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

Parcel No: 1-SB-21-B-1

DEVELOPMENT AGREEMENT FOR THE HAFEN FARMS SUBDIVISION
IVINS CITY, WASHINGTON COUNTY, UTAH

This Development Agreement ("Agreement") is entered into as of this 23rd day of August 2025, by and between Hafen Farms LLC owner/developer ("developer") of certain real property located in Ivins City, Washington County, Utah, on which owner/developer proposes to develop a project known as the Hafen Farms 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 a parcel of real property approximately 9.21 acres in size located at approximately 350 South and 450 East, 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 a certain subdivision known as the Hafen Farms Subdivision, consisting of a total of 35 residential lots, as more fully reflected on Exhibit B attached hereto and incorporated herein.

B. The Project shall be developed in a single phase, with construction to begin after receipt of Final Plat approval.

C. Developer acknowledges that it must comply with all City development standards and ordinances, including applicable zoning and subdivision ordinances, fencing regulations, design guidelines, and design & construction standards, as well as the standards and specifications set forth and/or incorporated herein.

D. 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.

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

F. 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.

a. 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.

b. Development Guidelines. The following development guidelines shall be 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, rock, stucco, and/or exposed colored concrete throughout the Project; 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.

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.

d. Stormwater Plan. Developer's stormwater plan includes abandoning the current stormwater facilities existing along the eastern boundary of the Project and rerouting the stormwater system through new upsized facilities to be constructed by Developer as shown on Exhibit C – Stormwater Plan attached hereto and incorporated herein in full (the "Stormwater Improvements"). In addition, once the Stormwater Improvements are installed and accepted by the City, Developer shall prepare for abandonment the abandoned stormwater facilities by either removing such facilities in conjunction with grading activity or by filling such facilities with concrete or other material as approved by the City. The anticipated cost of the Stormwater Improvements and other work required by this Section 2(d) is $63,800 as shown on the Project Proposal attached hereto as Exhibit D. Developer shall pay $15,000 of the costs shown on Exhibit D and the City shall pay the remaining $48,800. Nothing herein relieves Developer of having all construction activities to either construct the Stormwater Improvements or prepare the abandoned stormwater facilities approved by the City as otherwise required by law.

e. Consideration for Stormwater Improvements. As consideration for Developer contributing toward the cost of the obligations required by section 2.d. above, including all required upsizing, the City shall convey to Developer the land shown in red on Exhibit C labeled as "Land for disposal" (the "Abandoned

Stormwater Land"). The City shall convey the Abandoned Stormwater Land by signing and recording a Quit Claim Deed transferring ownership to Hafen Farms LLC once the Stormwater Improvements are completed by the developer. The City hereby disclaims all warranties of title and condition with regard to the Abandoned Stormwater Land. Developer expressly acknowledges that it will receive the Abandoned Stormwater Land "as-is" for all purposes. All lots in the Project incorporating any portion of the Abandoned Stormwater Land shall increase any setback parallel to the eastern boundary of the Abandoned Stormwater Land to 20 feet. Such setback shall be reflected on the final plat for the Project.

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. Default. If Developer is in default of any term of this Agreement, the City shall have no obligation to approve any other application made by Developer or any other party regarding the Property or any other property owned by, or being developed by, Developer or Owner in Ivins City. Further, the City may order Developer to stop all development activities until such default is cured.

5. 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.

6. 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.

7. 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.

8. Miscellaneous Terms.

a. 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.

b. 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.

c. 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.

d. 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.

e. 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.

f. 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.

g. Amendments. The Developer and the City agree to cooperate and pursue and amendments to this Agreement that are reasonably necessary to accomplish the goals expressed in this Agreement and the development of the Property in light of any changes in market conditions or development requirements. 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.

h. 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.

i. 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.

j. 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.

k. 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.

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 _____, _____, 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

OWNER / DEVELOPER:

Hafen Farms LLC

_____
Clark Colledge-Manager

STATE OF UTAH)
ss.
COUNTY OF WASHINGTON)

On the ___ day of _____, _____, personally appeared before me _____, 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 _____ is the Owner of the HAFEN FARMS SUBDIVISION and that the foregoing document was signed by _____ by authority, and _____ acknowledged before me that _____ executed the document for its stated purpose.

