Engineer,” attached hereto as Exhibit D, which, among other things, identifies the Improvements to be constructed and installed and is available upon request from the District. The findings and determinations set forth in this Resolution are based, in part, upon said Certificate of Project Engineer.

Section 11. The provisions of the Assessment Ordinance shall govern the levy, payment and applicable provisions regarding the assessments notwithstanding anything contained herein to

the contrary. As required by Section 11-42-206(3) of the Act, within fifteen (15) days of the completion of this Resolution, the Secretary/Clerk shall (i) record an original or certified copy of this designation resolution with Iron County and (ii) where applicable, file with the Iron County Recorder a notice of proposed assessment.

Dated as of January 8, 2025.

COURTYARDS AT SHURTZ CANYON
PUBLIC INFRASTRUCTURE DISTRICT

By: 
Chair, Board of Trustees

ATTEST:

By: 
Secretary/Clerk

STATE OF UTAH)
 : ss.
Iron COUNTY)

The foregoing instrument was acknowledged before me this January 8, 2025 by Roger Thomas, the Chair of the Board of Trustees of the Courtyards at Shurtz Canyon Public Infrastructure District (the "District"), who represented and acknowledged that he signed the same for and on behalf of the District.



Tanya Whitbeck
NOTARY PUBLIC

STATE OF UTAH)
 : ss.
Iron COUNTY)

The foregoing instrument was acknowledged before me this January 8, 2025 by Rebekah Lowery, the Secretary/Clerk of the Courtyards at Shurtz Canyon Public Infrastructure District (the "District"), who represented and acknowledged that she signed the same for and on behalf of the District.



Tanya Whitbeck
NOTARY PUBLIC

EXHIBIT A

ACKNOWLEDGMENT, WAIVER AND CONSENT AGREEMENT

ACKNOWLEDGMENT, WAIVER AND CONSENT AGREEMENT

This Acknowledgment, Waiver and Consent Agreement (this “Agreement”) is entered into January 8, 2025, by Choice Lifestyles LLC, a Utah limited liability company (the “Owner”).

R E C I T A L S:

1. As of the date hereof, the Owner owns the real property described in Exhibit A attached hereto (the “Subject Property”), which constitutes a portion of the property to be assessed within the Assessment Area described herein.

2. The Owner desires that the Courtyards at Shurtz Canyon Public Infrastructure District (the “District”) designate an assessment area pursuant to the Assessment Area Act, Title 11, Chapter 42, Utah Code Annotated 1953, as amended (the “Act”), for purposes of constructing publicly owned infrastructure, facilities or systems along with other necessary miscellaneous improvements (the “Improvements”), as more fully described in the Assessment Ordinance (defined herein).

3. Estimated costs for the Improvements, including estimated overhead costs, administrative costs, costs of funding reserves, and debt issuance costs, is estimated at \$6,807,319, of which \$5,890,000 shall be assessed against the properties benefited within the Assessment Area. The Owner anticipates using other funding to complete the remainder of the Improvements. If the Assessments and additional funding are not sufficient to complete the Improvements, the Owner hereby agrees to pay to complete the Improvements, including, but not limited to, an additional assessment on the Owner’s property without any ability to contest such assessment.

4. Pursuant to the Act, the Board of Trustees of the District (the “Board”) has or is expected to approve (i) a Designation Resolution, a copy of which is attached hereto as Exhibit B (the “Designation Resolution”) designating an assessment area to be known as the “Courtyards at Shurtz Canyon Assessment Area” (the “Assessment Area”) and (ii) an Assessment Ordinance for the Assessment Area (the “Assessment Ordinance”), a copy of which is attached hereto as Exhibit C, which, among other things, contemplates the reallocation and adjustment of the Assessments by the District among subdivided parcels within the Assessment Area.

5. The Owner and the District desire to include the Subject Property in the Assessment Area and to expedite such process by waiving certain statutory procedures as permitted by the Act for the purpose of accelerating the financing of the Improvements.

NOW, THEREFORE, in consideration of the premises stated herein, the inclusion of the Subject Property in the Assessment Area, the acquisition, construction and installation of the Improvements and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Owner hereby agrees as follows:

Section 1. Representations and Warranties of the Owner. The Owner hereby represents and warrants that:

(a) the Owner is the sole owner of the Subject Property identified as such in Exhibit A attached hereto;

(b) the Owner has taken all action necessary to execute and deliver this Agreement;

(c) the execution and delivery of this Agreement by the Owner does not conflict with, violate, or constitute on the part of the Owner a breach or violation of any of the terms and provisions of, or constitute a default under (i) any existing constitution, law, or administrative rule or regulation, decree, order, or judgment; (ii) any corporate restriction or any bond, debenture, note, mortgage, indenture, agreement, or other instrument to which the Owner is a party or by which the Owner is or may be bound or to which any of the property or assets of the Owner is or may be subject; or (iii) the creation and governing instruments of the Owner, if applicable;

(d) there is no action, suit, proceeding, inquiry, or investigation at law or in equity by or before any court or public board or body and to which the Owner is a party, or threatened against the Owner (i) seeking to restrain or enjoin the levy or collection of the Assessments, (ii) contesting or affecting the establishment or existence, of the Owner or any of its officers or employees, its assets, property or conditions, financial or otherwise, or contesting or affecting any of the powers of the Owner, including its power to develop the Subject Property, or (iii) wherein an unfavorable decision, ruling, or finding would adversely affect the validity or enforceability or the execution and delivery by the Owner of this Agreement;

(e) the Owner has not made an assignment for the benefit of creditors, filed a petition in bankruptcy, petitioned or applied to any tribunal for the appointment of a custodian, receiver or any trustee or commenced any proceeding under any bankruptcy, reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction. The Owner has not indicated their consent to, or approval of, or failed to object timely to, any petition in bankruptcy, application or proceeding or order for relief or the appointment of a custodian, receiver or any trustee;

(f) the Owner is not in default under any resolution, agreement or indenture, mortgage, lease, deed of trust, note or other instrument to which the Owner is subject, or by which it or its properties are or may be bound, which would have a material adverse effect on the development of the Subject Property;

(g) the Owner is in compliance and will comply in all material respects with all provisions of applicable law relating to the development of the Subject Property, including applying for all necessary permits;

(h) the Owner hereby consents in all respects to the Improvements and assessment methodology as described in the Designation Resolution and Assessment Ordinance, including as provided in the Act;

(i) the assessment bonds, together with loans and funds of the Owner and lot sales proceeds, will be sufficient to complete the Improvements in order to achieve finished lots as contemplated in the Appraisal Report for the District, prepared by CBRE Valuation & Advisory Services, dated November 19, 2024;

(j) the Subject Property is located in Cedar City in Iron County, Utah, and the legal description of the Subject Property contained in the Designation Resolution, the Assessment Ordinance, and Exhibit A hereto is an accurate and complete description of the real property it is intended to describe; and

(k) the undersigned are authorized to execute and deliver this Agreement for and on behalf of the Owner.

