WHEN RECORDED, MAIL TO:
Ivins City
Attn: City Recorder
85 N. Main St.
Ivins, UT 84738

Parcel No: I-SB-32-A & I-SB-32-C

DEVELOPMENT AGREEMENT FOR THE SOLTERRA SUBDIVISION
IVINS CITY, WASHINGTON COUNTY, UTAH

This Development Agreement ("Agreement") is entered into as of this _____ day of _____, 2026, by and between FELICIDAD DOS, LLC, (hereinafter "Developer"); Smoothie Kings Holdings, LLC, GVS Holdings, LLC and Clove Family Investments, LLC , (the developer collectively hereinafter referred to as ("DeveloperOwner"), respectively the Developer and Owner of certain real property located in Ivins City, Washington County, Utah, on which Owner/Developer proposes to develop a project known as the SOLTERRA SUBDIVISION (the "Project"), and **IVINS CITY**, a municipality and political subdivision of the State of Utah, by and through its City Council ("City").

RECITALS

A. Developer desires to develop parcels of real property with APNs I-SB-32-A & I-SB-32-C consisting of approximately 13.68+/- acres in size located north of 400 S. between 100 W. and 200 W., in Ivins City, Washington County, Utah, the legal description of which is set forth on Exhibit "A" attached hereto and incorporated herein by this reference (the "Property"), on which it proposes the development of the Project, which shall consist of no more than Seventy (70) residential lots, as more fully reflected on Exhibits "B" (all pages associated collectively referred to as Exhibit "B") attached hereto and incorporated herein.

B. On August 8/5/2025, Public Hearing and Discussion were held and the Ivins Planning Commission recommended approval of the Developer's request for a Concurrent Land Use Amendment from MDR (Medium-Density Residential) and Neighborhood Commercial to HDR (High-Density Residential) and a Zone Amendment from RA-1 to R-1-5 to allow for minimum lot size of 5,000 square feet.

C. On August 8/21/2025 this was placed as an Action Item for approval by the Ivins City Council where Developer proposed its development plan for the Project, and after Public Hearing and Discussion, certain suggestions were provided by the City Council and the Developer to attempt to address the City Council and the public's questions and/or concerns.

D. As a result, this Agreement is drafted to set forth the key terms and conditions agreed to by the Parties as a material condition to the approval of the concurrent Land Use and Zone changes as set forth above, and those to which the ultimate approval of the Project are subject to.

E. The Project may be developed in three phases, with construction beginning after Preliminary Plat approval.

F. Developer acknowledges that it must comply with all City development standards and ordinances, including applicable zoning and subdivision ordinances, as well as the standards and specifications set forth and/or incorporated herein.

G. Developer acknowledges the potential shortage of culinary and/or secondary water in the City and understands that building permits will be issued only upon water availability as determined by the Washington County Water Conservancy District.

H. This Development Agreement is intended to set forth the entire agreement between the Developer and the City regarding the development of the Project.

I. The Parties understand and agree that the Developer's purchase of the Property and the ultimate development of the Property is contingent upon the Parties entering into, and the subsequent recording of, this Agreement and the approval of the submitted Concurrent Land Use and Zone Change as approved by the Planning Commission and submitted to the City Council as set forth in the Minutes of the City Council meeting held on 8/21/2025, and subject to this Agreement.

J. Ivins City is acting pursuant to authority under The Municipal Land Use, Development, and Management Act (U.C.A. §§10-9a-101 et. seq., as amended from time to time, hereinafter the "Act"), and in furtherance of its land use policies, goals, objectives, ordinances, resolutions, and regulations.

TERMS

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth herein, Developer and Ivins City hereby agree as follows:

1. Recitals; Findings. The foregoing recitals are incorporated and made an integral part of this Agreement by this reference. The City finds that the development of the Property pursuant to this Agreement and applicable City ordinances will result in meaningful planning and economic benefits to, and shall further the health, safety and welfare of the City and its residents by, among other things: (i) requiring development of the Property in a manner consistent with the applicable rules, regulations and policies of the City; (ii) providing for the dedication of infrastructure improvements to be completed as set forth herein and/or as consistent with current State or City regulations; and (iii) preserving the natural beauty and view of the surrounding environment through agreed upon construction materials and building height limitations. The City is entering into and approving this Agreement pursuant to its authority under the Act and City ordinances, policies and regulations and has made certain determinations with respect to the Property and, in the exercise of its legislative discretion, has elected to approve this Agreement as an agreement, compromise, and settlement as to the matters covered by this Agreement.