_____
Notary Public

EXHIBIT A – Legal Description

EXHIBIT B – Preliminary Plan

EXHIBIT C – Stormwater Plan

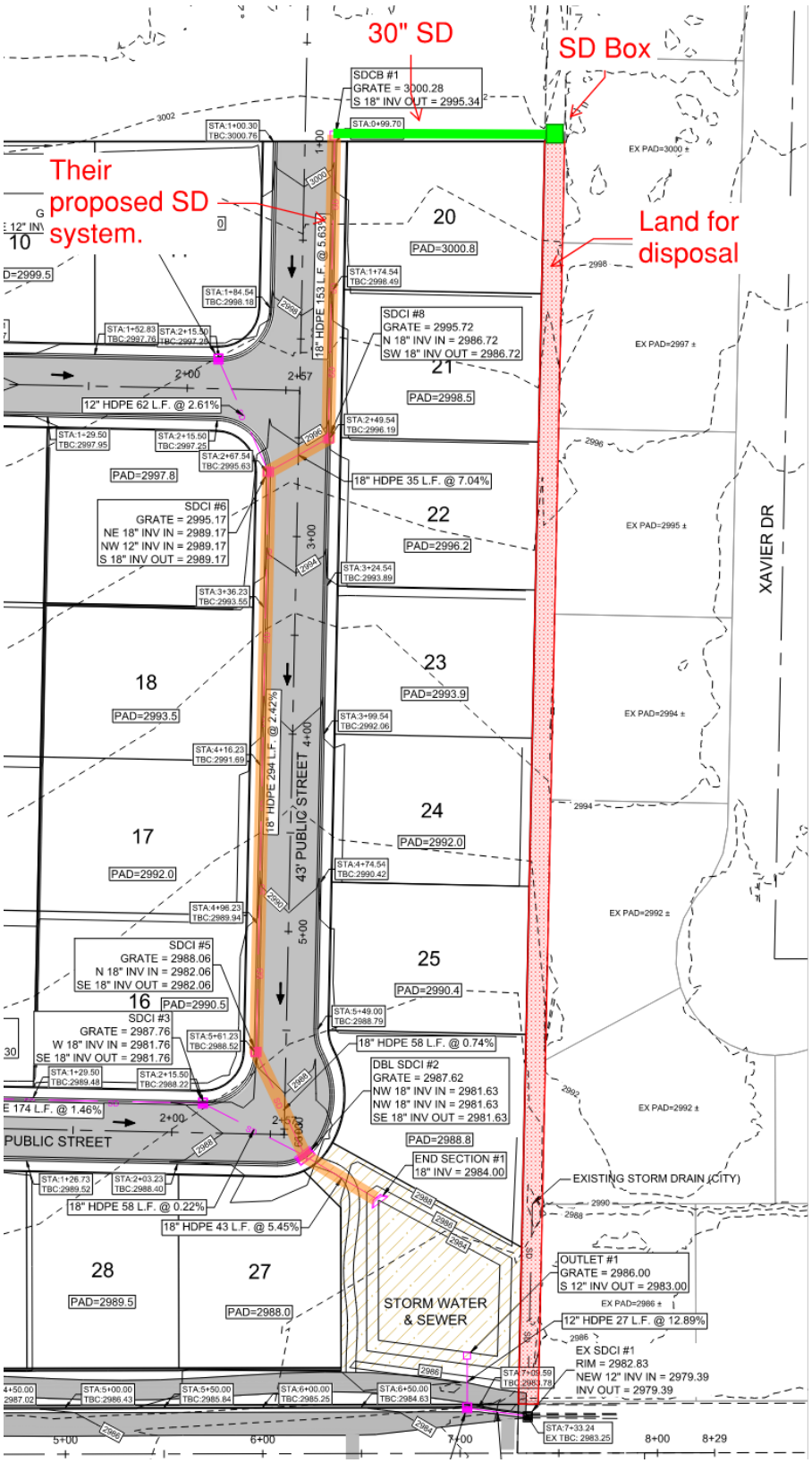


EXHIBIT D – Stormwater Improvements Project Proposal