Section 2. Acknowledgment by the Owner. The Owner on behalf of itself, and its successors in title and assigns, hereby acknowledges and certifies that:

(a) the undersigned, on behalf of the Owner, are duly qualified representatives of the Owner with the power and authority to execute this Agreement for and on behalf of the Owner and have heretofore consulted their own counsel prior to the execution and delivery of this Agreement;

(b) the Owner has received a copy of the Designation Resolution, the Assessment Ordinance and any other information necessary to execute this Agreement;

(c) the consents set forth in Section 3 herein will benefit the Owner by expediting the assessment process and providing for the financing of the Improvements by the issuance of assessment bonds;

(d) the Assessments constitute a legal, valid and binding lien on the Subject Property;

(e) the Assessment Ordinance and the rights of the District thereunder with respect to the enforcement of the lien of the Assessments and all other conditions therein;

(f) the Owner has provided the pertinent information supporting the estimated cost of the Improvements, the allocation of Equivalent Residential Units (“ERUs”) for the Residential Zone and square footage for the Commercial Zone in the Assessment Area, the property descriptions and tax parcel identifications of the Subject Property and the Assessment Area and the assessment list attached to the Assessment Ordinance, and the District is relying on this Agreement in order to issue its assessment bonds related to the Improvements;

(g) the levy of the Assessments on the Subject Property will not conflict with or constitute a breach of or default under any agreement, mortgage, lien or other instrument to which the Owner is a party or to which its property or assets are subject;

(h) the Owner further acknowledges and agrees that if for any reason the Assessments are insufficient to complete the Improvements, the property owners within the Assessment Area may be responsible for paying any pro-rata share of additional costs required to complete the Improvements, including, but not limited to, an additional assessment on their property without any ability to contest such assessment;

(i) the District cannot guaranty or predict the interest rates of the assessment bonds related to the Assessment Area, which will have a direct impact on the amount of the Assessments;

(j) each parcel of property (including subdivided parcels, if applicable) within the Assessment Area shall initially have an Assessment allocated for (A) the Residential Zone by the ERU Methodology, and (B) the Commercial Zone by the Square Footage Methodology, each as defined and further described in the Assessment Ordinance;

(k) the amount of the Assessment on the Subject Property reflects an equitable portion of the benefit the Subject Property will receive from the Improvements, but nevertheless, the Owner hereby consents to such Assessment as provided in Section 11-42-409(5) of the Act; and

(l) the Owner has received consents to the Assessment and issuance of the assessment bonds described herein from all lienholders on the Subject Property whose consent is required.

Section 3. Consent by Owner. The Owner, on behalf of itself, and its successors in title and assigns, hereby consents to:

(a) the inclusion of the Subject Property in the Assessment Area and the designation of the Assessment Area for the purpose of financing the cost of the Improvements with assessments to be levied against properties within said Assessment Area, including the Subject Property, all as described in the Designation Resolution, the estimated costs of the Improvements, the method of assessment, and the Assessment Ordinance;

(b) the District financing the acquisition, construction and installation of the Improvements through the issuance of assessment bonds as provided in the Act;

(c) the allocation of Assessments as described in Exhibit A hereto and as further described in the Assessment Ordinance, including the number of ERUs attributable to each unit type within the Residential Zone and square footage for the Commercial Zone;

(d) aggregation of all Assessments of all properties owned by the same owner (including an affiliate of such owner) as a single unified assessment against all properties owned by the same owner, as further described in the Assessment Ordinance;

(e) in accordance with Section 2(f) above the Owner was responsible for providing the legal description and tax identification number of each parcel of property within the Assessment Area, in the event of a shortfall described in Section 11-42-206(3)(e) of the Act, the Owner consents and agrees (i) to be held liable for and (ii) to pay such shortfall on behalf of the District;

(f) all foreclosure remedies of the Subject Property in accordance with the Act and the Assessment Ordinance;

(g) not suing or enjoining the levy, collection, or enforcement of the Assessment levied pursuant to the Assessment Ordinance or in any manner attacking or questioning the legality of said Assessment levied within the Assessment Area pursuant to the Assessment Ordinance;

(h) the District imposing assessments to be paid in installments over a period of not to exceed thirty (30) years from the effective date of an assessment resolution; and

(i) the payment of Assessments which are not in substantially equal installments of principal or substantially equal amounts of principal and interest, and consents to the payment of Assessments in accordance with the debt service on the assessment bonds as shall be established in the indenture(s) relating to such Bonds.

Section 4. Waiver. The Owner, on behalf of itself, and its successors in title and assigns, hereby waives:

(a) any and all notice and hearing requirements set forth in the Act;

(b) its rights for contesting, protesting, or challenging the legality or validity of the equitability or fairness of the Assessments, or the creation and establishing of the Assessment Area, the adopting of the Assessment Ordinance or the levy and collection of Assessments pursuant to the Assessment Ordinance, whether by notice to the District or by judicial proceedings, or by any other means;

(c) the right to have appointed by the District a board of equalization and review which would hear aggrieved property owners and recommend adjustments in assessments, if deemed appropriate, the right to a hearing before a board of equalization and review and the right to appeal from any determination of a board of equalization and review as provided in the Act;

(d) the right to pay cash for its assessment during a cash prepayment period which would otherwise extend for twenty-five (25) days after the adoption and publication of the Assessment Ordinance as provided in the Act;

(e) any right to contest its assessment, including but not limited to the 60-day contestability period provided in Section 11-42-106 of the Act;

(f) any right to contest that the Improvements qualify as a publicly owned infrastructure, system or other facility that (i) the District is authorized to provide or (ii) is necessary or convenient to enable the District to provide a service that the District is authorized to provide and the Owner further acknowledges that it has consulted with counsel regarding the same; and

(g) any other procedures that the District may be required to follow in order to designate an assessment area or to levy an assessment as described in the Designation Resolution and the Assessment Ordinance.

Section 5. Amendment. The Owner hereby acknowledges that bond counsel will rely on the representations, warranties, acknowledgments, consents, and agreements herein contained in issuing opinions relating to the levy of the assessments and the issuance of assessment bonds and consequently agrees that this Agreement may not be amended, modified, or changed without the prior written consent of the District and such bond counsel.

Section 6. Severability. The invalidity or un-enforceability in particular circumstances of any provision of this Agreement shall not extend beyond such provision or circumstances and no other provision hereof shall be affected by such invalidity or un-enforceability.

Section 7. Headings. The headings of the sections of this Agreement are inserted for convenience only and shall not affect the meaning or interpretation hereof.

Section 8. Successors and Assigns. This Agreement shall be binding upon the Owner and its successors and assigns.

Section 9. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Utah.

Section 10. Counterparts. This Agreement may be executed in several counterparts, all or any of which may be treated for all purposes as an original and shall constitute and be one and the same instrument.

Section 11. Defined Terms. Capitalized terms used herein but not otherwise defined shall have the meanings ascribed to such terms in the Assessment Ordinance.

IN WITNESS WHEREOF, the undersigned, on behalf of the Owner, has hereunto executed this Agreement as of the date first hereinabove set forth.

OWNER:

CHOICE LIFESTYLES LLC, a Utah limited liability company, as property owner with respect to the real property attributed to such entity in Exhibit A hereto

By: _____



Managing Member

EXHIBIT A

LEGAL DESCRIPTION AND TAX ID NUMBERS OF
PROPERTIES TO BE ASSESSED

Assessment Method and Amount*

Residential Zone

Total Assessment	\$5,350,000
Assessment Methodology	ERU
Total ERUs	132.00
Assessment Per ERU	\$40,530.30

Product	Unit Count	Assessment Per Unit	ERUs	Total ERUs	Total Assessment
	132	\$40,530.30	1.00	132.00	\$5,350,000

Commercial Zone

Total Assessment	\$540,000
Assessment Methodology	Per Square Foot
Total Square Feet	262,667
Assessment Per Square Foot	\$2.06

Commercial Lot No.	Square Feet	Assessment Per Square Foot	Total Assessment
C-1	87,120	\$2.06	\$179,104
C-2	88,427	\$2.06	\$181,791
C-3	87,120	\$2.06	\$179,104

Parcels to be Assessed*

Residential Zone

Parcel Identification Number	Owner Entity	ERUs	Total Assessment
B-1879-0003-0000, B-1879-0004-0000, B-1879-0005-0000	Choice Lifestyles LLC	132.00	\$5,350,000

Commercial Zone

Parcel Identification Number	Owner Entity	Commercial Square Feet	Total Assessment
B-1879-0003-0000	Choice Lifestyles LLC	262,667	\$540,000

* Figures have been rounded.