2. Development. Development of the Project shall be expressly contingent upon and subject to the following:

a. Land Use and Zoning Change. Upon execution and recording hereof, the City Council shall approve the Land Use Amendment from MDR (Medium-Density Residential) and Neighborhood Commercial to HDR (High-Density Residential) and a Zone Amendment from RA-1 to R-1-5 to allow for minimum lot size of 5,000 square feet as submitted by Developer or Developer's agents. Notwithstanding the foregoing, the City Council may approve the Land Use Amendment and Zone Amendment as described herein prior to recording of this Agreement, but if so, any such approval will be expressly conditioned upon (1) the entry of this Agreement by the parties in materially the same form and terms as considered and approved by the City Council and (2) recording of this Agreement with the Washington County Recorder.

b. Detached Single Family. The Project will consist exclusively of lots approved for detached single family residences ("SFR"). Each SFR shall be single-story. For clarification, each single story SFR, at the election of the respective lot owner, and subject to all code, ordinances and laws, each SFR may have a basement, but shall not have a second story above-ground.

c. Lot Number and Sizes. The Project will consist of no more than Seventy (70) building lots as laid out on Exhibit "B".

d. Project Details.

i. North Border. All lots along the Project's northern border (lots 45 through 53) shall be a minimum of 7,500 SF, regardless of the R-1-5 Zoning as approved.

ii. East Border. All lots along the Project's eastern border (along 100 W.) (lots 44 and 1 through 9) will be a minimum of 7,500 SF.

iii. Other Lots. All other lots shall be greater than 5,000 SF.

iv. Property Line Adjustment along 200 W. On Final Plat, Developer will dedicate to City, approximately Two and one-half feet (2.5') +/- from the Projects western border along 200 W. to the east to assist the City in providing additional room to install parallel parking next to Unity Park.

vi. SFR Height Restriction. No SFR shall exceed Twenty feet (20') in height as traditionally measured in the construction of residences within the City.

vii. Exterior Color Restriction. Notwithstanding Utah HB 1003 and UCA 10-9a-534, Developer agrees that restrictions shall be placed on the Project that will require all exterior colors to be earth-tones, and expressly prohibit SFRs to be painted white.

viii. Drainage. Developer shall provide drainage basins as illustrated on Exhibit "B", and approved by City. If drainage studies by duly qualified engineers suggest that the dimensions of the drainage basins may be smaller than as shown and still meet city guidelines, Developer may reduce the sizes consistent therewith and increase the sizes of adjoining lots.

ix. Ultra Efficient Water Standards. Developer shall develop all lots in the Project according to the ultra-efficient water standards approved by the Washington County Water Conservancy District.

e. Project Plans. Any construction plans approved by the City related hereto, the Preliminary Plan as reflected in Exhibit "B" and the Final Plat to be approved, as well as any exhibits attached hereto (collectively the "Project Plans"), are integral parts of this Agreement. The City's approval of the Project is based upon the City's reliance that the Project will be developed in accordance with the standard and quality of improvements, unit densities, dedication of easements, roadways, and other improvements, as represented in the Project Plans and this Agreement.

f. Development Guidelines. The following development guidelines shall be deemed to be a part of the Project Plans:

i. Exterior materials shall only be stucco, stone, brick, exposed concrete or concrete block.

ii. All exterior colors shall be in compliance with City Code;

iii. No metal or vinyl siding shall be allowed, however metal detailing and accent may be on a case by case basis, i.e. copper, rusted steel patina.

iv. All exterior lighting shall be in compliance with City Code.

v. All fencing within or around the Project shall be constructed of colored masonry block; and

vi. No metal roofing materials shall be allowed; however metal detailing and accent may be on a case by case basis. All other roofing material shall be in compliance with City Code.

vii. Fire access / turnaround and fire hydrant shall be installed in compliance with the Fire Code adopted by Ivins City.

viii. Yard Standards.

(1) Front Yard Setback: The minimum front yard setback for primary buildings shall be Fifteen feet (15') to the primary dwelling unit, Twenty feet (20') to any garage.
(2) Side Yard Setback: The minimum side yard setback for primary buildings shall be ten feet (10') from any street. The minimum side yard setback for primary buildings shall be three feet (3) and Twelve feet (12') per side, ensuring a total of Fifteen feet (15') between each improvement.
(3) Side Yard Corner Setback: The minimum side yard corner setback for primary buildings shall be twenty feet (20').

c. Development. Upon execution of this Agreement by the City, the Developer is authorized to develop the Property as set forth in this Agreement and in accordance with the types, densities and intents of the land uses set forth in the Project Plans and this Agreement, including but not limited to Section 5 below.

