

WHEN RECORDED RETURN TO:
Arrowhead Ranch, LLC
134 W. 13100 South, Suite 200
Draper Utah 84020

ENT 18018:2025 PG 1 of 31
ANDREA ALLEN
UTAH COUNTY RECORDER
2025 Mar 13 01:27 PM FEE 40.00 BY KR
RECORDED FOR PAYSON CITY

MASTER DEVELOPMENT AGREEMENT

FOR

ARROWHEAD RANCH

This Master Development Agreement for Arrowhead Ranch (“**MDA**”) is entered into this 19th day of February, 2025 (“**Effective Date**”) by and among PAYSON CITY, a Utah Municipal Corporation (“**City**”), ARROWHEAD RANCH, LLC, a Utah limited Liability Company (“**Developer**”), ARROWHEAD RANCH HOMEOWNERS ASSOCIATION, INC., a Utah non-profit corporation (“**HOA**”), SNMA-AR LLC, a Utah limited Liability Company (“**AR1**”), SNMA-AR2 LLC, a Utah limited Liability Company (“**AR2**”), and ELEMENT ARROWHEAD, LLC, a Utah limited Liability Company (“**Element**”). HOA, AR1, AR2, and Element are sometimes collectively referred to herein as “**Owners**.” All of the above are sometimes collectively referred to herein as the “**Parties**.”

RECITALS

- A. Developer is the developer of certain property located at approximately 1400 North 1400 East, within the City of Payson Utah, formerly known by Utah County Parcel Numbers 30:009:0071 and 30:009:0037 (“**Property**”). The legal description of the property is shown in Exhibit A attached hereto.
- B. Developer is actively developing the Property and desires to continue to develop the Property in accordance with the terms of this MDA (“**Project**”) as more fully set forth herein.
- C. As of the Effective Date, Developer has recorded two plats on the Property. Accordingly, many new Tax ID numbers have been issued to replace the Parcel numbers. The Tax ID Numbers on the Property, as of the Effective Date, are listed in Exhibit B attached hereto. Developer intends to obtain approval of and record additional plats in the future, as part of the Project.
- D. HOA, AR1, AR2, and Element are owners of various platted lots within the Project, and as of the Effective Date, represent along with Developer, ownership of the entire Project. The Owners together consent and intend to enter into this MDA, making it effective over the entire Project.
- E. The Parties acknowledge that the Property is subject to that certain *DAE Annexation Agreement*, recorded May 8, 2018 as entry number 42740:2018 with the Utah County Recorder (“**Annexation Agreement**”) and the Arrowhead Ranch Specific Plan. The

Annexation Agreement covers the entire Property as well as neighboring parcels not included in the Project. The Parties desire that this MDA should amend and supersede the Annexation Agreement with respect to the Property only and to the matters addressed herein.

- F. Notwithstanding any previously approved plans, moving forward from the Effective Date the Project will be developed consistent with the Concept Plan (“**Concept Plan**”) attached hereto as Exhibit C. The overall Project consists of various single family residential product types, layouts and designs, and various associated land uses, all as shown on the Concept Plan.
- G. Development of the overall Project has been phased, and will continue to be phased, consistent with the Platting Plan attached hereto as Exhibit D. As of the Effective Date, development has occurred as follows:
 - Plat B with 103 lots was recorded on May 9, 2024.
 - Plat A, Phase 1 was recorded on June 24, 2024.
 - Plat A, Phase 2 was approved by City, but the plat has not yet been recorded. Plat A Phase 1 & 2 together have 226 lots.
 - Plat C is under review by the City for Final Plat approval for 25 lots.
 - Remaining Plats D, E, F, G, H, I and J shall be developed in the future.
- H. Contemporaneous with the approval of this MDA and immediately prior to the City’s adoption of this MDA, the City has considered adoption of the zoning districts as set forth on the Zoning Plan (“**Zoning Plan**”) attached hereto as Exhibit E. This MDA shall only be approved and adopted following the City’s formal approval and adoption the zoning districts as shown on the Zoning Plan.
- I. Bylaws and Covenants, Conditions, and Restrictions (“**CC&Rs**”) for the HOA were recorded on May 9, 2024, as entry #30311:2024 along with the recording of Plat B, and are applicable to the entire Project. The CC&Rs page 1 of 66 is attached hereto as Exhibit F.
- J. The Parties intend to enter into this MDA to allow Developer, Owners, and City to resolve, agree upon, and vest issues such as land uses, zoning, density, streetscape, amenities, utility infrastructure, and other development objectives applicable to the Project as a whole, including all recorded lots and undeveloped parcels, and prior to development of the remaining Project as shown on the Concept Plan.

Now, therefore, in consideration of the mutual covenants and promises of the parties contained herein, the parties agree as follows:

1. **Effect on Annexation Agreement.** Where terms and provisions in this MDA conflict with the terms of the Annexation Agreement, this MDA shall control. Moreover, this MDA shall amend and supersede the Annexation Agreement with respect to the Property and the Project only. This MDA shall have no effect on the applicability or terms of the Annexation Agreement upon properties outside of the Project. The Annexation Agreement will remain in full force and effect with regard to those properties.

Zoning. All obligations of both parties in this MDA are conditioned upon the City's final adoption and enactment of the zoning districts as shown in the Zoning Plan. The adopted zoning districts are shown in Exhibit E. All 226 lots in Plat A are the RMF 15 Multi-Family Residential Zone. Lots 1-58 in Plat B are the R-2-7.5 Residential Zone, which includes the RMO Two-family overlay district. Lots 59-103 are the R-1-7.5 Residential Zone. Lots 104-110, 114-127, 129-194, 204-245, and 250-277 are the R-1-7.5 Residential Zone. Lots 111-113, 128, 195-203, 246-249, 278-325, and 340-344 are the R-1-9 Residential Zone. Lots 326-339 are the R-1-10 Residential Zone. Following such adoption and enactment of the Zoning Plan, and approval and adoption of this MDA, the MDA shall immediately vest as of the Effective Date.

2. **Vested Rights.**

- 2.1. **Vesting.** Following Effective Date, City may amend its zoning ordinances in accordance with City's legislative discretion. Developer or Owners shall not contest or object to such amendment, so long as it is understood that the entire Project is vested and Developer and Owners shall be entitled to proceed with the Project under this MDA and the zoning ordinances in place as of the Effective Date, except as specifically provided in this MDA. The Parties expressly intend and agree that this MDA grants to the Developer and Owners "vested rights" pursuant to UTAH CODE § 10-9a-509 and as that term is construed in Utah's common law, to the maximum extent permitted under the law and equity.
- 2.2. **Conflicts.** This MDA has been approved and adopted by the City in accordance with the City's legislative discretion and legislative procedures. Accordingly, in the event of any conflicts between this MDA and the City's ordinances in effect on the Effective Date, this MDA shall control.
- 2.3. **Future Matters.** The Parties intend and agree that with regard to future applications, filed within five years of the Effective Date, including final plat applications, development ordinances and standards are to be applied as they exist as of the Effective Date, except that future ordinances apply, with respect to:
 - 2.3.1. Law changes which are generally applicable to all properties in the City and which are required to comply with State and Federal laws and regulations affecting the Project.
 - 2.3.2. Law changes that are updates or amendments to existing building, plumbing, mechanical, electrical, dangerous buildings, drainage, engineering standards, impact fees or similar construction or safety related codes, such as the International Building Code, the APWA Specifications, AASHTO Standards, the Manual of Uniform Traffic Control Devices or similar standards that are generated by a nationally or statewide recognized construction/safety organization, or by the State or Federal governments and are required to meet legitimate concerns related to public health, safety or welfare.

2.3.3. Taxes, or modifications thereto, so long as such taxes are lawfully imposed and charged uniformly to all properties, applications, persons and entities similarly situated.