Legal Description

The Assessment Area is more particularly described as follows:

BEGINNING N.0°04'18"W. ALONG THE SECTION LINE 1828.56 FEET AND WEST 1222.66 FEET FROM THE SOUTHEAST CORNER OF SECTION 32, TOWNSHIP 36 SOUTH, RANGE 11 WEST, SLB&M; THENCE S.89°53'27"W. 1440.02 FEET TO THE NORTH-SOUTH QUARTER SECTION LINE OF SAID SECTION 32, THENCE N.0°17'11"W. ALONG SAID NORTH-SOUTH QUARTER SECTION LINE 1370.64 FEET, THENCE S.89°56'08"E. 24.41 FEET, THENCE N.58°44'57"E. 66.75 FEET, THENCE N.23°29'29"E. 35.71 FEET, THENCE N.4°24'53"E. 39.17 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF OLD HIGHWAY 91, THENCE ALONG SAID RIGHT-OF-WAY LINE THE FOLLOWING 5 COURSES: (1) N.83°52'47"E. 196.21 FEET, (2) N.79°32'32"E. 492.11 FEET TO A POINT OF CURVE, (3) ALONG THE ARC OF A CURVE TO THE LEFT WITH A RADIUS OF 1650.00 FEET A DISTANCE OF 379.45 FEET (THE CHORD OF SAID CURVE BEARS N.72°57'14"E. 378.62 FEET), (4) N.66°21'57"E. 165.01 FEET TO A POINT OF CURVE, AND (5) ALONG THE ARC OF A CURVE TO THE LEFT WITH A RADIUS OF 2400.00 FEET A DISTANCE OF 251.57 FEET (THE CHORD OF SAID CURVE BEARS N.63°21'46"E. 251.46 FEET) TO A POINT OF REVERSE CURVE, THENCE ALONG THE ARC OF A CURVE TO THE RIGHT WITH A RADIUS OF 35.00 FEET A DISTANCE OF 54.30 FEET (THE CHORD OF SAID CURVE BEARS S.75°11'49"E. 49.01 FEET) TO THE WESTERLY RIGHT-OF-WAY LINE OF TIPPLE ROAD, THENCE ALONG SAID RIGHT-OF-WAY LINE THE FOLLOWING 3 COURSES: (1) S.30°45'14"E. 64.73 FEET TO A POINT OF CURVE, (2) ALONG THE ARC OF A CURVE TO THE RIGHT WITH A RADIUS OF 630.40 FEET A DISTANCE OF 442.18 FET (THE CHORD OF SAID CURVE BEARS S.10°39'34"E. 433.17 FEET, AND (3) S.9°26'06"W. 1399.50 FEET TO THE POINT OF BEGINNING.

CONTAINS 58.76 ACRES OF LAND.

EXHIBIT B

DESIGNATION RESOLUTION

[Not Attached]

EXHIBIT C

ASSESSMENT ORDINANCE

WHEN RECORDED, RETURN TO:

Randall M. Larsen
Gilmore & Bell, P.C.
15 West South Temple, Suite 1400
Salt Lake City, Utah 84101

COURTYARDS AT SHURTZ CANYON PUBLIC INFRASTRUCTURE DISTRICT

COURTYARDS AT SHURTZ CANYON ASSESSMENT AREA

ASSESSMENT ORDINANCE

DATED AS OF JANUARY 8, 2025

ASSESSMENT ORDINANCE

WHEREAS, the Board of Trustees (the “Board”) of the Courtyards at Shurtz Canyon Public Infrastructure District (the “District”), adopted Resolution No. 2025-05 on January 8, 2025 (the “Authorizing Resolution”), pursuant to which the Board authorized and approved the form of this Assessment Ordinance and the form of the related designation resolution (the “Designation Resolution”); and

WHEREAS, the District, pursuant to the Assessment Area Act, Title 11 Chapter 42, Utah Code Annotated 1953, as amended (the “Act”), and pursuant to the Authorizing Resolution and the Designation Resolution, designated the Courtyards at Shurtz Canyon Assessment Area (the “Assessment Area”) after having obtained from the fee simple owner(s) of all the property to be assessed within the Assessment Area (the “Owners”) an executed Acknowledgement, Waiver and Consent Agreement (the “Waiver and Consent”) attached to the Designation Resolution; and

WHEREAS, the District plans to finance the costs of publicly owned infrastructure, facilities or systems as part of an approximately 59-acre commercial and residential development (the “Development”). The District plans to levy the assessments to finance the Improvements within the Development. The Board desires to assess and finance the Improvements (plus related land acquisition costs, overhead, administration, capitalized interest, reserves, permits, fees, and closing costs) benefitting the Assessment Area as follows:

- Sewer improvements, including, but not limited to, mains, lift stations, manholes and manhole linings, sewer cleanouts, and laterals (various sizes).

- Water improvements, including, but not limited to, water tanks, mains, valves, tees/crosses, bends, thrust bonds, fire hydrants, blow offs and appurtenances (various sizes).

- Roads and roadway improvements including, but not limited to, rights of way, earthwork, curbs, gutters, sidewalks, street signage, centerline monuments, conduit crossings, street striping, streetlights and mailboxes.

- Storm drain improvements, including, but not limited to, drain pipes, junction boxes, inlets, culverts, trash racks, rip-rap and geotextile fabric.

WHEREAS, the Board has (i) determined the total estimated cost of the Improvements, (ii) received an appraisal (the “Appraisal”) of the property to be assessed (from an appraiser who is a member of the Appraisal Institute), which was addressed to the District, verifying that the market value of the property, after completion of the proposed improvements, is at least three times the amount of the assessments proposed to be levied against the property to be assessed, and (iii) desires to assess the properties within the Assessment Area, and has prepared an assessment list of the assessments to be levied to finance the cost of the Improvements (the “Assessments”); and

WHEREAS, the Board hereby finds that pursuant to the Act, the Improvements constitute a publicly owned infrastructure, facility, or system that (i) the District is authorized to provide or (ii) is necessary or convenient to enable the District to provide a service that the District is authorized to provide; and

WHEREAS, the District now desires to confirm the assessment list and to levy said Assessments in accordance with this Ordinance:

NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE COURTYARDS AT SHURTZ CANYON PUBLIC INFRASTRUCTURE DISTRICT:

Section 1. Definitions; Appraisal Requirement. Capitalized terms used herein but not otherwise defined shall have the meanings ascribed to such terms in the Designation Resolution. For purposes of this Ordinance:

(a) “Assessment Bonds” means the assessment bonds anticipated to be issued by the District for the Assessment Area, which may be issued in one or more series (or any bonds which refund the same).

(b) “ATV Ratio” means the Assessment to Value Ratio and shall be the ratio of (A) the remaining unpaid Assessment on a Subdivision Parcel or Remaining Subdivision parcel, as applicable, plus any other unpaid assessment liens or property tax liens on such Subdivision Parcel divided by (B) the Fair Market Value of such Subdivision Parcel.

(c) “End User” means any owner, or tenant of any owner, of any taxable improvement within the District, who is intended to become burdened by the imposition of ad valorem property taxes. By way of illustration, a resident homeowner, renter, commercial property owner, or commercial tenant is an End User. The business entity that constructs homes or commercial structures is not an End User.

(d) “Fair Market Value” shall be determined using either taxable value as maintained on the tax records of Iron County, Utah (the “County”) (plus the costs of the Improvements if not accounted for yet in the taxable value) or by appraised value presented by the owner of the Subdivision Parcel or Remaining Subdivision Parcel, as applicable, and determined by a certified appraiser acceptable to the District, including the costs of the Improvements and any other additions or improvements to the extent currently funded at the time of such appraisal, and meeting any other appraisal requirements of the District related to the Assessment Bonds.

(e) “Foreclosure Agent” means the Person appointed by the District or owners of the Assessment Bonds to process and carry out on behalf of the District any foreclosure of the delinquent Assessments pursuant to this Assessment Ordinance and the Indenture. The initial Foreclosure Agent shall be Snow Jensen & Reece, P.C..

(f) “Indenture” means the indenture(s) of trust and pledge under which the Assessment Bonds are issued.

(g) “Original ATV Ratio” means the ATV Ratio on a parcel, Subdivision Parcel, or Remaining Subdivision Parcel, as applicable, at the time of closing of the Assessment Bonds (as reasonably determined by the District).

