WHEN RECORDED, MAIL TO:

KARI JIMENEZ
IVINS CITY
55 NORTH MAIN
IVINS, UT 84738

APN: I-6-1-28-3311

FIRST AMENDMENT TO AMENDED AND RESTATED DEVELOPMENT AGREEMENT

FOR SENTIERRE PADRE CANYON RESORT AND SANCTUARY IVINS, UTAH

THIS FIRST AMENDMENT TO DEVELOPMENT AGREEMENT (this "Amendment") is made and entered into as of the ___ day of _____, 2021 ("Effective Date"), by and between PADRE CANYON RESORT, L.C., a limited liability company ("Owner"), and IVINS CITY, a political subdivision of the State of Utah ("City").

RECITALS

A. Owner and City are parties to a Development Agreement for Sentierre Padre Canyon Resort and Sanctuary dated December 17, 2015, which was recorded in the Office of the Washington County Recorder on January 12, 2016, as Entry No. 20160001172 which was fully amended and superseded by an Amended and Restated Development Agreement dated March 27, 2019 which was recorded in the Office of the Washington County Recorder on _____, 2019, as Entry No. _____ (the "Development Agreement" or "Agreement").

All initially-capitalized terms not otherwise defined herein shall have the meanings set forth in the Development Agreement unless the context clearly indicates otherwise.

B. Due to changing conditions in the financing markets and the market demand for real estate properties similar to the Project, Owner has made certain modifications to the development plan for the Project, and Owner and City have agreed to modify the terms of the Agreement as more fully set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants made herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree to modify the Development Agreement as follows:

1. Amendment Effect. This Amendment modifies certain terms and provisions of the Development Agreement, as described and referenced herein. All provisions of the Development Agreement not specifically modified herein shall remain in full force and effect as originally

written. In the event of any inconsistence between the terms of this Amendment and the Development Agreement, the terms of this Amendment shall control.

2. Conditional Use Permit. Section 2 of the Agreement is amended in its entirety to read as follows:

> 2. Conditional Use Permit. The Property is zoned Resort Commercial under City ordinances. The CUP granted to Owner the right to develop the Project in accordance with the Presentation Materials, as modified by the attached amended Presentation Materials, and subject to the conditions included the CUP. The Presentation Materials are further amended by the materials attached hereto as Exhibit B, which shall supplement, modify and become a part of the Presentation Materials. Without limiting the generality of the foregoing, the development approvals for the Project include the right to develop the Property with:
>
> (a) Signature Suites: Approximately 36 suites situated in multiple smaller buildings consisting of 1-4 rooms and suites that are intended to be retained by the Developer and intended for nightly rental (approximately 36 keys);
>
> (b) Tuachan Suites: Approximately 8 guest suites situated in detached single-family and duplex buildings intended for nightly rental (approximately 12 keys);
>
> (c) Villas: 44 lots ("Villa Lots") to be developed with single-family homes ("Villas"). Up to 30% of the Villa Lots may be subdivided into two lots each ("Lot Splits") and improved with two Villas, divided by a party wall located on the dividing property line identifying the Lot Split. Subject to the 30% limitation, any Villa Lot may be divided by a Lot Split and improved with two adjoining Villas, so long as the applicable setbacks are satisfied on each lot, other than setbacks from the property line on which the party wall is located. Independent utility services must be provided to each Villa, including each adjoining Villa constructed on parcels created by Lot Splits. Each Villa may have from one to three lock-off rooms or suites that can be separately rented;
>
> (d) Spa Suites: Up to 8 attached guest suites, each of which is intended to be available for nightly rental (8 keys);
>
> (e) Spa Homes: A Spa Home may be developed on two of the Villa Lots. Guest suites in the Spa Homes may be available for nightly rental, and will include an attached event space, kitchen and pool;
>
> (f) Hotel buildings ("Hotel Central"), containing space for lobbies, retail stores, restaurants and other food and beverage facilities, meeting space, back of house space and other components typically found

in a premium resort hotel, together with one or more swimming pools and other outdoor recreational facilities

(g) A spa facility for the use of owners, guests and the public; and

(h) Roads, sidewalks, trails, parking, landscaping, and other facilities determined by Owner to be beneficial to the owners and guests at the Project.

Building heights, setbacks, parking, approximate lot sizes, unit configuration and other details of the Project are included in the Presentation Materials and, to the extent not shown or described in the Presentation Materials, shall be determined by the applicable provisions of Title 16 of the Ivins City Code in effect at the time the CUP was approved ("Zoning Code"), unless otherwise agreed by Owner and the City.