2.4. **Successor Developers.** At any time, Developer or any Owner may sell one or more portions of the Project to one or more sub-developers (“**Successor Developer**”). The terms of such sale shall expressly include the transfer of the rights and obligations to develop the Successor Developer’s portion of the Project in accordance with this MDA. Upon such sale the Successor Developer will inure to all rights and obligations under this MDA with respect to the portion of the Property sold to the Successor Developer, and Developer or Owners will no longer be obligated under this MDA in any respect with regard to the portion of the Property sold to the Successor Developer. Developer and Owners will retain all rights and obligations hereunder with respect to unsold portions of the Property.

2.5. **Further Zoning.** The Developer, Owner, or any Successor Developer shall not be obligated to obtain further City zoning approval to develop any portion of the Property, so long as the Property is developed in accordance with the terms of this MDA and the Concept Plan.

3. **Concept Plan.**

3.1. Development will generally occur as set forth in the attached Concept Plan, which upon approval of this Agreement, the attached Concept Plan is also deemed approved. No material modifications to the Concept Plan shall be made by either party without the approval of the city council. For purposes of this MDA, a material modification shall mean any modification which (i) increases the number of lots in the project, or (ii) substantially changes the location of public roads. Modifications to the Concept Plan which do not constitute material modifications may be made with the consent of City staff.

3.2. **Preliminary and Final Plat Applications.** Future preliminary and final plat applications shall follow standard Payson City procedures, including subdivision, site plan, U.S. Army Corps of Engineers Section 404 permitting, etc. Plat A Phase 1 and Plat B have already been recorded. Plat A Phase 2 has received approval for both preliminary and final plat. Plats C, D, and E have received preliminary plat approval. Plats F-J will need to apply for both preliminary and final plat approval.

4. **Development Approval Procedures.**

4.1. **Processing Under City's Code.** Approval processes for development applications shall be as provided in this MDA and the City’s ordinances in place as of the Effective Date. Development applications shall be approved by the City if they comply with applicable building codes, this MDA, the State law, and to the

extent not vested by this MDA, the City's Code in effect as of the date a development application is made.

- 4.2. **City's Cooperation in Processing Development Applications.** The City, Developer, and Owners shall cooperate in processing development applications pursuant to Utah State Code requirements.
- 4.3. **City Denial of a Development Application.** If the City denies a development application, the City shall specify in writing the reasons the City believes that the development application is not consistent with this MDA and/or the City's code. If the City's denial of a development application is based on the denial of the development application by a non-city agency, the Developer or Owner may appeal any such denial through the appropriate procedures for such a decision.

5. **Density and Lot Configuration.**

- 5.1. **Project Density.** Developer and Owners together shall be vested in and entitled to develop on the Property, through final buildout, up to 570 residential total dwelling units ("Vested Residential Units"). The Vested Residential Units include 284 single family attached units, and 286 single family detached units, as shown on the attached Concept Plan. The 226 single-family attached multi-unit homes shall be located in Plat A. The 58 single-family attached two-unit homes shall be located in Plat B, for the total of 284 single-family attached units. 45 single-family detached units shall be located in Plat B and up to 241 single-family detached units shall be in Plats C through J.
- 5.2. **Unit Transfer.** A transfer of the quantity of units between plats shall require city staff approval.
- 5.3. **Accessory Dwelling Units.**
 - 5.3.1. Developer shall be permitted to offer internal accessory dwelling units according to Payson City Municipal Code 13.20.220. Such internal accessory dwelling units shall not count towards the density of the Project.
 - 5.3.2. Developer may include detached accessory dwelling units in accordance with Payson City Code 13.20.221 (Detached Accessory Dwelling Units). Such detached accessory dwelling units shall not count towards the density of the Project.
- 5.4. **Lot Configuration.**
 - 5.4.1. Lot sizes within the Project shall substantially follow the Concept Map in Exhibit C, but in no event shall the size of any single family detached lot be smaller than 7,500 square feet. Parties agree that even if the area of individual lots in single-family detached home zones contain less square footage than what is listed for that lot's zone in the table in Payson

Municipal Code 13.14.060.3, the lots shall be approved for preliminary and final plat.

- 5.4.2. Lot Frontage within the Project shall vary, but the minimum required frontage for a single family detached home lot shall be 65 feet, except for lots on cul-de-sacs. Parties agree that even if the lot frontage length for individual single-family detached home lots not located on a cul-de-sac are less than what is listed for the lot's zone in the table in Payson Municipal Code 13.14.060.3, the lots shall be approved for preliminary and final plat if they substantially follow the Concept Map in Exhibit C.
- 5.4.3. Cul-de-sac lots for single-family detached homes shall have a minimum of 55 feet of frontage measured at the front setback to the garage. The measurement of the setback on a cul-de-sac lot shall be consistent with Payson Municipal Code 13.14.060.3, with the front setback distance defined as measured from the front lot boundary to the garage rather than to the front of the home.
- 5.4.4. Building setbacks for single-family detached and attached homes in Plats B through J shall be in accordance with the attached Exhibit G.
- 5.4.5. The footprint of the single family detached dwelling units shall not exceed 55% of the total lot area.
- 5.4.6. The single family attached units in Plat A, depicted as Lots 53 through 55 and Lots 82 through 226 on the approved Plat A Phase 1 and Plat A Phase 2 plats, shall be entitled to contain private drives.

6. **Open Space.** Developer's minimum open space requirement shall be 13.14 acres, which fulfills the developer's Minimum Open Space Requirement.

- 6.1. **Phasing.** Developer's Minimum Open Space Requirement shall be met on a Project-wide basis, without regard to the open space designated on any particular plat. If earlier phases create any deficit in open space, future plats will be required to include sufficient open space so that the Minimum Open Space Requirement is met upon the completion of all plats.
- 6.2. **Public and Private Open Space.** Developer may meet its Minimum Open Space Requirement with property that has been dedicated to the public and/or property that has been designated common area (or limited common area) and is owned by the HOA.
- 6.3. **Open Space Design.** Open space may include landscaping, native vegetation, trails and other impervious surfaces. For trails in the Project that are designated as 10-foot-wide sidewalks, half of the surface area shall be counted as open space. Wetland areas shall count toward open space when the wetland area is amenitized with a trail, open space, or adjacent crossing, or other improvements.

- 6.4. **Parks.** As part of Developer's Minimum Open Space Requirement, Developer intends to improve and may dedicate certain public park areas to the City as shown in the Concept Plan. These parks may be dedicated to the City at such time that the plats that include the park are recorded. Public parks and open spaces shall be designed and submitted for review according to Payson City standard processes.
- 6.4.1. The Park included in Plat C shall be landscaped by Developer to include grass throughout the park, two 2-inch caliper trees behind the public utility easement on the north, fourteen 2-inch caliper trees behind the public utility easement on the east, and an irrigation system. Such landscaping to be completed within 1 year of dedication.
- 6.4.2. The Park included in Plat G shall be landscaped by Developer to include grass planted from back of public utility easement to non-wetlands side of the trail. Developer shall also construct a pavilion with six all-weather picnic tables in this park. Developer shall begin Construction of the Pavilion and shall complete the construction prior to the issuance of any building permit in any future plats.
- 6.5. **Trails.** As part of Developer's Minimum Open Space Requirement, Developer intends to improve and may dedicate certain public trail areas to the City as shown in the Concept Plan. These trails may be dedicated to the City at such time that the plats that include the park areas are recorded, or ownership of trails may be retained by the HOA.
- 6.5.1. No landscaping shall be required along the wetland side of any trail.
- 6.5.2. Trails that are owned by the HOA and intended for public use shall include an irrevocable perpetual easement in favor of Payson City for public trail access. Trails intended for public use will be designated at each plat recordation. Each trail owned by Payson City or intended for public use and has a perpetual easement in favor of Payson City shall be maintained by Payson City.
- 6.6. **Park Fee Credits.** To the extent that any open space is dedicated to the City for the use of the Public, Developer may receive credits against any Parks impact fees imposed by the City. Open space and dedicated public parks shall be evaluated with each plat to determine if Park Fee Credits are eligible.