(h) “Person” means natural persons, firms, partnerships, associations, corporations, trusts, public bodies, and other entities.

(i) Whenever an appraisal is required under this Ordinance, the District and Title Owners may continue to utilize an appraisal previously delivered in connection with the Assessment Area so long as (i) such appraisal describes the intended use of the Subdivision Parcel and such parcel entitled for such intended use and/or density (as applicable), (ii) the Title Owner certifies in writing that it is not aware of any facts or circumstances that would cause the relevant values contained in such appraisal to be materially less than the market value of the Subdivision Parcel, and (iii) the District in its reasonable judgment has no reason to question such certification.

Section 2. Determination of Estimated Costs of the Improvements and Right of District to Levy Additional Assessments for Completion. The Board has determined that the estimated acquisition, construction and installation costs of the Improvements within the Assessment Area, including estimated overhead costs, administrative costs, costs of funding reserves, capitalized interest, and debt issuance costs, is estimated at \$6,807,319, of which \$5,890,000 shall be assessed within the Assessment Area. Such amount to be levied is an estimate, as permitted under Section 11-42-401 of the Act. The Owners anticipate using additional funding in order to complete the Improvements. If the Assessments and additional funding are not sufficient in amount to complete the Improvements and pay related costs as described above, the Owners shall be responsible to pay the remaining amount in order to complete the Improvements. However, the District does not guaranty such payments from the Owners. Therefore, if for any reason the Owners do not pay such remaining amount to complete the Improvements, any and all property owners within the Assessment Area shall be responsible for paying any pro-rata share of additional costs required to complete the Improvements, including, but not limited to, an additional assessment on their property without any ability to contest such assessment.

Section 3. Approval of Assessment List; Findings. The Board confirms and adopts the assessment list for the Assessment Area, a copy of which is attached hereto as Exhibit A and incorporated herein by reference (the "Assessment List"). The Board has determined that the Assessments are levied according to the benefits to be derived by each property within the Assessment Area and, in any case, the Owners have consented to such methodology as provided in Section 11-42-409(5) of the Act.

Section 4. Levy of Assessments. The Board does hereby levy a collective initial Assessment against each and every parcel of property identified in the Assessment List. On the date of this Ordinance all of the property being assessed is owned by the same Owner (or an affiliate thereof) and the Assessments are initially levied against all parcels. The currently anticipated amount of Assessments expected to be levied upon each Assessment Zone (defined herein) and the number of ERUs (defined herein) or square footage, as applicable, anticipated to be allocated to each parcel of property in the Assessment Area (upon compliance with the process and coverage described herein) reflects an equitable portion of the benefit each parcel of property will receive from the Improvements and, in any case, the Owners have consented to such methodology as provided in Section 11-42-409(5) of the Act.

Section 5. Amount of Total Assessments. The Assessments do not exceed in the aggregate the sum of: (a) the estimated contract price of the Improvements (plus related capitalized soft costs); (b) the estimated acquisition price of the Improvements; (c) the reasonable cost of (i) utility services, maintenance, and operation to the extent permitted by the Act and (ii) labor,

materials, or equipment supplied by the District, if any; (d) the price or estimated price of purchasing property; (e) overhead costs not to exceed fifteen percent (15%) of the sum of (a), (b), and (c); (f) an amount for contingencies of not more than ten percent (10%) of the sum of (a) and (c); (g) estimated interest on interim warrants and bond anticipation notes issued to finance the Improvements, if any; (h) an amount sufficient to fund a reserve fund; and (i) the capitalized interest on each assessment bond.

Section 6. Method and Rate. Each of the benefited properties and all of them collectively will be assessed within the Assessment Area will be assessed for all of the above-described improvements and will initially be assessed as follows: (a) for the residential areas and related properties (the “Residential Zone”), pursuant to an equivalent residential unit (“ERU”) methodology (the “ERU Methodology”) and (b) for the commercial areas and related properties (the “Commercial Zone” and together with the Residential Zone, each an “Assessment Zone” and collectively, the “Assessment Zones”), on a per square foot methodology (the “Square Footage Methodology”), each as further described below:

Residential Zone

<u>Assessment</u>	<u>Assessment Methodology</u>	<u>Total ERUs</u>	<u>Assessment Per ERU</u>
\$5,350,000	ERU Methodology	132.00	\$40,530.30

Commercial Zone

<u>Assessment</u>	<u>Assessment Methodology</u>	<u>Total Square Feet</u>	<u>Assessment Per Square Foot</u>
\$540,000	Square Footage Methodology	262,667	\$2.06

Notwithstanding the levy of the Assessments, in order to provide additional security for the payment of Assessments, the District shall require that all Assessments of all properties owned by the same Owner within the Assessment Area (or an affiliate of the same Owner) be aggregated as a single unified Assessment against all properties owned by the same Owner within the Assessment Area (or an affiliate of the same Owner). As used in this Ordinance, the term “affiliate” means with respect to any Owner, any Person that controls, is controlled by or is under common control with such Owner, and the term “control” or “controlled” means the ownership of more than twenty percent (20%) of the outstanding voting ownership interests of the Owner in question or the power to direct the management of the Owner in question (subject to any required approvals for major decisions by anyone holding equity interests in the owner in question).

Section 7. Payment of Assessments.

(a) The Board hereby determines that the Improvements have a weighted average useful life of not less than thirty (30) years, and requires that Assessments for all parcels within the Residential Zone shall be payable before transfer of title with respect to such parcel to an End User. Pursuant to Section 11-42-409(5) of the Act, the Owners have consented to aggregate annual Assessment payments which are not in substantially equal amounts and instead aggregate annual Assessment payments shall be in accordance with the debt service payments as shall be established in the Indenture, subject, however, to adjustment as described herein. Interest on the unpaid balance of the Assessments shall

accrue at the same rate or rates as shall be borne by the Assessment Bonds, plus an annual administration cost incurred by the District, plus any third party direct out of pocket costs of the District related to the administration and collection of the Assessments. The District may outsource all or a portion of the administration services, including legal costs or consulting costs as an additional out of pocket cost, including, but not limited to, all costs related to foreclosure (and other remedies) and amendments to this Ordinance.

(b) The District will collect the Assessments by directly billing each property owner rather than inclusion on a property tax notice. The payment for each Assessment payment shall be due March 1 and September 1 of each year (approximately 30 days after sending such bills for such period), which shall be sent on or prior to February 1 and August 1 of each year, respectively, estimated to commence August 1, 2027, due to capitalized interest. However, failure to send any such bill by the scheduled date shall not impact the requirement of property owners to timely pay their Assessments on the due date thereof.

(c) All unpaid installments of an Assessment levied against any parcel of property may be paid prior to the dates on which they become due, but any such prepayment must include an additional amount equal to the interest which would accrue on the Assessment to the next succeeding date on which interest is payable on the Assessment Bonds, plus such additional amount as, in the opinion of the District Chair or designee as approved by the District (the “Chair”) (with assistance from the administrator of the Assessments, if any), is necessary to assure the availability of money to pay interest on the Assessment Bonds as interest becomes due and payable, plus any premiums required to redeem the Assessment Bonds on their first available call date pursuant to the Indenture (defined herein), plus any reasonable administrative costs.