3. Development Phasing. Section 3 of the Agreement is amended in its entirety to read as follows:

3. Development Phasing. The Project will be developed in a single development phase, except for the Villas and other products that are offered for sale as separate residential units ("For-Sale Units") that will be developed as they are sold. With respect to the For-Sale Units one or more subdivision applications must be filed with the City to subdivide for private sale the Villas and other For-Sale Units. Currently a Preliminary Plan has been filed for the Villas as shown on the Site Plan included with the original Presentation Materials. In light of certain modifications to the Presentation Materials, as shown on Exhibit B, an Amended Preliminary Plan must be submitted to and approved by the City. Owner may choose to file separate subdivision applications for different housing types and different portions of the Project to coincide with the development schedule for the Project.

4. Platting. Section 4 of the Agreement is amended in its entirety to read as follows:

4. Platting. It is anticipated that final subdivision plats for the For-Sale Units will be submitted based on the pace of sales of the Villas and other For-Sale Units. Following approval by the City Council, Owner shall have the right to submit multiple final plats for one or more Villa Lots (each a "Final Plat"), with the number and selection of lots on each Final Plat to be determined by Owner provided there is dual paved access to the lots being platted (for example the paved loop road that provides access to each "arm" of the Villa Lots). Each Final Plat may be approved by the Ivins Planning Commission, without requiring the approval of the City Council. At Owner's option some or all of the guest suites may be submitted to a condominium form of ownership, which will require approval by the City of one or more condominium plats.

5. Trails. Section 5(a) of the Development Agreement is hereby deleted.

6. Fire Protection. Section 12 of the Agreement is amended and restated in its entirety to read as follows:

> 6. Fire Protection. Owner will comply with all applicable provisions of the Fire Code as adopted by the City ("Fire Code"). Hotel Central, the spa facility, and all guest suites and Villas will have interior fire sprinkler systems.

7. Water. Section 15 of the Agreement is amended and restated in its entirety to read as follows:

> 7. Water. Water service for the Project shall be provided by the City, in accordance with its fees and procedures applicable to other property owners and developers in the City. Owner intends to mask, in a manner acceptable to the City, the water tank situated on property owned by Tuacahn that services Tuacahn and will be part of the water delivery system for the Project. The City acknowledges the aesthetic and functional benefits to the City and its residents from masking the water tank, and so long as Owner proceeds with the masking of the water tank based on a schedule and other terms acceptable to the City and Tuacahn, the City will contribute $100,000 to the cost of masking the water tank, with Owner and Tuacahn sharing the balance of such costs on terms acceptable to both Owner and Tuacahn.

8. Section 17, dealing with public finance options and tools, is hereby deleted.

9. Financial Assurances. Section 18 of the Agreement is amended in its entirety to read as follows:

> 9. Financial Assurances. The primary method of financing the development of the Project, including the Hotel Central, spa and other Project amenities will be from the proceeds generated by the sale of the For-Sale Units. Purchasers of the For-Sale Units will be required to pay for some or all of the purchase price in staged deposits throughout the course of construction. The proceeds from such deposits will be used to fund the construction and development costs of the For-Sale Units, Hotel Central and other Project improvements. Owner shall institute procedures for safeguarding the proceeds from such sales, through one or more institutional third-party escrow or trust companies that will control all such sale proceeds and assure that all such proceeds are used (i) to pay the construction and other development costs of the For-Sale Units, and (ii) to pay the construction and other development costs of the Hotel Central, spa facilities and other Project improvements. Owner may also obtain conventional construction financing for portions of the Project improvements that may not be covered by the proceeds generated by the For-Sale Units.

IN WITNESS WHEREOF, this Agreement has been executed as of the day and year first above written by a duly authorized representative of each of the parties hereto.

[Signature pages to follow.]

Ivins City, a political subdivision of the State of Utah

By: _____

Name: _____

Its: _____

STATE OF UTAH)
) ss.:
COUNTY OF WASHINGTON)

The foregoing instrument was acknowledged before me this ____ day of _____, 2021 by _____, the _____of the City Council of Ivins City, State of Utah.

_____
Notary Public

[Notarial Seal]

Padre Canyon Resort, L.C., a Delaware limited liability company

By: _____

Name: _____

Its: _____

STATE OF _____)
) ss.:
COUNTY OF_____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2021 by _____, the _____of Padre Canyon Resort, L.C.

_____
Notary Public

[Notarial Seal]

EXHIBIT A

Additional and Replacement Presentation Materials