7. Utilities and Public Services

- 7.1. **Local Roads.** All local public roads within the Project shall be constructed with a 58-foot ROW cross-section. Such construction shall take place in accordance with City standards, with the width and location as shown on the Concept Plan.

- 7.2. **Arrowhead Trail Road.** Developer and Owners are responsible to construct and dedicate portions of Arrowhead Trail Road adjacent to the Project as a major collector road.
- 7.2.1. Construction of Arrowhead Trail Road is intended to provide system-wide facilities to the benefit of the Project, as well as to the benefit of future development in Payson City, and the general public. City acknowledges that Developer's (or an Owner's) responsibility for construction of Arrowhead Trail Road would include dedication of such additional property as needed to establish a major collector road beyond what presently exists, and construction of a half-width of Arrowhead Trail Road to City standards for a major collector road, along the Project's frontage. Nevertheless, City has requested dedication and construction of a much wider road than that designated as a major collector road in the City ordinances, as well as a shift of the centerline of the road onto the Developer's property.
- 7.2.2. At the City's request, Developer has improved the existing Arrowhead Trail Road and has also expanded Arrowhead Trail Road. The Parties agree and acknowledge that these two projects exceed Developer's proportionate share of Arrowhead Trail Road improvements. No compensation from Payson City will be allocated to the developer for these road improvements.
- 7.3. **1260 North Street.** Developer and City acknowledge that Developer is responsible to construct and dedicate portions of 1260 North Street, on the southern boundary of the Project, as a local road adjacent to the Project. Construction of 1260 North Street is intended to provide facilities that will benefit future development in Payson City, and the general public. Construction of this road will go beyond the Developer's proportionate responsibility for the road. Accordingly, City and Developer agree that Developer is responsible for 50% of the cost of road improvements (see Exhibit H for cost sharing) for construction of the 1260 North Street. Such system improvements are subject to the reimbursement provisions in this MDA.
- 7.4. **Cable TV/Fiber Optic Service.** The Developer has installed and may cause to be installed underground conduits for cable service and fiber optic lines within the Project. These underground conduits, casings and sleeves are the property of the Developer and other utilities must receive permission to utilize said infrastructure. The Developer has the right to contract with any cable TV/fiber optic provider to utilize these conduits, so long as those entities have a franchise agreement with Payson City.
- 7.5. **Water.** Developer agrees that prior to approval of a final plat for any parcel of property that is included in the Project, the owner of the subject parcel shall dedicate water rights to the City sufficient to serve that portion of the Project in

accordance with the provisions of applicable law. The City shall not be required to approve any plat until such requirements are fully satisfied.

- 7.6. **Stormwater and Detention.** Developer agrees to install, at Developer's expense, and in accordance with the Concept Plan, underground stormwater detention chambers as part of the Project, in order to manage stormwater runoff from the Project. Upon recording the plats containing the areas where they are installed, Developer shall dedicate to the City all of the underground stormwater and detention facilities constructed to service the Project. Payson City is not responsible for restoring any landscaping as a result of maintaining the underground storage. Payson City shall thereafter be responsible to maintain the stormwater facilities. However, surface areas above all underground stormwater facilities shall not be dedicated but shall be owned by the HOA as HOA Common Area. City shall have a perpetual easement to access and maintain its facilities under the common area.

- 7.6.1. **Sewer.** As part of Developer's obligation to construct a sewer system within the Project, Developer shall install a sewer lift station in order to serve the portions of the Project that cannot gravity flow to the sewer main. Developer shall initially install a sewer lift station that shall be sized to serve only the units within the Project. This lift station shall not be dedicated to the City but shall remain in the ownership of the HOA and shall be maintained by the HOA. The City shall not approve future development by third parties to use the Project's lift station. All other sewer improvements installed by Developer besides the Project lift station shall be dedicated to the City upon plat recording. The Developer shall engineer the sewer system in Plats D through J so that if in the future a regional sewer lift station is installed on the property to the north of Arrowhead Ranch, the smaller HOA-owned lift station can be removed, and the portion of the Project that cannot gravity flow will be able to be directed to the new regional lift station to the north.

- 7.6.2 Should the City elect to install a regional lift station to the north of the Project, serving any properties beyond the Project, Payson City shall own and maintain the regional lift station. Developer may be required to pay only Developer's proportionate share to install the regional lift station, based on ratio between the total unit capacity of the lift station and the amount of lift station unit capacity used by the Project. Any amount paid by Developer to install the lift station, beyond Developer's proportionate share, shall be subject to the reimbursement provisions of this MDA.

- 7.7. **Easements.** The Developer shall exercise reasonable efforts to secure any necessary utility and similar easements or similar property rights (including without limitation easements for water, sewer, power, gas, telephone, etc.) from neighboring property owners in connection with the planning and development of the Development Property. The City will cooperate with Developer in obtaining such easements.

8. **Reimbursements.**

- 8.1. **Infrastructure Built by the Developer.** The Developer, Owners, or Successor Developers may, from time to time, install and construct *system improvements*, as that term is understood under the Utah Impact Fees Act and common law. The City shall reimburse or credit Developer or Owner for such facilities as required by law.
- 8.2. **Reimbursement for “Upsizing”.** The City shall not require the Developer or Owner to “upsized” any public improvements (i.e., to construct the improvements to a size larger than required to service the Project) unless financial arrangements reasonably acceptable to the Developer or Owner are made to compensate the Developer or Owner for the costs of such upsizing. Such upsizing may include, for example, installing a larger sewer pipe in 1600 East Street so the property to the south can in the future have sewage flow through Arrowhead Ranch to a potential future sewer lift station to the north of Arrowhead Ranch.
- 8.3. **Preparation and Adoption of Impact Fees Facilities Plan and Impact Fee.** The City hereby agrees to promptly initiate and schedule amendments to the City’s current impact fees facilities plan with respect to any public infrastructure and improvements to be financed with the assistance of the City, or upsized at the request or requirement of the City, to enable prompt reimbursement therefor to the Developer or Owner.

9. **Security for Improvements.** Developer’s obligations regarding improvement completion assurance and improvement warranties shall comply with UTAH CODE § 10-9a-604.5.

- 9.1. **Improvement Completion Assurance.** The completion of all improvements shall be subject to bonding requirements established by the City using forms for surety approved by the City, in compliance with State law. One of Developer’s or Owner’s options for improvement completion assurance shall be in the form of a performance bond or letter of credit. Any such security shall be, at the Developer’s or Owner’s request, partially released pro rata as work proceeds, in accordance with the procedures established by City Ordinance. Upon Substantial Completion of the On-Site or Off-Site Infrastructure, as certified by the Developer’s or Owner’s engineers, the remainder of the improvement completion assurance bond, except ten percent (10%) as security for a one (1) year warranty against defects in materials and workmanship, shall be released.
- 9.2. **Improvement Warranty.** At the end of the one (1) year warranty, unless the Developer or Owner has been notified by the City of any repairs required under the warranty, the remaining security shall be released to the Developer or Owner. No security shall be required for any improvements that are not designated to be dedicated to the City, nor for any improvements that are constructed by a public or quasi-public entity.

- 9.3. **Default and Remedies.** No Party shall be in default under this Agreement unless such Party fails to perform an obligation required under this Agreement with ten (10) days after written notice is given to the defaulting Party by the other Party, reasonably setting forth the respects in which the defaulting Party has failed to perform such obligation. In the event of an uncured default by any Party within the applicable time for performance and cure period, the non-defaulting Party shall have the remedy of specific performance, voiding the Agreement, or obtaining an injunction requiring actions in accordance with this Agreement without the posting of an injunction bond. To resolve any disputes arising out of this Agreement, the parties agree to submit to an expedited judicial review of such dispute(s) through a process that mirrors the Utah Land Use, Development, and Management Act (LUDMA) procedural process, where the Parties (i) stipulate to a set of facts that make up the relevant record; (ii) conduct minimal discovery (if any); and (iii) submit competing briefs asking the Court for declaratory judgment or injunctive relief to resolve the dispute. The Parties agree that neither Party will be entitled to recover monetary damages for any claims arising out of this Agreement, other than the possibility of attorney fees as contemplated in this Agreement.