(d) The property assessed has yet to be fully subdivided as anticipated for development. The property identified on the Assessment List (whether before or after formal subdivision individually and each Assessment Zone, a “Subdivision Parcel” and collectively, the “Subdivision Parcels”) may hereafter be subdivided and re-subdivided, with the consent of the District (which consent shall not be unreasonably withheld). The owner of a Subdivision Parcel may make changes to that Subdivision Parcel including, without limitation, reducing or increasing the size of that Subdivision Parcel, modifying the boundary description of that Subdivision Parcel, and otherwise make changes necessary or appropriate to plat that Subdivision Parcel; provided that (i) the total Assessment of that Subdivision Parcel after the applicable change is unaffected and (ii) the ATV Ratio is less than or equal to the greater of (A) the Original ATV Ratio or (B) 33.3%. Provided, however, any adjustment of a parcel outside of the boundaries of the Assessment Area would require an amendment to this Ordinance to that effect, in accordance with the Act. Once a Subdivision Parcel is subdivided, the lien of the Assessment Area will be re-allocated to or released from, as appropriate, any property located outside the subdivided portion of that Subdivision Parcel by either the District adopting an amendment to this Ordinance or by the Chair or other authorized officer of the District authorized to make such changes and record the applicable notices (within the provisions of this Ordinance) and provided the ATV Ratio of such subdivided portion (after release of the property), is less than or equal to the greater of (A) the Original ATV Ratio or (B) 33.3%.

(e) An interest in a Subdivision Parcel may be sold, transferred or exchanged to any Person (the “Title Owner”) so long as the interest is recognized by the County and charged a distinct property tax bill by the County. A Title Owner may further subdivide or create a new Title Owner on the Subdivision Parcel and such new Subdivision Parcels are reallocated Assessments in compliance with this Ordinance. When a Title Owner of any Subdivision Parcel in the Assessment Area subdivides, re-subdivides or creates a new Title Owner, it shall allocate the responsibility to pay Assessments tied to that Subdivision Parcel among Title Owners in accordance with (i) or (ii) below. Such reallocation of Assessments must be approved by all Title Owners subject to the reallocation by execution of a form reasonably satisfactory to the Chair or other authorized officer of the District and similar in form to the Waiver and Consent, and with the consent of the Chair, which consent shall not be unreasonably withheld, conditioned or delayed, but such consent shall be limited solely to the allocation of ERUs or other assessment method to Subdivided Parcels and withheld only where the information, assumptions and/or formula described in this section create less security for the repayment of the Assessments for the District or holders of the Assessment Bonds than the security contemplated in this Section 7(e). The final plat for any Subdivision Parcel recorded after the effective date of this Ordinance must include a plat note that provides the exact allocation of the Assessments among Title Owners and the Assessment List attached as Exhibit A to this Ordinance must be accordingly amended, and the Chair or other authorized officer of the District is hereby authorized to make such amendments, but may also seek the approval of the Board at his/her discretion. For any reallocation of Assessments tied to a Subdivision Parcel among Title Owners, the Title Owners may either:

(i) Reallocate in full the Assessments ascribed to that Subdivision Parcel(s) using the methodology of each related Assessment Zone as contemplated in this Section 7(e); or

(ii) As long as the aggregate Assessments tied to a Subdivision Parcel in the Assessment Area are allocated in full among Title Owners of that Subdivision Parcel, a Title Owner of that Subdivision Parcel may reallocate the Assessments to the interest(s) of Title Owners in such Subdivision Parcel based on either:

(A) the methodology of each related Assessment Zone or a then current Fair Market Value method, or

(B) if the Chair reasonably determines that such reallocated assessment method selected by the Title Owners will not reasonably allocate benefit among the Title Owners in such Subdivision Parcel, any other assessment method reasonably allocating benefit as determined in the reasonable discretion of the Chair or other authorized officer of the District,

so long as, following a reallocation as described in this paragraph, the then current ATV Ratio of each remaining interest in such Subdivision Parcel and all other affected parcels must be less than or equal to the greater of (A) the Original ATV Ratio or (B) 33.3%.

(f) A release of the Assessment lien for any Subdivision Parcel will be delivered by the District for recordation with the County Recorder as soon as practicable after the Assessment balance for such subdivided parcel is paid in full. If prepayment of an Assessment prior to the Assessment payment date arises out of a need of the property owner to clear the Assessment lien from a portion (a "Release Parcel") but not all of a Subdivision Parcel, the Assessment lien on the Release Parcel shall be released by the District, as follows:

(i) The Title Owner(s) shall submit the legal description of the Release Parcel which shall include the total number of ERUs, as applicable, allocated to the Release Parcel pursuant to the procedure set forth in this Ordinance. If an assessment allocation method other than ERUs, as applicable, has been applied to a parcel, the release procedures in this subsection (f) shall apply using the new assessment method in lieu of ERUs.

(ii) The Title Owner(s) shall prepay an Assessment applicable to the Release Parcel calculated by the Chair (with assistance from the administrator of the Assessments, if any), which Assessment shall be the product of the following: (A) the amount of the prepayment calculated pursuant to Section 7(c) herein for the entire Subdivision Parcel less any previously paid regularly scheduled Assessment payments, (B) multiplied by the percentage calculated by dividing the number of ERUs, as applicable, of the Release Parcel by the total number of ERUs, as applicable, of the entire Subdivision Parcel.

(iii) The partial release of lien upon payment of the prepayment amount determined under subsection (ii) above shall not be permitted, except as otherwise provided in this paragraph, if the ATV Ratio of the Subdivision Parcel, after release of the Release Parcel (the "Remaining Subdivision Parcel"), is greater than the greater of (A) the Original ATV Ratio or (B) 33.3%. If the Chair (with assistance from the administrator of the Assessments, if any) determines that the proposed partial release does not comply with the requirements of this paragraph, such partial release may still be permitted if the Title Owner(s) prepays a larger portion of the Assessment in order to clear the Assessment lien from the Release Parcel, all as determined by said Chair (with assistance from the administrator of the Assessments, if any).

(g) Prepayments of Assessments shall be applied as provided in the Indenture. As prepayments are paid and applied against the payment of the Assessment applicable to the Release Parcel, the Release Parcel shall be released from the lien of the Assessment in accordance with this subsection (f), and the remaining unpaid Assessments levied against the Remaining Subdivision Parcel shall remain unaffected

Section 8. Default in Payment.

(a) To the extent permitted by law, the District hereby irrevocably appoints the Foreclosure Agent, including any successor thereto, to process and carry out, on behalf of the District, any foreclosure of Assessments pursuant to this Assessment Ordinance and

the Indenture, and assigns all rights of collection of the delinquent Assessments to the Foreclosure Agent, as collection agent for the District. To the extent permitted by law, the District covenants and agrees to take such actions as are necessary to authorize and empower the Foreclosure Agent to carry out the duties provided herein. If a default occurs in the payment of any Assessment on a Subdivision Parcel when due, and such default is not cured within the period provided for in Section 8(b) herein, the Foreclosure Agent, on behalf of the District, may declare the unpaid amount of such Assessment on such Subdivision Parcel to be immediately due and payable and subject to collection as provided herein. Interest shall accrue and be paid on all amounts declared to be delinquent and immediately due and payable at a rate of 10% per annum (the "Delinquent Rate"). In addition to interest charges at the Delinquent Rate, costs of collection, as approved by the Chair on behalf of the Board, including, without limitation, attorneys' fees, trustee's fees, and court costs incurred by the District or required by law, shall be charged and paid on all amounts declared to be delinquent and immediately due and payable. Until such costs of collection are recovered by the District, the District may charge such costs as an additional overhead cost against all Assessments, with a credit later upon any recovery of such costs.

(b) Upon any default, the Chair shall give notice in writing of the default to the Title Owner(s) of the Subdivision Parcel in default as shown by the last available completed real property assessment rolls of the County. Notice shall be effective upon deposit of the notice in the U.S. Mail, postage prepaid, and addressed to the Title Owner(s) as shown on the last completed real property assessment rolls of the County. The notice shall provide for a period of thirty (30) days in which the Title Owner(s) shall pay the installments then due and owing, after which the Foreclosure Agent, on behalf of the District, may immediately sell the Subdivision Parcel pursuant to Section 11-42-502.1(2)(a)(ii)(B) and related pertinent provisions of the Act, in the manner provided for judicial foreclosures. If at the sale no Person shall bid and pay the District the amount due on the Assessment plus interest and costs, the Subdivision Parcel shall be deemed sold to the District for these amounts. The District shall be permitted to bid at the sale. So long as the District affirmatively elects to retain ownership of the Subdivision Parcel, it shall pay all delinquent Assessment installments and all Assessment installments that become due, including the interest on them, and shall be entitled to use amounts on deposit in the Reserve Fund (as defined herein) for such purpose. The District notes it has no current intention of owning the Subdivision Parcel and will surrender the Subdivision Parcel "as is" and without guaranty or warranty to owner(s) of the Assessment Bonds in full satisfaction of all obligations to such owner(s) of the Assessment Bonds irrespective of the owner(s) of the Assessment Bonds accepting the same.

