

WHEN RECORDED RETURN TO:

Payson City
439 W Utah Ave
Payson, UT 84651

Parcel No: 30:009:0140

**FIRST ADDENDUM TO MASTER DEVELOPMENT AGREEMENT FOR
ARROWHEAD RANCH DATED FEBRUARY 19, 2025**

This First Addendum to Master Development Agreement (“**Addendum**”) is entered into as of this ____ day of March, 2026 (“**Effective Date**”), by and among PAYSON CITY, a Utah Municipal Corporation (“**City**”), ARROWHEAD RANCH, LLC, a Utah limited liability company (“**Developer**”), and ARROWHEAD RANCH HOMEOWNERS ASSOCIATION, INC., a Utah non-profit corporation (“**HOA**”). The City, Developer, and HOA are each referred to herein individually as a “Party” and collectively as the “Parties”.

RECITALS

A. The Parties are parties into that certain Master Development Agreement for Arrowhead Ranch dated February 19, 2025 (“**Development Agreement**”), recorded with the Utah County Recorder as Entry Number 18018:2025 on March 13, 2025;

B. The Development Agreement governs the development of the Arrowhead Ranch Project (“**Arrowhead Ranch**”), including the platting and improvements of various phases thereof;

C. The Parties desire to memorialize their mutual understanding and agreed-upon interpretation of certain provisions of the Development Agreement as they apply to Plat C of Arrowhead Ranch (the “**Plat C**”);

D. This Addendum is intended to clarify and supplement the Parties’ understanding of their respective obligations under the Development Agreement as they relate to Plat C. This Addendum does not amend, modify, or supersede the Development Agreement in any respect, and nothing in this Agreement shall be construed as an amendment to or modification of the Development Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

AGREEMENT

1. Trail Designation.

1.1. **Public Trail Designation.** The Parties agree that Section 6.5.2 of the Development Agreement, which provides that trails intended for public use will be designated at each plat recordation, shall be interpreted and applied with respect to Plat C as follows: the

east-west trail at the north end of Arrowhead Ranch Plat C that crosses Parcel B and Parcel C on the final plat is hereby designated for public use. A copy of the final plat identifying Parcels B and C is attached hereto as Exhibit 1.

- 1.2. **Trail Easements.** The Parties further agree that Section 6.5.2 of the Development Agreement, which provides that trails owned by the HOA and intended for public use shall include an irrevocable perpetual easement in favor of Payson City for public trail access and shall be interpreted and applied with respect to Plat C as follows: the Final Plat for Plat C shall establish in Parcel B and Parcel C a 10-foot trail easement and trail maintenance easement in favor of Payson City.
2. **Parks Cost Sharing.** The Parties agree that Section 6.6 of the Development Agreement, which provides that open space and dedicated public parks shall be evaluated with each plat to determine if Park Fee Credits are eligible, shall be interpreted and applied with respect to Plat C as follows.
 - 2.1. **City Contribution.** The City shall contribute Four Hundred Seventy-Six Thousand Two Hundred Twelve Dollars (\$476,212.00) from Parks and Recreation impact fee funds toward the cost of improvements related to the 2.26-acre public park in Plat C. Payment shall be made to Developer via check, wire, or ACH upon the recording of the final plat for Plat C.
 - 2.2. **Developer Obligations.** The Developer shall: a) dedicate the 2.26 acre park located in Plat C to the City for public upon recordation of the final Plat C; b) dedicate to the City all trail and trail maintenance easements associated with Plat C; and c) construct all park and trail improvements associated with the Plat C park and City trails, including landscaping improvements, consisting of irrigation system installation, planting of trees and shrubs, installation of sod and rock mulch, and all related topsoil placement and fine grading. The Parties acknowledge and agree that, pursuant to 6.4.1 of the Development Agreement, the required park and trail improvements shall be completed within one (1) year following the dedication of the Plat C park land.
3. **Water Share Requirements.**
 - 3.1. **Exclusion of Public Park and Trail Areas.** The Parties agree that the City shall update the “Water Share Requirements” letter for Plat C to exclude irrigable acreage of the parks associated with publicly dedicated park and trail areas from the Developer’s water share obligations.
 - 3.2. **Required Water Shares.** The Parties agree that the irrigable acre-feet of water required from the Developer in the updated “Water Share Requirements” letter shall be 4.118 acre-feet for Plat C.

[Signature Page to Follow]

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

City:

PAYSON CITY

By: William R. Wright
Title: Mayor

Attest:

By: Amalie Ottley
Title: City Recorder

State of Utah)
 §
County of Utah)

On this _____ day of _____, 2026, personally appeared before me, David C. Tuckett, Payson City Manager 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,
a Utah limited liability company

By: _____

Title: _____

State of _____)

§

County of _____)

On this _____ day of _____, 2026, personally appeared before me,
_____, 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 _____ (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., a Utah non-profit
corporation

By: _____

Title: _____

State of _____)

§

County of _____)

On this _____ day of _____, 2026, personally appeared before me,
_____, 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 _____ (title or office) of
Arrowhead Ranch Homeowners Association, Inc., a Utah non-profit 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

EXHIBIT 1

(Portion of Plat C Plans Identifying Parcel B and Parcel C)

[illegible]