10. **Miscellaneous.**

- 10.1. **Authority.** The Parties to this MDA each warrant that they have all of the necessary authority to execute this MDA.
- 10.2. **Term of Agreement.** The term of this MDA shall be until the twentieth anniversary of the Effective Date. If as of that date the Developer or Owner has not been declared to be in default, or if any such declared default is not being cured as provided therein, then this MDA shall be automatically extended until the fortieth anniversary of the Effective Date.
- 10.3. **Amendment.** Any future amendments to this MDA shall be in writing and signed by the Developer or Owner (or a duly appointed agent of the Developer or Owner) and a duly authorized representative of the City.
- 10.4. **Assignability.** The rights and responsibilities of the Developer or Owner under this MDA may be assigned in whole or in part by the Developer or Owner, provided that the Developer or Owner shall give Notice to the City of any assignment and shall further provide such information regarding the assignee that the City may reasonably request. Such Notice shall include providing the City with all necessary contact information for the proposed assignee. If any proposed assignment is for less than all of the Developer or Owner rights and responsibilities, then the assignee shall be responsible for the performance of each of the obligations contained in this MDA to which the assignee succeeds. Upon any such partial assignment, the Developer or Owner shall be released from any future obligations as to those obligations which are assigned but shall remain responsible for the performance of any obligations that were not assigned. Any

assignee shall consent in writing to be bound by the assigned terms and conditions of this MDA as a condition precedent to the effectiveness of the assignment.

- 10.5. **Binding Effect.** This MDA shall be deemed to run with the Property and shall be binding upon and inure to the benefit of the heirs and assigns of the parties hereto, and to any entities resulting from the reorganization, consolidation, or merger of any party hereto.
- 10.6. **Headings.** The headings contained in this MDA are intended for convenience only and are in no way to be used to construe or limit the text herein.
- 10.7. **Integration.** This MDA constitutes the entire understanding and agreement between the parties, and supersedes any previous agreement, representation, or understanding between the parties relating to the subject matter hereof.
- 10.8. **Severability.** If any part or provision of this MDA shall be adjudged unconstitutional, invalid or unenforceable by a court or competent jurisdiction, then such a judgment shall not affect any other part or provision of this MDA except that part or provision so adjudged to be unconstitutional, invalid or unenforceable. If any condition, covenant, or other provision of this MDA shall be deemed invalid due to its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.
- 10.9. **Governing Law.** This MDA shall be interpreted, construed and enforced according to the laws of the State of Utah.
- 10.10. **Costs of Enforcement.** In the event of default on the part of any party to this MDA, that party shall be liable for all costs and expenses incurred by the other parties in enforcing the provisions of this MDA, including but not limited to attorneys' fees, whether or not legal action is instituted.
- 10.11. **Further Documentation.** This MDA is entered into by both parties with the recognition and anticipation that subsequent agreements implementing and carrying out the provisions of this MDA may be necessary. The parties agree to negotiate in good faith with respect to all such future agreements.
- 10.12. **Estoppel Certificate.** If no default has occurred in the provisions of this MDA and upon twenty (20) days prior written request by the Developer, Owner, or a Successor Developer, the City will execute an estoppel certificate to any third party, certifying that the Developer, Owner, or a Successor Developer, as the case may be, at that time is not in default of the terms of this MDA.
- 10.13. **No Joint Venture.** This MDA does not create a joint venture relationship, partnership or agency relationship between the City and the Developer or Owner.
- 10.14. **Mutual Drafting.** Each party has participated in negotiating and drafting this MDA and therefore no provision of this MDA shall be construed for or against either party based on which party drafted any particular portion of this MDA.

- 10.15. **Notices.** All notices, filings, consents, approvals, and other communication provided for herein or given in connection herewith shall be validly given, filed, made, delivered or served if in writing and delivered personally, by nationally recognized overnight courier, or sent by registered or certified US Postal Service mail, return receipt requested, postage paid to:

If to City: Payson City
Attention: City Recorder
439 W. Utah Avenue
Payson UT 84651

If to Developer: Arrowhead Ranch, LLC
134 West 13100 South, Suite 200
Draper UT 84020

If to HOA: Arrowhead Ranch Homeowners Association
10718 Beckstead Lane, Suite 201/Office 1
South Jordan UT 84095

If to AR1: SNMA-AR LLC
433 W Ascension Way
Murray UT 84123

If to AR2: SNMA-AR2 LLC
433 W Ascension Way
Murray UT 84123

If to Element: Element Arrowhead, LLC
134 West 13100 South, Suite 200
Draper UT 84020

- 10.16. **Mailing Effective.** Notice is given by Mail shall be deemed delivered seventy-two (72) hours following deposit with the US Postal Service in the manner set forth above. Notices that are hand delivered or delivered by nationally recognized overnight courier shall be deemed delivered upon receipt.

- 10.17. **Waiver.** No delay in exercising any right or remedy shall constitute a waiver thereof and no waiver by the parties of the breach of any provision of this MDA shall be construed as a waiver of any preceding or succeeding breach by the same of any other provision of this MDA.

- 10.18. Payson City does not waive any rights it possesses under the Governmental Immunity Act.

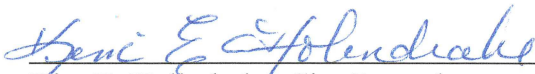
[Signature pages follow]

WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date first above written.

City:
PAYSON CITY


William R. Wright, Mayor

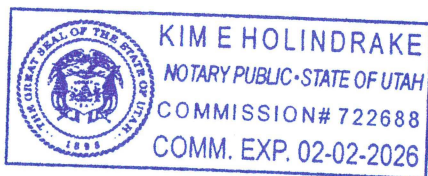
Attest:

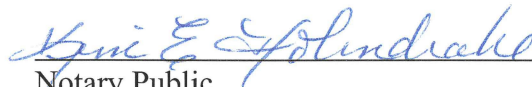

Kim E. Holindrake, City Recorder



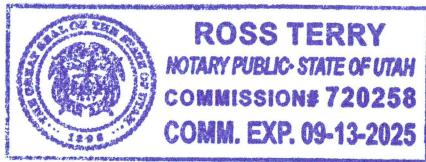
State of Utah)
 §
County of Utah)

On this 19th day of February, 2025, personally appeared before me, William R. Wright, Payson City Mayor and the signer of the foregoing instrument, whose identity is personally known to me or proven on the basis of satisfactory evidence, and who duly acknowledged to me that he/she did execute the same.




Notary Public

Developer:
ARROWHEAD RANCH, LLC

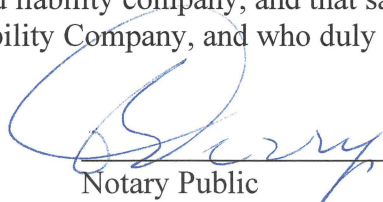



By: Ross Holliday
Title: Manager

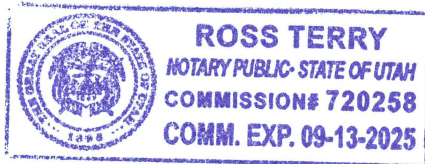
State of Utah)

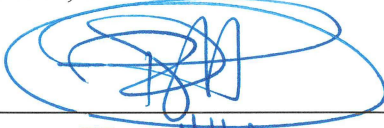
County of Salt Lake §

On this 24th day of Feb., 20 25, personally appeared before me,
Ross Holliday, the signer of the foregoing instrument, whose identity is
personally known to me or proven on the basis of satisfactory evidence, and who by me duly
sworn/affirmed, did say that he/she is the Manager (title or office) of
Arrowhead Ranch LLC, a Utah limited liability company, and that said document was signed by
him/her on behalf of said Limited Liability Company, and who duly acknowledged to me that
he/she executed the same.