3. Documentation Supporting Provisions Herein. If the City determines that any provision of this Agreement requires a separate (recordable or otherwise) document/agreement to protect or clarify the City's rights pursuant to the intent of the parties under this Agreement, both parties shall cooperate in preparing and completing such documents.

4. Reserved Legislative Powers. Nothing in this Agreement shall limit the future exercise of the police power by Ivins City in enacting zoning, subdivision, development, transportation, environment, open space, and related land use plans, policies, ordinances, and regulations after the date of this Agreement.

5. Subdivision Plat Approvals and Compliance with City Design and Construction Standards. Developer expressly acknowledges and agrees that nothing in this Development Agreement shall be deemed to relieve Developer from the obligation to comply with all applicable requirements of Ivins City necessary for approval and recordation of subdivision plats for the Project, including the payment of fees and compliance with all other applicable ordinances, resolutions, regulations, policies and procedures of Ivins City, including but not limited to, the Ivins City Subdivision Ordinance and Standards and Specifications for Design and Construction.

6. Agreement to Run with the Land. This Agreement shall be recorded against the Property described in Exhibit "A" and shall be deemed to run with the land and shall be binding on all successors and assigns of Developer in the ownership or development of any portion of the Property. Additionally, Developer shall provide appropriate notes upon the Final Plat prior to recordation giving notice of the primary provisions of this Agreement.

7. Assignment. Neither this Agreement nor any of the provisions, terms or conditions hereof can be assigned to any other party, individual or entity without assigning the rights as well as the responsibilities under this Agreement and without the prior written consent signed by the Mayor with the approval of the City Council, which consent shall not be unreasonably withheld.

8. Binding Effect. All of the provisions of this Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto. However, in the event Developer fails to proceed in a timely fashion resulting in the revocation or loss of Final Plat or Preliminary Plan approvals for the Project, the City may terminate this Agreement and require a new Development Agreement as part of any future approval process.

9. No Joint Venture, Partnership or Third-Party Rights. It is not intended by this Agreement to, and nothing contained in this Agreement shall, create any partnership, joint venture or other arrangement between the Developer and the City. No term or provision of this Agreement is intended to, or shall, be for

the benefit of any person, firm, organization or corporation not a party hereto, and no such other person, firm, organization or corporation shall have any right or cause of action hereunder.

10. Integration. This Agreement contains the entire Agreement with respect to the subject matter hereof and integrates all prior conversations, discussions or understanding of whatever kind or nature and may only be modified by a subsequent writing duly executed by the parties hereto.

11. Severability. If any part or provision of this Agreement shall be determined to be unconstitutional, invalid, or unenforceable by a court of competent jurisdiction, then such a decision shall not affect any other part or provision of this Agreement except that specific provision determined to be unconstitutional, invalid, or unenforceable. If any condition, covenant, or other provision of this Agreement 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.

12. Previous Agreements. Except as otherwise expressly provided herein, this Agreement is the exclusive agreement of the parties and replaces and supersedes all prior agreements between the parties pertaining to this Project.

13. Moratoria. No City moratorium or other City ordinance, resolution, rule or regulation (a "Moratorium Ordinance") enacted after the date of this Agreement that prohibits or attempts to regulate the erection, construction, reconstruction, or alteration of any building or structure, or affects the City's approval process for subdivisions in a manner inconsistent with the terms of this Agreement, shall apply to or govern the Project or development of the Property during the term of this Agreement, unless such Moratorium Ordinance complies in all respects with any change to, or required by laws of the State of Utah.

14. Amendments. The Developer and the City agree to cooperate and pursue any amendments to this Agreement that are reasonably necessary to accomplish the goals expressed in this Agreement and the development of the Property. All amendments shall be in writing and shall be approved and signed by both the Developer and the City. Any amendment to this Agreement shall be recorded. It is anticipated that the final configuration of the Project may need to be adjusted to provide for required infrastructure, including but not limited to adequate storm water facilities. The parties may alter the final configuration without amending this Agreement or obtaining City Council approval only if the altered configuration remains compliant with the City's ordinances, is substantially the same as the approved configuration, does not reduce the size of any lots along the boundary of the Project, is requested by the City, and does not increase the number of lots in the Project.