(c) The remedies provided herein for the collection of Assessments and the enforcement of liens shall be deemed and construed to be cumulative and the use of any one method or means or remedy of collection or enforcement available at law or in equity shall not deprive the District of the use of any other method or means. The amounts of accrued interest and all costs of collection, trustee's fees, attorneys' fees, and other reasonable and related costs, shall be added to the amount of the Assessment against such Subdivision Parcel up to, and including, the date of foreclosure sale.

Section 9. Remedy of Default. If prior to the final date payment may be legally made under a final sale or foreclosure of property to collect delinquent Assessments, the Title Owner(s) pays the full amount of all unpaid installments of principal and interest which are past due and delinquent with interest on such installments at the rate or rates set forth in Section 8 herein to the payment date, plus all attorneys' fees, and other costs of collection, the Assessment of said Title Owner(s) shall be restored and the default removed, and thereafter the Title Owner(s) shall have the right to make the payments in installments as if the default had not occurred. Any payment made to cure a default shall be applied first, to the payment of attorneys' fees and other costs incurred as a result of such default; second, to interest charged on past due installments, as set forth above; third, to the interest portion of all past due Assessments; and last, to the payment of outstanding principal.

Section 10. Lien of Assessment. An Assessment or any part or installment of it, any interest accruing thereon and the penalties, trustee's fees, attorneys' fees, and other costs of collection therewith shall constitute a lien against the Subdivision Parcel upon which the Assessment is levied on the effective date of this Ordinance. Said lien shall be superior to the lien of any trust deed, mortgage, mechanic's, or materialman's lien, or other encumbrance and shall be equal to and on a parity with the lien for general property taxes. The lien shall apply without interruption, change in priority, or alteration in any manner to any reduced payment obligations and shall continue until the Assessment, reduced payment obligations, and any interest, penalties, and costs on it are paid, notwithstanding any sale of the property for or on account of a delinquent general property tax, special tax, or other Assessment or the issuance of a tax deed, an assignment of interest by the County or a sheriff's certificate of sale or deed.

Section 11. Reserve Fund.

(a) The District does hereby establish a reserve fund (the "Reserve Fund") in lieu of funding a guaranty fund, as additional security for the Assessment Bonds.

(b) The Reserve Fund may be initially funded from proceeds of the Assessment Bonds in an amount not to exceed the least of (i) ten percent (10%) of the proceeds of the Assessment Bonds determined on the basis of its initial purchase price to the public, (ii) the maximum aggregate annual debt service requirement during any bond fund year for the Assessment Bonds, and (iii) one hundred twenty-five percent (125%) of the average aggregate annual debt service requirement for the Assessment Bonds (the "Reserve Requirement"). The cost of initially funding the Reserve Fund is included in the Assessments of the property in the Assessment Area. The Reserve Requirement may be adjusted as payments are made on the Assessment Bonds (including from prepayment of Assessments by property owners) as provided in the Indenture. The moneys on deposit in the Reserve Fund, if any, may be applied to the Assessment payment obligations, including the final Assessment payment and used to make payments on the Assessment Bonds as provided in the Indenture. If the amounts on deposit in the Reserve Fund exceed the final Assessment obligation, any excess amounts shall be paid by the District to the owners whose properties were subject to the final Assessment payment obligation on a pro rata basis, as an excess Assessment payment.

(c) In the event insufficient Assessments are collected by the District to make the debt service payments on the Assessment Bonds, the District shall draw on the Reserve Fund to make up such deficiency, but shall have no obligation to replenish the Reserve Fund with any funds other than those collected from Assessments as described herein.

(d) Amounts recovered by exercise of any of the remedies provided herein or otherwise from delinquent Assessments (and not needed to pay amounts coming due on the Assessment Bonds) shall be used to replenish amounts drawn from the Reserve Fund.

(e) In the event the Assessment Bonds are refunded, the Reserve Requirement may be adjusted by the District and amounts in the Reserve Fund may be applied to assist in such refunding. Any refunding of the Assessment Bonds is hereby permitted so long as the structure thereof shall not increase the total cost of the Assessments in any one year.

Section 12. Investment Earnings. Except as otherwise provided in the Indenture, all investment earnings on the Reserve Fund shall be maintained in said Fund and applied in the same manner as the other moneys on deposit therein as provided in the Special Assessments Indenture.

Section 13. Contestability. No Assessment shall be declared invalid or set aside, in whole or in part, in consequence of any error or irregularity which does not go to the equity or justice of the Assessment or proceeding. The Owners and any succeeding property owners (whether by sale, foreclosure, or any other property transfer of title) have waived any rights to contest this Ordinance. Any party who has not waived his or her objections to the same as provided by statute may commence a civil action in the district court with jurisdiction in the District against the District to enjoin the levy or collection of the Assessment or to set aside and declare unlawful this Ordinance.

Such action must be commenced and summons must be served on the District not later than sixty (60) days after the effective date of this Ordinance. This action shall be the exclusive remedy of any aggrieved party. No court shall entertain any complaint which the party was authorized to make by statute but did not timely make or any complaint that does not go to the equity or justice of the Assessment or proceeding.

After the expiration of the sixty (60) day period provided in this Section:

(a) The Assessment Bonds and any refunding bonds to be issued with respect to the Assessment Area and the Assessments levied in the Assessment Area shall become incontestable as to all Persons who have not commenced the action and served a summons as provided for in this Section; and

(b) No suit to enjoin the issuance or payment of the Assessment Bonds or refunding assessment bonds, the levy, collection, or enforcement of the Assessments, or in any other manner attacking or questioning the legality of the Assessment Bonds or refunding assessment bonds or Assessments may be commenced, and no court shall have authority to inquire into these matters.

Section 14. Notice to Property Owners. The Owners are hereby deemed to have received notice of assessment and have waived any notice and hearing requirements under the Act.

The Owners have acknowledged and agreed that this Ordinance shall become effective upon posting, as described in Section 17 below, but the Assessments shall not be levied until the administrative functions have been completed to record the creation documents of the District.

Section 15. All Necessary Action Approved. The officials of the District are hereby authorized and directed to take all action necessary and appropriate to effectuate the provisions of this Ordinance, including the filing of a notice of assessment interest with the Iron County Recorder.

Section 16. Repeal of Conflicting Provisions; Amendment. All ordinances or parts thereof in conflict with this Ordinance are hereby repealed. The Chair (or any assigned designee of the Chair) may make any alterations, changes or additions to this Ordinance which may be necessary to conform the same to the final terms of the Assessment Bonds, to correct errors or omissions herein, to complete the same, to remove ambiguities herefrom, or to conform the same to other provisions of this Ordinance or any resolution adopted by the Board or the provisions of the laws of the State of Utah or the United States, including technical changes to the description of the boundary of the Assessment Area, so long as those changes do not change the boundaries from those depicted on the maps attached to the Designation Resolution and do not materially adversely affect the rights of the Owners hereunder without the consent of such Owners affected.

Section 17. Posting of Ordinance. This Ordinance shall be signed by the Chair and Secretary/Clerk and shall be recorded in the ordinance book kept for that purpose upon final confirmation of the property description and terms of the Assessment Area. The officials of the District are hereby authorized to make technical corrections to the legal description of the Assessment Area. Upon finalization of the legal description, copies of this Ordinance shall be posted in a public location within or near the District's boundaries that is reasonably likely to be seen by individuals who pass through or near the affected area for at least twenty-one (21) days and a copy of this Ordinance shall also be posted on the Utah Public Notice Website (<http://pmn.utah.gov>) for at least twenty-one (21) days. This Ordinance shall take effect immediately upon its passage and approval and posting as required by law.