Notary Public

HOA:
ARROWHEAD RANCH HOMEOWNERS
ASSOCIATION, INC.

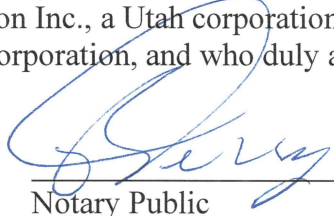



By: Ross Holliday
Title: Declarant

State of Utah)

County of Salt Lake §

On this 24th day of Feb, 20 25, personally appeared before me,
Ross Holliday, the signer of the foregoing instrument, whose identity is
personally known to me or proven on the basis of satisfactory evidence, and who by me duly
sworn/affirmed, did say that he/she is the Declarant (title or office) of
Arrowhead Ranch Homeowners Association Inc., a Utah corporation, and that said document
was signed by him/her on behalf of said Corporation, and who duly acknowledged to me that
he/she executed the same.

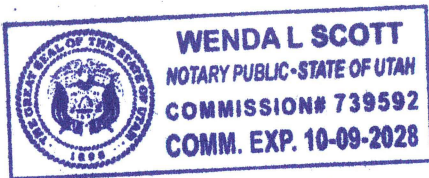

Notary Public

AR1:
SNMA-AR LLC

Shane Wilson
By: Shane Wilson
Title: Manager

State of Utah)
County of Salt Lake)

On this 24th day of February, 2025, personally appeared before me, Shane Wilson, the signer of the foregoing instrument, whose identity is personally known to me or proven on the basis of satisfactory evidence, and who by me duly sworn/affirmed, did say that he/she is the Manager (title or office) of SNMA-AR LLC, a Utah limited liability company, and that said document was signed by him/her on behalf of said Limited Liability Company, and who duly acknowledged to me that he/she executed the same.



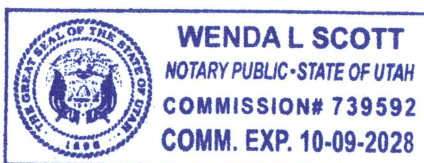
Wenda L. Scott
Notary Public

AR2:
SNMA-AR2 LLC

Shane Wilson
By: Shane Wilson
Title: Manager

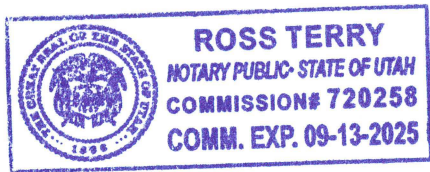
State of Utah)
County of Salt Lake)

On this 24th day of February, 2025, personally appeared before me, Shane Wilson, the signer of the foregoing instrument, whose identity is personally known to me or proven on the basis of satisfactory evidence, and who by me duly sworn/affirmed, did say that he/she is the Manager (title or office) of SNMA-AR2 LLC, a Utah limited liability company, and that said document was signed by him/her on behalf of said Limited Liability Company, and who duly acknowledged to me that he/she executed the same.



Wenda L. Scott
Notary Public

Element:
ELEMENT ARROWHEAD, LLC



[Signature]

By: Ross Holliday
Title: Manager

State of Utah)

County of Salt Lake §

On this 24th day of Feb, 2025, personally appeared before me,
Ross Holliday, the signer of the foregoing instrument, whose identity is
personally known to me or proven on the basis of satisfactory evidence, and who by me duly
sworn/affirmed, did say that he/she is the Manager (title or office) of
Element Arrowhead LLC, a Utah limited liability company, and that said document was signed
by him/her on behalf of said Limited Liability Company, and who duly acknowledged to me that
he/she executed the same.

[Signature]

Notary Public

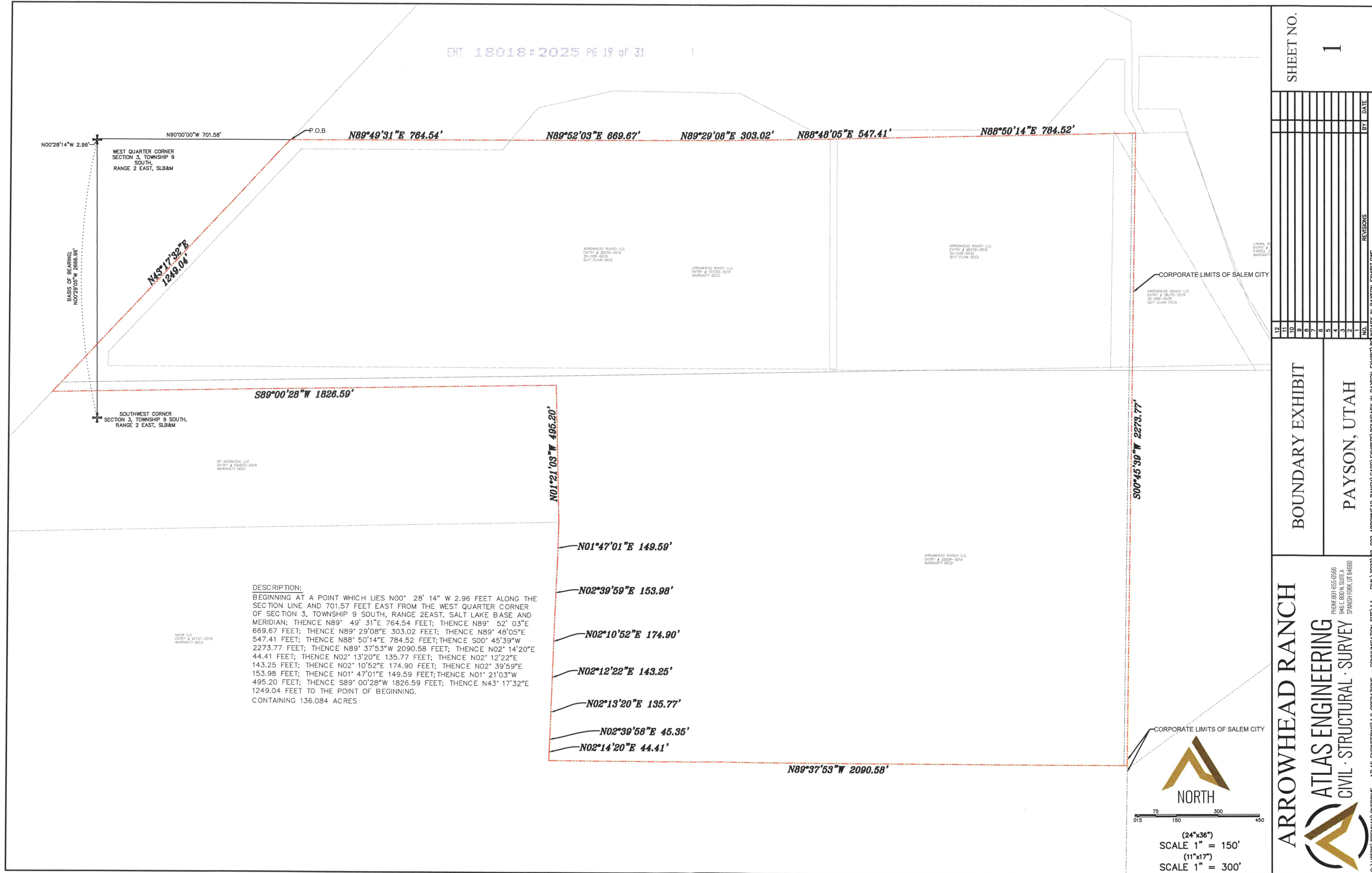
EXHIBIT A
Legal Description

DESCRIPTION:

BEGINNING AT A POINT WHICH LIES N00° 28' 14" W 2.96 FEET ALONG THE SECTION LINE AND 701.57 FEET EAST FROM THE WEST QUARTER CORNER OF SECTION 3, TOWNSHIP 9 SOUTH, RANGE 2EAST, SALT LAKE BASE AND MERIDIAN; THENCE N89° 49' 31"E 764.54 FEET; THENCE N89° 52' 03"E 669.67 FEET; THENCE N89° 29'08"E 303.02 FEET; THENCE N89° 48'05"E 547.41 FEET; THENCE N88° 50'14"E 784.52 FEET; THENCE S00° 45'39"W 2273.77 FEET; THENCE N89° 37'53"W 2090.58 FEET; THENCE N02° 14'20"E 44.41 FEET; THENCE N02° 13'20"E 135.77 FEET; THENCE N02° 12'22"E 143.25 FEET; THENCE N02° 10'52"E 174.90 FEET; THENCE N02° 39'59"E 153.98 FEET; THENCE N01° 47'01"E 149.59 FEET; THENCE N01° 21'03"W 495.20 FEET; THENCE S89° 00'28"W 1826.59 FEET; THENCE N43° 17'32"E 1249.04 FEET TO THE POINT OF BEGINNING.