15. Miscellaneous.

a. Legal Fees. Should any party default in any of the covenants or agreements herein contained, that defaulting party shall pay all costs and expenses, including a reasonable attorney's fee, which may arise or accrue from enforcing this Agreement or in pursuing any remedy provided hereunder or by applicable law, whether such remedy is pursued by filing suit or otherwise. This obligation of the defaulting party to pay costs and expenses includes, without limitation, all costs, and expenses, including a reasonable attorney's fee, incurred on appeal and in bankruptcy proceedings.

b. Survival. It is expressly agreed that the terms, covenants, and conditions of this Agreement shall survive any legal act or conveyance required under this Agreement.

c. Headings. The section and other headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

d. Plat Notes. Primary provisions of this Agreement, as determined by the City, shall be included as notes on any Final Plat of the Project, as well as incorporated into the Project Restrictive Covenants documents, if any.

IN WITNESS WHEREOF, the parties have executed this Development Agreement the day and year first above written.

IVINS CITY:

_____
Kevin Smith, Mayor

Attest:

_____
Kari D. Jimenez, Ivins City Recorder

STATE OF UTAH)
ss.
COUNTY OF WASHINGTON)

On this ___ day of _____, 2026, before me personally appeared KEVIN SMITH and KARI JIMENEZ whose identities are personally known to or proved to me on the basis of satisfactory evidence, and who, being by me duly sworn (or affirmed), did say that they are respectively the Mayor and Recorder of Ivins City, and that the foregoing document was signed by them by authority, and they acknowledged before me that Ivins City executed the document and the document was the act of Ivins City for its stated purpose.

_____
Notary Public

DEVELOPER:

FELICIDAD DOS, LLC

_____
Lonnie Clove, Manager – Felicidad Dos, LLC

STATE OF UTAH)
ss.
COUNTY OF WASHINGTON)

On the ___ day of _____, 2026, personally appeared before me Lonnie Clove, whose identity is Personally known to or proved to me on the basis of satisfactory evidence, and who, being by me duly sworn (or affirmed), did say that FELICIDAD DOS, LLC is or will be the Owner of the SOLTERRA SUBDIVISION and that the foregoing document was signed under property authority by Lonnie Clove, and acknowledged before me he executed the document for its stated purpose.

_____
Notary Public

OWNER:

SMOOTHIE KINGS HOLDINGS, LLC

_____
Dave Nasal, Manager – Smoothie Kings Holdings, LLC

STATE OF UTAH) ss.
COUNTY OF WASHINGTON)

On the ___ day of _____, 2026, personally appeared before me Dave Nasal, whose identity is Personally known to or proved to me on the basis of satisfactory evidence, and who, being by me duly sworn (or affirmed), did say that SMOOTHIE KINGS HOLDINGS, LLC is or will be the Owner of the SOLTERRA SUBDIVISION and that the foregoing document was signed under property authority by Dave Nasal, and acknowledged before me he executed the document for its stated purpose.

_____
Notary Public

GVS HOLDINGS, LLC

_____
Dwain Schallenberger, Manager – GVS Holdings, LLC

STATE OF UTAH) ss.
COUNTY OF WASHINGTON)

On the ___ day of _____, 2026, personally appeared before me Dwain Schallenberger, whose identity is Personally known to or proved to me on the basis of satisfactory evidence, and who, being by me duly sworn (or affirmed), did say that GVS HOLDINGS, LLC is or will be the Owner of the SOLTERRA SUBDIVISION and that the foregoing document was signed under property authority by Dwain Schallenberger, and acknowledged before me he executed the document for its stated purpose.

_____
Notary Public

CLOVE FAMILY INVESTMENTS, LLC

_____
Lonnie Clove, Manager – Clove Family Investments, LLC

STATE OF UTAH) ss.
COUNTY OF WASHINGTON)

On the ___ day of _____, 2026, personally appeared before me LONNIE CLOVE, whose identity is Personally known to or proved to me on the basis of satisfactory evidence, and who, being by me duly sworn (or affirmed), did say that CLOVE FAMILY INVESTMENTS, LLC is or will be the Owner of the SOLTERRA SUBDIVISION and that the foregoing document was signed under property authority by LONNIE CLOVE, and acknowledged before me he executed the document for its stated purpose.

