

ARROWHEAD PARTNERS, LLC

704 North 1890 West #41A

Provo, Utah 84601

September 17, 2025

David Tuckett
Payson City
439 West Utah Avenue
Payson, Utah 84651

RE: Intersection/Road Realignment and Resolution of Title Defects

Dear Mr. Tuckett:

As we have discussed, Arrowhead Partners, LLC ("Arrowhead") desires to construct the roadway improvements at the intersection of 1750 West and Arrowhead Trail (the "Intersection"), as such Intersection is being relocated pursuant to an agreement between Payson City and Salem City, and as such improvements are described in more detail in the attached Exhibit A (collectively the "Intersection Improvements"). The parties acknowledge that the Intersection Improvements generally entail the road improvements for the realigned portion of 1750 West from the new intersection of such road and Arrowhead Trail to a point approximately 130 feet north thereof, including (i) curb, gutter, and sidewalk along only the southwest boundary line of such road and (ii) construction of the road from the southwest boundary to the center of the road plus twelve (12) feet beyond the centerline.

Arrowhead holds and anticipates developing real property in the area of the Intersection and desires to resolve any title issues that may arise if Payson City (the "City") has any residual interest in the real property located generally to the south of the Intersection. To help ensure that any such title issues are resolved, Arrowhead has proposed that, upon the completion of the Intersection Improvements, the City execute and acknowledge a quit claim deed in favor of Arrowhead for that area of real property legally described on the attached Exhibit B-1 and depicted on the attached Exhibit B-2 (such area of real property is referred to herein as the "Consolidated Parcel"). Arrowhead acknowledges and agrees that, prior to commencing construction of the Intersection Improvements, Arrowhead shall (i) obtain from the owner of the Intersection road dedication plat(s), pursuant to which the realigned portion of 1750 West shall be dedicated for public use, and (ii) post completion bonds for the Intersection Improvements in favor of Payson City and Salem City, as required by such cities for their respective portions of the Intersection Improvements (collectively, the "Preconstruction Requirements").

In consideration of Arrowhead's performance of the Preconstruction Requirements and the construction of the Intersection Improvements, City hereby agrees to vacate the public street as described in Exhibits B-1 and B-2 following Arrowhead's completion of the requirements set forth in Section 10-9a-609.5(2) of the Utah Code. City will then execute, acknowledge, and deliver to Arrowhead a quit claim deed (the "Deed"), granting to Arrowhead any interest the City has or may have in and to the Consolidated Parcel. The Deed shall be delivered to Arrowhead

within fifteen (15) days following the completion of the Intersection Improvements, and Arrowhead shall have the responsibility to record the Deed with the Utah County Recorder's Office.

Arrowhead is ready and willing to begin working towards the satisfaction of the Preconstruction Requirements, but it needs the assurance that it will obtain the Deed upon the completion of the Intersection Improvements. We hope that the terms of this letter agreement are acceptable and that the City is willing to commit to the same in consideration of the benefits to be recognized by the City in having the Intersection realigned and the Intersection Improvements completed.

This letter agreement and the terms hereof shall be binding upon the parties hereto and their respective affiliates, representatives, agents, permitted assigns, and the like. This letter agreement may be signed in counterparts, each of which shall be deemed to be an original, and all of which together shall constitute one and the same document. Counterparts may be executed and delivered via facsimile, electronic mail, or electronic signature (including .pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com), or any other transmission method, and any counterpart so executed and delivered shall be deemed to have been duly and validly executed and delivered and shall be valid and effective for all purposes.

Please indicate your agreement with the foregoing provisions of this letter agreement by signing in the space indicated below and returning a signed copy to me at your earliest convenience.

Sincerely,

ARROWHEAD PARTNERS, LLC

By: Terry C. Harward
Terry C. Harward, Manager

**THE FOREGOING LETTER AGREEMENT
IS ACCEPTED AND AGREED TO BY:**

PAYSON CITY

By: David C. Tuckett
Name: David C. Tuckett
Title: City Manager

DESCRIPTION OF INTERSECTION IMPROVEMENTS

[illegible]

EXHIBIT B-1

LEGAL DESCRIPTION OF THE CONSOLIDATED PARCEL

AREA WITHIN 1750 WEST

A portion of the Northwest Quarter Section 3, Township 9 South, Range 2 East, Salt Lake Base and Meridian and being more particularly described as follows:

Beginning at a point located S0°28'54"E along the section line 2022.04 feet and East 1212.66 feet from the Northwest Corner of Section 3, Township 9 South, Range 2 East, Salt Lake Base and Meridian; thence N06°58'00"W along the easterly line of Parcels 30:009:0081 and 30:009:0129 for a distance of 427.35 feet; thence along the arc of a non-tangent curve to the left 87.22 feet with a radius of 383.00 feet through a central angle of 13°02'54", chord: S33°06'35"E 87.03 feet to the westerly line of Parcel 30:009:0088; thence S06°59'23"E along said parcel 317.27 feet to the northerly right-of-way of Arrowhead Trail; thence S43°19'45"W along said right-of-way 50.01 feet to the point of beginning.

Contains: ±0.32 acres.

EXHIBIT B-2

DEPICTION OF THE CONSOLIDATED PARCEL