CONTAINING 136.084 ACRES

EXHIBIT A - Arrowhead Ranch
Boundary within Payson City



SHEET NO.
1

REVISIONS		BY	DATE
12			
11			
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2			
1			
NO.			

BOUNDARY EXHIBIT

PAYSON, UTAH

ARROWHEAD RANCH
ATLAS ENGINEERING
CIVIL · STRUCTURAL · SURVEY

PHONE: 801-655-0566
946 E. 800 N. SUITE A
SPRINGFORK, UT 84660

ARROWHEAD RANCH
ENTR # 107223-2018
WARRANTY DEED

ENT 18018=2025 PG 20 of 31

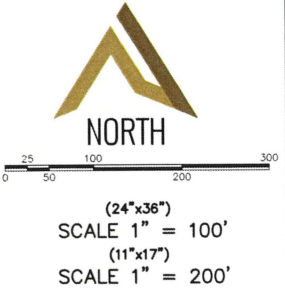
EXHIBIT B - Arrowhead Ranch Subdivision
Plat A Phase 1, Parcel ID Exhibit



ADDRESS	LOT NUMBER	PARCEL ID
1392 N 1400 EAST, PAYSON, UT	1	34:770-0001
1378 N 1400 EAST, PAYSON, UT	2	34:770-0002
1366 N 1400 EAST, PAYSON, UT	3	34:770-0003
1358 N 1400 EAST, PAYSON, UT	4	34:770-0004
1354 N 1400 EAST, PAYSON, UT	5	34:770-0005
1348 N 1400 EAST, PAYSON, UT	6	34:770-0006
1344 N 1400 EAST, PAYSON, UT	7	34:770-0007
1338 N 1400 EAST, PAYSON, UT	8	34:770-0008
1334 N 1400 EAST, PAYSON, UT	9	34:770-0009
1326 N 1400 EAST, PAYSON, UT	10	34:770-0010
1308 N 1400 EAST, PAYSON, UT	11	34:770-0011
1304 N 1400 EAST, PAYSON, UT	12	34:770-0012
1298 N 1400 EAST, PAYSON, UT	13	34:770-0013
1292 N 1400 EAST, PAYSON, UT	14	34:770-0014
1284 N 1400 EAST, PAYSON, UT	15	34:770-0015
1278 N 1400 EAST, PAYSON, UT	16	34:770-0016
1272 N 1400 EAST, PAYSON, UT	17	34:770-0017
1264 N 1400 EAST, PAYSON, UT	18	34:770-0018
1394 E 1280 NORTH, PAYSON, UT	19	34:770-0019
1388 E 1280 NORTH, PAYSON, UT	20	34:770-0020
1382 E 1280 NORTH, PAYSON, UT	21	34:770-0021
1376 E 1280 NORTH, PAYSON, UT	22	34:770-0022
1372 E 1280 NORTH, PAYSON, UT	23	34:770-0023
1364 E 1280 NORTH, PAYSON, UT	24	34:770-0024
1358 E 1280 NORTH, PAYSON, UT	25	34:770-0025
1354 E 1280 NORTH, PAYSON, UT	26	34:770-0026
1350 E 1280 NORTH, PAYSON, UT	27	34:770-0027
1346 E 1280 NORTH, PAYSON, UT	28	34:770-0028
1342 E 1280 NORTH, PAYSON, UT	29	34:770-0029
1338 E 1280 NORTH, PAYSON, UT	30	34:770-0030
1332 E 1280 NORTH, PAYSON, UT	31	34:770-0031
1326 E 1280 NORTH, PAYSON, UT	32	34:770-0032
1316 E 1280 NORTH, PAYSON, UT	33	34:770-0033
1304 E 1280 NORTH, PAYSON, UT	34	34:770-0034
1355 E 1360 NORTH, PAYSON, UT	75	34:770-0075
1363 E 1360 NORTH, PAYSON, UT	76	34:770-0076
1371 E 1360 NORTH, PAYSON, UT	77	34:770-0077
1375 E 1360 NORTH, PAYSON, UT	78	34:770-0078
1381 E 1360 NORTH, PAYSON, UT	79	34:770-0079
1387 E 1360 NORTH, PAYSON, UT	80	34:770-0080

ADDRESS	LOT NUMBER	PARCEL ID
1395 E 1360 NORTH, PAYSON, UT	81	34:770-0081
1356 N 1390 EAST, PAYSON, UT	82	34:770-0082
1352 N 1390 EAST, PAYSON, UT	83	34:770-0083
1346 N 1390 EAST, PAYSON, UT	84	34:770-0084
1342 N 1390 EAST, PAYSON, UT	85	34:770-0085
1336 N 1390 EAST, PAYSON, UT	86	34:770-0086
1332 N 1390 EAST, PAYSON, UT	87	34:770-0087
1324 N 1390 EAST, PAYSON, UT	88	34:770-0088
1316 N 1390 EAST, PAYSON, UT	89	34:770-0089
1312 N 1390 EAST, PAYSON, UT	90	34:770-0090
1302 N 1390 EAST, PAYSON, UT	91	34:770-0091
1294 N 1390 EAST, PAYSON, UT	92	34:770-0092
1286 N 1390 EAST, PAYSON, UT	93	34:770-0093
1282 N 1390 EAST, PAYSON, UT	94	34:770-0094
1281 N 1390 EAST, PAYSON, UT	95	34:770-0095
1287 N 1390 EAST, PAYSON, UT	96	34:770-0096
1295 N 1390 EAST, PAYSON, UT	97	34:770-0097
1301 N 1390 EAST, PAYSON, UT	98	34:770-0098
1311 N 1390 EAST, PAYSON, UT	99	34:770-0099
1317 N 1390 EAST, PAYSON, UT	100	34:770-0100
1323 N 1390 EAST, PAYSON, UT	101	34:770-0101
1329 N 1390 EAST, PAYSON, UT	102	34:770-0102
1337 N 1390 EAST, PAYSON, UT	103	34:770-0103
1343 N 1390 EAST, PAYSON, UT	104	34:770-0104
1345 N 1390 EAST, PAYSON, UT	105	34:770-0105
1349 N 1390 EAST, PAYSON, UT	106	34:770-0106
1353 N 1390 EAST, PAYSON, UT	107	34:770-0107
1358 N 1360 EAST, PAYSON, UT	108	34:770-0108
1354 N 1360 EAST, PAYSON, UT	109	34:770-0109
1348 N 1360 EAST, PAYSON, UT	110	34:770-0110
1344 N 1360 EAST, PAYSON, UT	111	34:770-0111
1338 N 1360 EAST, PAYSON, UT	112	34:770-0112
1334 N 1360 EAST, PAYSON, UT	113	34:770-0113
1326 N 1360 EAST, PAYSON, UT	114	34:770-0114
1318 N 1360 EAST, PAYSON, UT	115	34:770-0115
1308 N 1360 EAST, PAYSON, UT	116	34:770-0116
1304 N 1360 EAST, PAYSON, UT	117	34:770-0117
1296 N 1360 EAST, PAYSON, UT	118	34:770-0118
1288 N 1360 EAST, PAYSON, UT	119	34:770-0119
1282 N 1360 EAST, PAYSON, UT	120	34:770-0120