_____
Notary Public

EXHIBIT A - LEGAL DESCRIPTIONS

Parcel 1: **APN** I-SB-32-A

Acres 4.00 +/-

Situs 290 S 100 W , IVINS

Legal: Subdivision: ST GEO & SANTA CLARA BICS BLK 15 (I) Lot: 2 AND:- Lot: 3 LESS DESC AS FOL: BEG S0*47' E 22.24 FT ALG 1/16 LN; N89*09'50 E 347.60 FT FM NE 1/16 COR SEC 6; TH N89*09'50 E 297.84 FT ALG LN 90 FT SLY & PRL TO N LN FRAC BLK 1 IVINS TOWN SUR TO PT 25 FT WLY E LN LOTS 2 & 3; TH S0*52'09 E 146.22 FT PRL TO LOTS; TH S89*09'50 W 297.95 FT; TH N0*49'34 W 146.22 FT TO POB.

LESS: BEGINNING AT A POINT BEING NORTH 00°31'04" EAST 941.42 FEET ALONG THE SECTION LINE AND SOUTH 89°06'35" EAST 24.75 FEET FROM THE EAST CENTER 1/16TH CORNER OF SECTION 6, TOWNSHIP 42 SOUTH, RANGE 16 WEST, SALT LAKE BASE & MERIDIAN, SAID POINT ALSO BEING ON THE WESTERLY LINE OF LOT 3, BLOCK 15, OF THE ST. GEORGE & SANTA CLARA BENCH IRRIGATION COMPANY SURVEY, AS FOUND ON FILE WITH THE WASHINGTON COUNTY RECORDER'S OFFICE, AND RUNNING; THENCE NORTH 00°31'04" EAST 403.38 FEET ALONG SAID WESTERLY LINE LOT 3; THENCE SOUTH 89°29'43" EAST 646.66 FEET TO AND ALONG THE SOUTHERLY LINE OF FRACTIONAL BLOCK 1, TOWN OF IVINS RESURVEY, TO THE NORTHWEST CORNER OF IVINS VISTA SUBDIVISION, AS FOUND ON FILE AT THE WASHINGTON COUNTY RECORDER'S OFFICE; THENCE SOUTH 00°28'34" WEST 404.67 FEET ALONG THE WESTERLY LINE OF SAID IVINS VISTA SUBDIVISION; THENCE NORTH 89°22'53" WEST 646.95 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPTING THE FOLLOWING DESCRIBED PARCEL:
A PARCEL OF LAND LOCATED IN LOTS 2 & 3, BLOCK 15, OF THE ST. GEORGE AND SANTA CLARA BENCH IRRIGATION COMPANY SURVEY AS RECORDED IN THE WASHINGTON COUNTY RECORDERS OFFICE AND LOCATED IN THE SOUTHEAST1/4, OF THE NORTHEAST 1/4, OF SECTION 6, TOWNSHIP 42 SOUTH, RANGE 16 WEST, SALT LAKE BASE AND MERIDIAN AND BEING FURTHER DESCRIBED AS FOLLOWS;

BEGINNING AT A POINT SOUTH 00°47'00" EAST 22.24 FEET ALONG THE 1/16 LINE; AND NORTH 89° 09' 50" EAST 347 .60 FEET FROM THE NORTHEAST 1/16TH CORNER OF SAID SECTION 6 AND RUNNING THENCE NORTH 89°09'50 EAST 297.84 FEET ALONG A LINE 90.00 FEET SOUTHERLY AND PARALLEL TO THE NORTH LINE OF FRACTIONAL BLOCK NO. 1 OF THE IVINS TOWNSITE RESURVEY, AS RECORDED IN THE WASHINGTON COUNTY RECORDERS OFFICE TO A POINT 25.00 FEET WESTERLY OF THE EAST LINE OF SAID LOTS 2 & 3; THENCE SOUTH 00°52'09" EAST 146.22 FEET PARALLEL TO SAID LOTS 2 & 3; THENCE SOUTH 89°09'50" WEST 297.95 FEET; THENCE NORTH 00°49'34" WEST 146.22 FEET TO THE POINT OF BEGINNING. (DOCUMENT #20240026146)

Parcel 2: **APN** I-SB-32-C

Acres 10.00 +/-

Legal: Subdivision: ST GEO & SANTA CLARA BICS BLK 15 (I) Lot: 2

EXHIBIT B – Preliminary Plan

See attached three (3) Pages incorporated herein as Exhibit B respectively for all purposes.