Dated as of January 8, 2025.

COURTYARDS AT SHURTZ CANYON
PUBLIC INFRASTRUCTURE DISTRICT

By: 
Chair

ATTEST:

By: 
Secretary/Clerk

STATE OF UTAH)
 : ss.
Iron COUNTY)

The foregoing instrument was acknowledged before me this January 8, 2025 by Roger Thomas, the Chair of the Board of Trustees of the Courtyards at Shurtz Canyon Public Infrastructure District (the "District"), who represented and acknowledged that he signed the same for and on behalf of the District.



Tanya Whitbeck
NOTARY PUBLIC

STATE OF UTAH)
 : ss.
Iron COUNTY)

The foregoing instrument was acknowledged before me this January 8, 2025 by Rebekah Lowery, the Secretary/Clerk of the Courtyards at Shurtz Canyon Public Infrastructure District (the "District"), who represented and acknowledged that she signed the same for and on behalf of the District.



Tanya Whitbeck
NOTARY PUBLIC

EXHIBIT A

ASSESSMENT LIST

Assessment Method and Amount*

Residential Zone

Total Assessment	\$5,350,000
Assessment Methodology	ERU
Total ERUs	132.00
Assessment Per ERU	\$40,530.30

Product	Unit Count	Assessment Per Unit	ERUs	Total ERUs	Total Assessment
	132	\$40,530.30	1.00	132.00	\$5,350,000

Commercial Zone

Total Assessment	\$540,000
Assessment Methodology	Per Square Foot
Total Square Feet	262,667
Assessment Per Square Foot	\$2.06

Commercial Lot No.	Square Feet	Assessment Per Square Foot	Total Assessment
C-1	87,120	\$2.06	\$179,104
C-2	88,427	\$2.06	\$181,791
C-3	87,120	\$2.06	\$179,104

Parcels to be Assessed*

Residential Zone

Parcel Identification Number	Owner Entity	ERUs	Total Assessment
B-1879-0003-0000, B-1879-0004-0000, B-1879-0005-0000	Choice Lifestyles LLC	132.00	\$5,350,000

Commercial Zone

Parcel Identification Number	Owner Entity	Commercial Square Feet	Total Assessment
B-1879-0003-0000	Choice Lifestyles LLC	262,667	\$540,000

* Figures have been rounded.

Legal Description

The Assessment Area is more particularly described as follows:

BEGINNING N.0°04'18"W. ALONG THE SECTION LINE 1828.56 FEET AND WEST 1222.66 FEET FROM THE SOUTHEAST CORNER OF SECTION 32, TOWNSHIP 36 SOUTH, RANGE 11 WEST, SLB&M; THENCE S.89°53'27"W. 1440.02 FEET TO THE NORTH-SOUTH QUARTER SECTION LINE OF SAID SECTION 32, THENCE N.0°17'11"W. ALONG SAID NORTH-SOUTH QUARTER SECTION LINE 1370.64 FEET, THENCE S.89°56'08"E. 24.41 FEET, THENCE N.58°44'57"E. 66.75 FEET, THENCE N.23°29'29"E. 35.71 FEET, THENCE N.4°24'53"E. 39.17 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF OLD HIGHWAY 91, THENCE ALONG SAID RIGHT-OF-WAY LINE THE FOLLOWING 5 COURSES: (1) N.83°52'47"E. 196.21 FEET, (2) N.79°32'32"E. 492.11 FEET TO A POINT OF CURVE, (3) ALONG THE ARC OF A CURVE TO THE LEFT WITH A RADIUS OF 1650.00 FEET A DISTANCE OF 379.45 FEET (THE CHORD OF SAID CURVE BEARS N.72°57'14"E. 378.62 FEET), (4) N.66°21'57"E. 165.01 FEET TO A POINT OF CURVE, AND (5) ALONG THE ARC OF A CURVE TO THE LEFT WITH A RADIUS OF 2400.00 FEET A DISTANCE OF 251.57 FEET (THE CHORD OF SAID CURVE BEARS N.63°21'46"E. 251.46 FEET) TO A POINT OF REVERSE CURVE, THENCE ALONG THE ARC OF A CURVE TO THE RIGHT WITH A RADIUS OF 35.00 FEET A DISTANCE OF 54.30 FEET (THE CHORD OF SAID CURVE BEARS S.75°11'49"E. 49.01 FEET) TO THE WESTERLY RIGHT-OF-WAY LINE OF TIPPLE ROAD, THENCE ALONG SAID RIGHT-OF-WAY LINE THE FOLLOWING 3 COURSES: (1) S.30°45'14"E. 64.73 FEET TO A POINT OF CURVE, (2) ALONG THE ARC OF A CURVE TO THE RIGHT WITH A RADIUS OF 630.40 FEET A DISTANCE OF 442.18 FET (THE CHORD OF SAID CURVE BEARS S.10°39'34"E. 433.17 FEET, AND (3) S.9°26'06"W. 1399.50 FEET TO THE POINT OF BEGINNING.

CONTAINS 58.76 ACRES OF LAND.

EXHIBIT B

LEGAL DESCRIPTION AND TAX ID NUMBERS OF PROPERTIES TO BE ASSESSED

Parcels to be Assessed

Parcel Identification Number	Owner Entity
B-1879-0003-0000	Choice Lifestyles LLC
B-1879-0004-0000	Choice Lifestyles LLC
B-1879-0005-0000	Choice Lifestyles LLC

Legal Description

The Assessment Area is more particularly described as follows:

BEGINNING N.0°04'18"W. ALONG THE SECTION LINE 1828.56 FEET AND WEST 1222.66 FEET FROM THE SOUTHEAST CORNER OF SECTION 32, TOWNSHIP 36 SOUTH, RANGE 11 WEST, SLB&M; THENCE S.89°53'27"W. 1440.02 FEET TO THE NORTH-SOUTH QUARTER SECTION LINE OF SAID SECTION 32, THENCE N.0°17'11"W. ALONG SAID NORTH-SOUTH QUARTER SECTION LINE 1370.64 FEET, THENCE S.89°56'08"E. 24.41 FEET, THENCE N.58°44'57"E. 66.75 FEET, THENCE N.23°29'29"E. 35.71 FEET, THENCE N.4°24'53"E. 39.17 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF OLD HIGHWAY 91, THENCE ALONG SAID RIGHT-OF-WAY LINE THE FOLLOWING 5 COURSES: (1) N.83°52'47"E. 196.21 FEET, (2) N.79°32'32"E. 492.11 FEET TO A POINT OF CURVE, (3) ALONG THE ARC OF A CURVE TO THE LEFT WITH A RADIUS OF 1650.00 FEET A DISTANCE OF 379.45 FEET (THE CHORD OF SAID CURVE BEARS N.72°57'14"E. 378.62 FEET), (4) N.66°21'57"E. 165.01 FEET TO A POINT OF CURVE, AND (5) ALONG THE ARC OF A CURVE TO THE LEFT WITH A RADIUS OF 2400.00 FEET A DISTANCE OF 251.57 FEET (THE CHORD OF SAID CURVE BEARS N.63°21'46"E. 251.46 FEET) TO A POINT OF REVERSE CURVE, THENCE ALONG THE ARC OF A CURVE TO THE RIGHT WITH A RADIUS OF 35.00 FEET A DISTANCE OF 54.30 FEET (THE CHORD OF SAID CURVE BEARS S.75°11'49"E. 49.01 FEET) TO THE WESTERLY RIGHT-OF-WAY LINE OF TIPPLE ROAD, THENCE ALONG SAID RIGHT-OF-WAY LINE THE FOLLOWING 3 COURSES: (1) S.30°45'14"E. 64.73 FEET TO A POINT OF CURVE, (2) ALONG THE ARC OF A CURVE TO THE RIGHT WITH A RADIUS OF 630.40 FEET A DISTANCE OF 442.18 FET (THE CHORD OF SAID CURVE BEARS S.10°39'34"E. 433.17 FEET, AND (3) S.9°26'06"W. 1399.50 FEET TO THE POINT OF BEGINNING.