ADDRESS	LOT NUMBER	PARCEL ID
1283 N 1360 EAST, PAYSON, UT	121	34:770-0121
1289 N 1360 EAST, PAYSON, UT	122	34:770-0122
1297 N 1360 EAST, PAYSON, UT	123	34:770-0123
1305 N 1360 EAST, PAYSON, UT	124	34:770-0124
1313 N 1360 EAST, PAYSON, UT	125	34:770-0125
1319 N 1360 EAST, PAYSON, UT	126	34:770-0126
1325 N 1360 EAST, PAYSON, UT	127	34:770-0127
1331 N 1360 EAST, PAYSON, UT	128	34:770-0128
1339 N 1360 EAST, PAYSON, UT	129	34:770-0129
1347 N 1360 EAST, PAYSON, UT	130	34:770-0130
1351 N 1360 EAST, PAYSON, UT	131	34:770-0131
1355 N 1360 EAST, PAYSON, UT	132	34:770-0132
1359 N 1360 EAST, PAYSON, UT	133	34:770-0133
1348 N 1340 EAST, PAYSON, UT	134	34:770-0134
1346 N 1340 EAST, PAYSON, UT	135	34:770-0135
1342 N 1340 EAST, PAYSON, UT	136	34:770-0136
1338 N 1340 EAST, PAYSON, UT	137	34:770-0137
1336 N 1340 EAST, PAYSON, UT	138	34:770-0138
1332 N 1340 EAST, PAYSON, UT	139	34:770-0139
1328 N 1340 EAST, PAYSON, UT	140	34:770-0140
1322 N 1340 EAST, PAYSON, UT	141	34:770-0141
1314 N 1340 EAST, PAYSON, UT	142	34:770-0142
1306 N 1340 EAST, PAYSON, UT	143	34:770-0143
1298 N 1340 EAST, PAYSON, UT	144	34:770-0144
1292 N 1340 EAST, PAYSON, UT	145	34:770-0145
1284 N 1340 EAST, PAYSON, UT	146	34:770-0146
1285 N 1340 EAST, PAYSON, UT	147	34:770-0147
1291 N 1340 EAST, PAYSON, UT	148	34:770-0148
1299 N 1340 EAST, PAYSON, UT	149	34:770-0149
1307 N 1340 EAST, PAYSON, UT	150	34:770-0150
1309 N 1340 EAST, PAYSON, UT	151	34:770-0151
1321 N 1340 EAST, PAYSON, UT	152	34:770-0152
1327 N 1340 EAST, PAYSON, UT	153	34:770-0153
1333 N 1340 EAST, PAYSON, UT	154	34:770-0154
1335 N 1340 EAST, PAYSON, UT	155	34:770-0155
1341 N 1340 EAST, PAYSON, UT	156	34:770-0156
1349 N 1340 EAST, PAYSON, UT	157	34:770-0157
1353 N 1340 EAST, PAYSON, UT	158	34:770-0158
1357 N 1340 EAST, PAYSON, UT	159	34:770-0159



ARROWHEAD RANCH

ATLAS ENGINEERING
CIVIL · STRUCTURAL · SURVEY

PHONE 801-955-0686
946 E 800 N, SUITE A
SPANISH FORK, UT 84680

PARCEL ID EXHIBIT
PLAT "A-PHASE 1"

PAYSON, UTAH

SHEET NO.

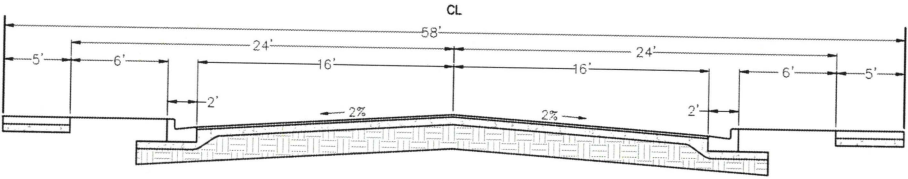
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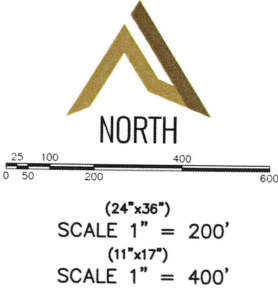
EXHIBIT C - Arrowhead Ranch Subdivision
Overall Conceptual Layout

ENT 18018-2025 PG 24 of 31



58' ROW-TYPICAL
-NTS-

ENT 18018-2025 PG 23 of 31



SHEET NO.
1

NO.	REVISIONS	BY	DATE
1			

CONCEPT PLAN
PAYSON, UTAH

ARROWHEAD RANCH

ATLAS ENGINEERING
CIVIL · STRUCTURAL · SURVEY

PHONE: 801-655-0566
946 E. 800 N. SUITE A
SPANISH FORK, UT 84603

ENT 18018-2025 PG 24 of 31

[illegible]

(24"x36")
SCALE 1" = 200'
(11"x17")
SCALE 1" = 400'