CONTAINS 58.76 ACRES OF LAND.

EXHIBIT C

MAP AND DEPICTION OF BOUNDARY OF THE ASSESSMENT AREA AND LOCATION OF IMPROVEMENTS

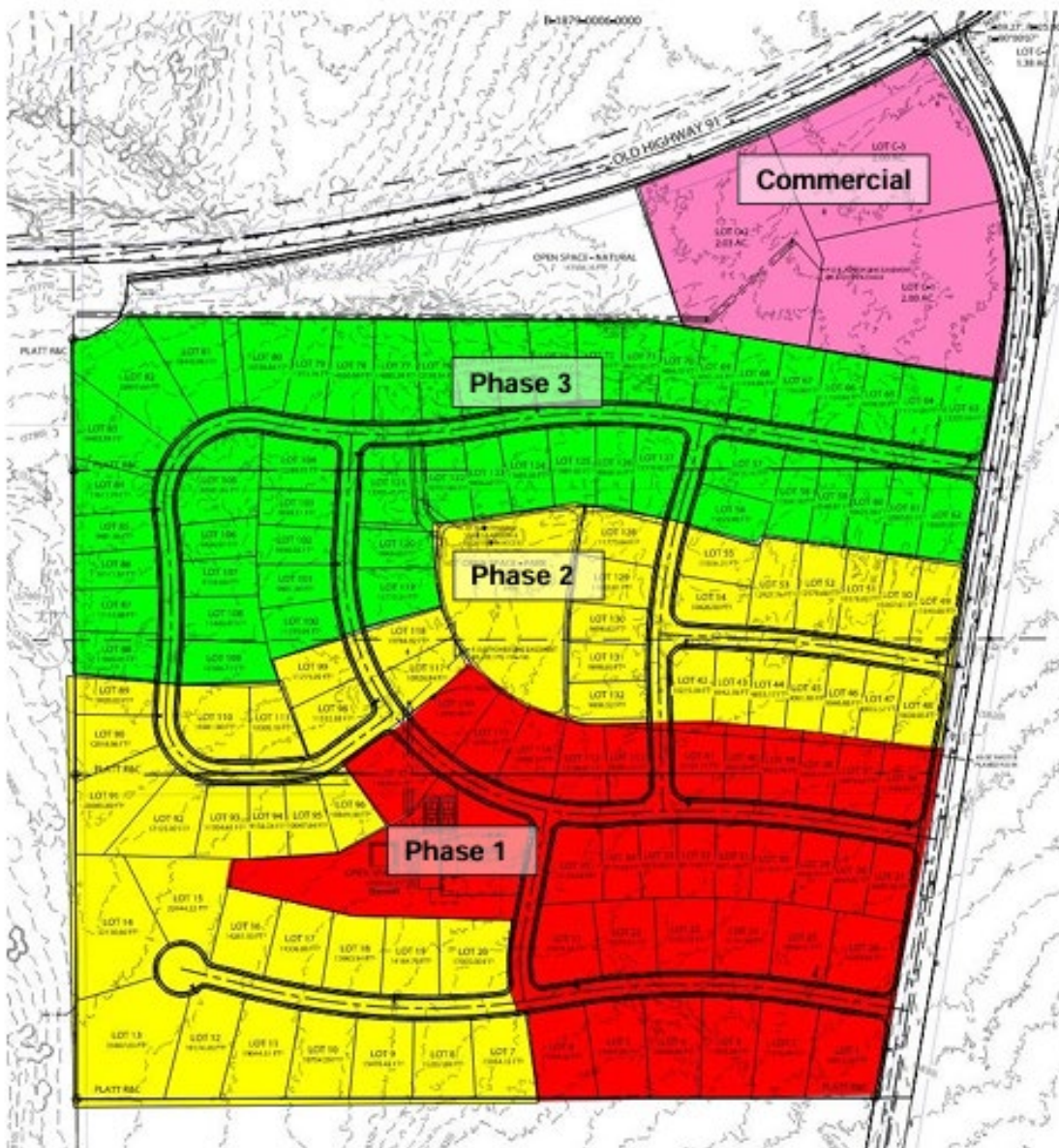


EXHIBIT D

CERTIFICATE OF PROJECT ENGINEER

CERTIFICATE OF PROJECT ENGINEER

The undersigned project engineer for Choice Lifestyle Development Assessment Area (the "Assessment Area") hereby certifies as follows:

1. I am a professional engineer engaged by Choice Lifestyle Development Public Infrastructure District to perform the necessary engineering services to determine the costs of the proposed infrastructure improvements benefitting property within the Assessment Area.

2. The estimated costs of the improvements to be acquired, constructed and/or installed benefitting property within the Assessment Area are set forth in the attachment hereto. Said estimated costs are based on a review of construction contracts, quotes and preliminary engineering estimates for the type and location of said proposed improvements as of the date hereof. The proposed improvements have a weighted average useful life of not less than [30] years, assuming regular maintenance is performed.

By:  _____

Date: January 9, 2025

ATTACHMENT

CHOICE LIFESTYLE DEVELOPMENT**PROPOSED ESTIMATED PUBLIC IMPROVEMENTS TO BE FINANCED****PUBLIC IMPROVEMENTS****Off-Site Horizontal Public Improvements**

Mobilization	17,500.00
Dirt-Clear, Grub, Fill, Grade	101,750.00
Sewer & Water Labor and Materials	580,220.93
Sewer and Water Boring	275,417.53
Road, Walk, Curb, Gutter	758,803.95
Miscellaneous	106,500.00
SUBTOTAL	1,840,192.41

On-Site Horizontal Public Improvements

Mobilization	12,000.00
Dirt-Clear, Grub, Fill, Grade	722,330.50
Sewer & Water Labor and Materials	1,400,126.59
Storm Drain	226,180.00
Road, Walk, Curb, Gutter	2,371,926.80
Miscellaneous	234,562.50
SUBTOTAL	4,967,126.39

TOTAL	6,807,318.80
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NOTES:

- Includes only estimated costs of public improvements

-Off-site estimates includes associated extensions to Tipple Rd.

- Estimates do not include electric and natural gas improvements (non-public utilities)

CHOICE LIFESTYLE DEVELOPMENT**Off-Site Horizontal Public Improvements**

		USEFUL LIFE	WIEGHTED USEFUL LIFE	
Mobilization	\$17,500.00	NA		
Dirt-Clear, Grub, Fill, Grade	\$101,750.00	75	7,631,250.00	dollar-years
Sewer & Water Labor and Materials	\$580,220.93	40	23,208,837.00	dollar-years
Storm Drain Labor and Materials	\$275,417.53	40	11,016,701.20	dollar-years
Road, Walk, Curb, Gutter	\$758,803.95	27	20,487,706.65	dollar-years
Miscellaneous	\$106,500.00	20	2,130,000.00	dollar-years
SUBTOTAL				

On-Site Horizontal Public Improvements

Mobilization	\$12,000.00	NA		
Dirt-Clear, Grub, Fill, Grade	\$722,330.50	75	54,174,787.50	dollar-years
Sewer & Water Labor and Materials	\$1,400,126.59	40	56,005,063.60	dollar-years
Storm Drain Labor and Materials	\$226,180.00	40	9,047,200.00	dollar-years
Road, Walk, Curb, Gutter	\$2,371,926.80	27	64,042,023.60	dollar-years
Miscellaneous	\$234,562.50	20	4,691,250.00	dollar-years
SUBTOTAL				

TOTAL	\$6,807,318.80	252,434,819.55
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TOTAL Less Mobilization	\$6,777,818.80
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AVERAGE WEIGHTED USEFUL LIFE:	37.24 YEARS
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