PHONE: 801-655-0566
946 E. 800 N. SUITE A
SPANISH FORK, UT 84660

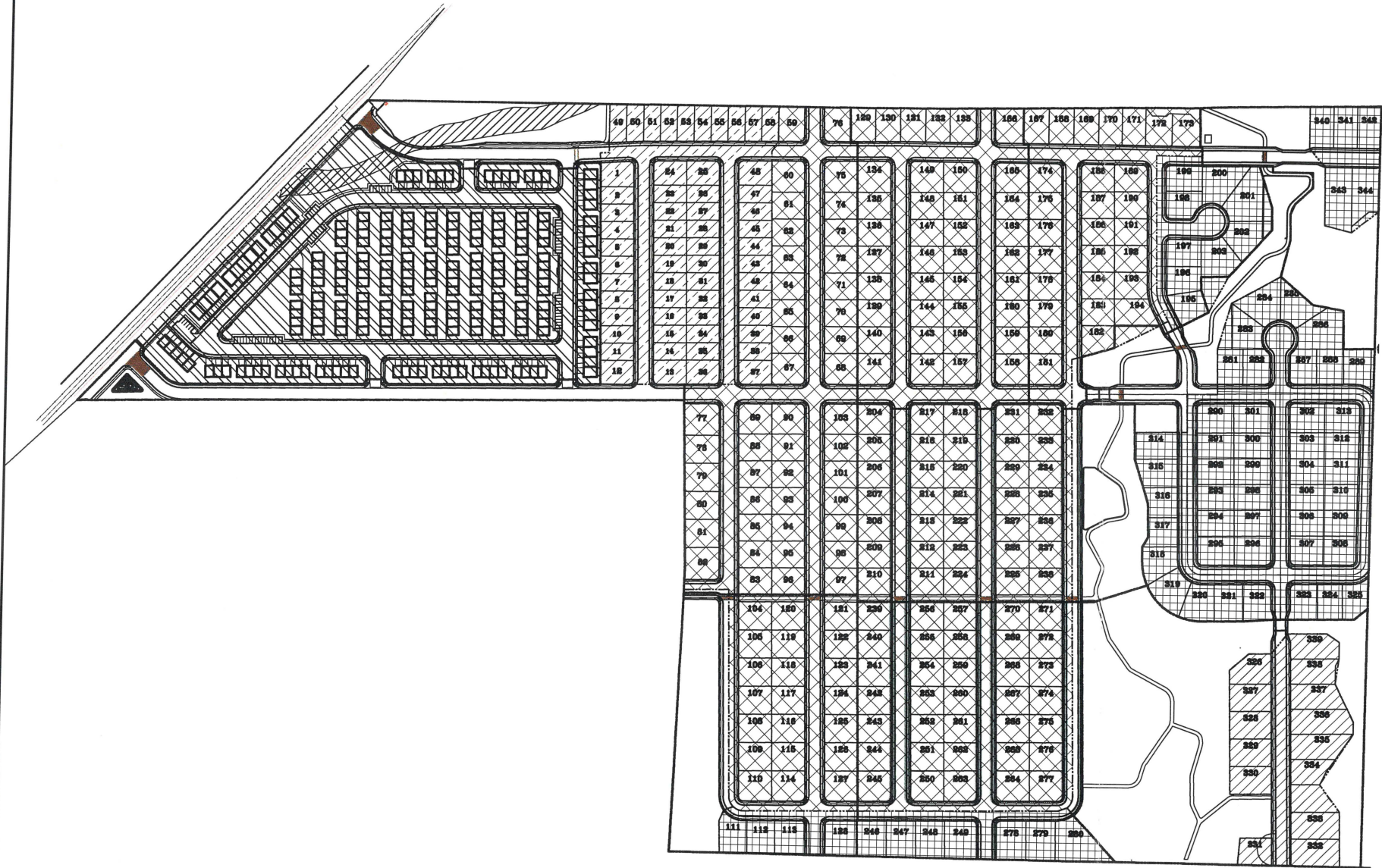
PAYSON, UTAH

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NO.	REVISIONS	BY	DATE

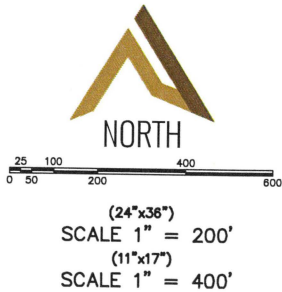
2

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EXHIBIT E - Arrowhead Ranch
Zoning Plan



- RMF 15 MULTI-FAMILY RESIDENTIAL ZONE
- R-2-7.5 RESIDENTIAL ZONE, INCLUDES THE RMO TWO-FAMILY OVERLAY DISTRICT
- R-1-7.5 RESIDENTIAL ZONE: 107.08 ACRES
- R-1-9 RESIDENTIAL ZONE
- R-1-10 RESIDENTIAL ZONE



ZONING EXHIBIT		SHEET NO.	
PAYSON, UTAH		1	
ARROWHEAD RANCH		ENT 18018-2025 PG 28 of 31	
ATLAS ENGINEERING		CIVIL · STRUCTURAL · SURVEY	
C:\USERS\CALEB\ONE DRIVE - ATLAS ENGINEERING\DOCUMENTS - COMMUNICATION SITE\LO OPERATIONS\1.1 - CIL\2022\22-022 ARROWHEAD RANCH\CAUD EXHIBITS\ZONING EXHIBIT\ARROWHEAD RANCH FUTURE ZONING EXHIBIT.DWG		NO. 1	
		REVISIONS	
		BY DATE	

**EXHIBIT F - Arrowhead Ranch
CCR'S**



ENT 30311:2024 PG 1 of 66
ANDREA ALLEN
UTAH COUNTY RECORDER
2024 May 9 02:09 PM FEE 40.00 BY AR
RECORDED FOR PAYSON CITY

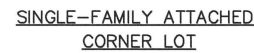
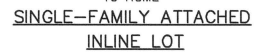
ENT 18018:2025 PG 29 of 31

**DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR
ARROWHEAD RANCH**

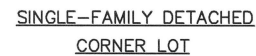
**A Planned Development
in
Utah County, Utah**

100
90
80
70
60
50
40
30
20
10
0

R-2-7.5 ZONING DISTRICT ONLY



SINGLE-FAMILY DETACHED
INLINE LOT



NOTE:
PRIMARY RESIDENCE, ACCESSORY BUILDINGS,
AND ALL AREAS UNDER A ROOF FOR SINGLE
FAMILY DETACHED LOTS SHALL NOT EXCEED
55% OF THE SURFACE AREA OF THE LOT.

1

PAYSON, UTAH

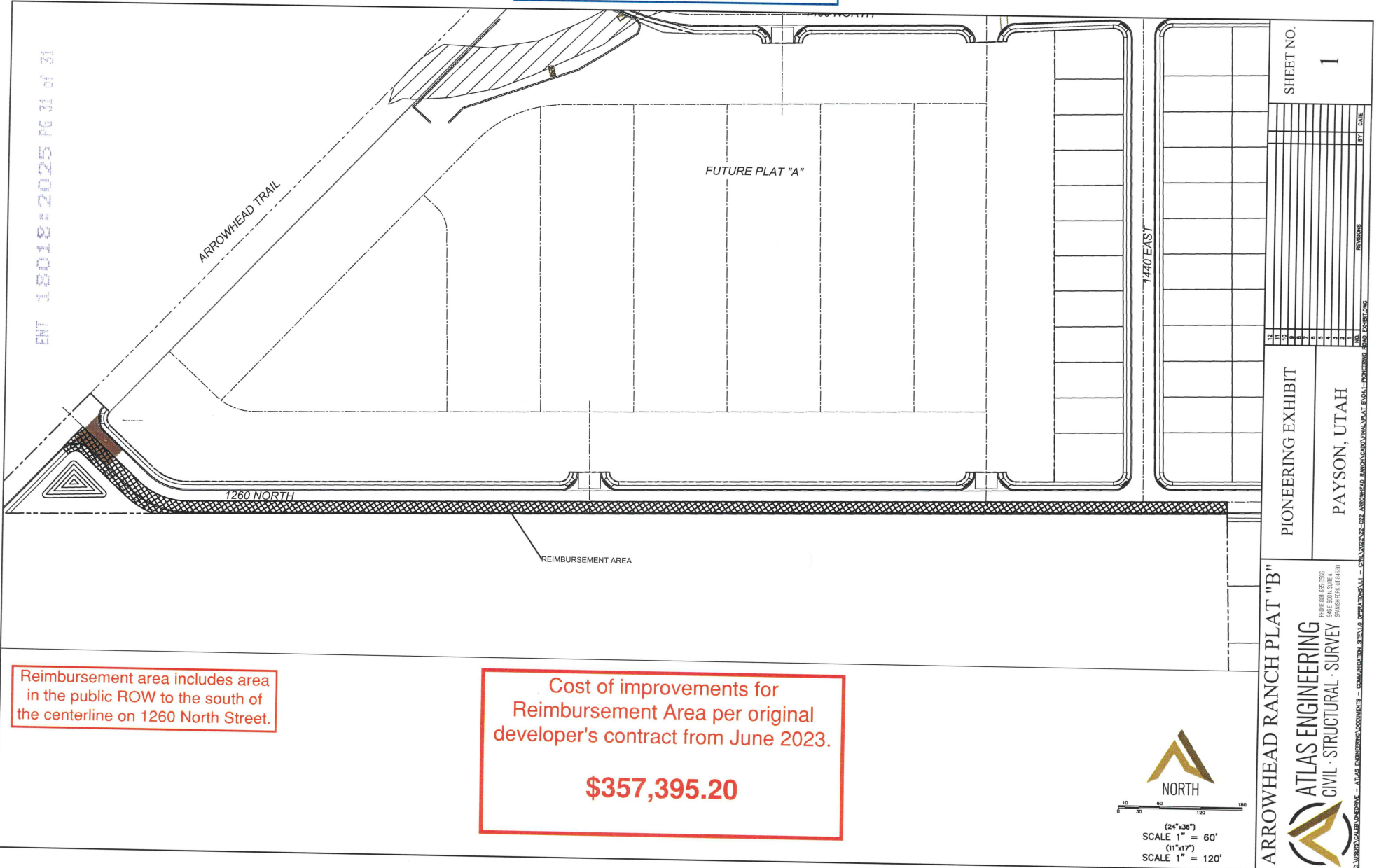
ATLAS ENGINEERING
CIVIL · STRUCTURAL · SURVEY

PHONE 801-655-0566
945 E. 800 N. SUITE A
SPANISH FORK, UT 84660

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**EXHIBIT H: 1260 North Street
Reimbursement Exhibit**

ENT 18018-2025 PG 31 of 31



Reimbursement area includes area in the public ROW to the south of the centerline on 1260 North Street.

Cost of improvements for Reimbursement Area per original developer's contract from June 2023.

\$357,395.20