

RESOLUTION NO. _____

ADOPTED: _____, 2022

A RESOLUTION OF THE SALT LAKE COUNTY COUNCIL APPROVING
THE GROUND LEASE BETWEEN SALT LAKE COUNTY AND PEG SLC 465
MAIN, LLC

RECITALS

A. Salt Lake County (the “County”) owns certain real property in Salt Lake City, Utah located at approximately 465 South Main Street, adjacent to the Salt Lake County District Attorney’s Office Building (the “Main Street Property”).

B. On October 18, 2018, the County issued Request for Qualifications #DRD52970 – Stage 1 for a long-term ground lease on a portion of the Main Street Property (the “RFQ”).

C. On December 21, 2018, the County issued Request for Proposals #DRD52970-1 Stage 2 (the “RFP”) as the follow up to the RFQ.

D. PEG Companies (“PEG”) submitted a proposal in response to the County’s State 1 RFQ on November 20, 2018.

E. PEG’s response to the Stage 2 RFP included a joint proposal by PEG and Hines Development (“Hines”).

F. On March 13, 2019, the County approved the RFP selection committee’s recommendation to pursue the joint proposal by PEG and Hines and enter into a long-term ground leases for development of the Main Street Property.

G. Consistent with this approval, the County has negotiated a long-term ground lease (the “Ground Lease”) with PEG SLC 465 Main, LLC, a limited liability company created by PEG for this Ground Lease (“PEG SLC”).

H. The Ground Lease, attached hereto as Exhibit 1, contains the terms and conditions whereby the County will lease the southwest portion of Main Street Property (the “Premises”) to PEG SLC.

I. The Ground Lease will be for ninety-nine years, and at the end of the lease, the building that PEG SLC will construct as part of the Ground Lease on the Premises will become owned by the County.

J. It has been determined that the best interests of Salt Lake County will be served by leasing the Premises to PEG SLC as provided in the Ground Lease.

NOW, THEREFORE, it is hereby resolved by the Salt Lake County Council for the reasons stated in the Recitals that the Ground Lease between Salt Lake County and PEG SLC is hereby approved, and that the Mayor is authorized to execute said Ground Lease.

APPROVED and ADOPTED this _____ day of _____, 2022.

SALT LAKE COUNTY COUNCIL

By _____
Laurie Stringham, Chair

ATTEST:

Sherrie Swensen
Salt Lake County Clerk

- Council Member Alvord voting _____
- Council Member Bradley voting _____
- Council Member Bradshaw voting _____
- Council Member DeBry voting _____
- Council Member Granato voting _____
- Council Member Winder-Newton voting _____
- Council Member Snelgrove voting _____
- Council Member Stringham voting _____
- Council Member Theodore voting _____

APPROVED AS TO FORM:

R. Christopher Preston
Deputy District Attorney

Exhibit 1
Ground Lease

GROUND LEASE

THIS GROUND LEASE (this “**Lease**”), dated to be effective as of December 31, 2021 (the “**Effective Date**”), is made by and between SALT LAKE COUNTY, a body corporate and politic of the State of Utah (“**Landlord**”), and PEG SLC 465 Main, LLC, a Delaware limited liability company (“**Tenant**”).

RECITALS

A. Landlord is the fee owner of that certain parcel of land located in Salt Lake City, Utah, as described on Exhibit “A” attached hereto (the “**Land**”), together with all rights, privileges, easements and appurtenances belonging to or in any way appertaining thereto, including, without limitation, any and all surface easements, rights, titles and privileges of Landlord now or hereafter existing in and to adjacent streets, sidewalks and alleys (collectively with the Land, the “**Property**”), and all improvements existing on or in the Land as of the Effective Date (the “**Existing Improvements**”). The Property and the Existing Improvements are collectively referred to herein as the “**Premises**”.

B. Landlord determined to lease the Premises for future development and issued Request for Proposals #DRD52970-1 Stage 2 (the “**RFP**”), copy of which is attached hereto as Exhibit “B”.

C. Tenant submitted a proposal in response to the RFP (the “**Response**”), which was accepted by Landlord. A copy of the Response is attached hereto as Exhibit “C”.

D. In conjunction with the RFP and the Response, Landlord now desires to ground lease the Premises to Tenant, and Tenant desires to ground lease the Premises from Landlord, on the terms and conditions set forth in this Lease.

AGREEMENT

NOW, THEREFORE, in consideration of the above recitals, and the representations, warranties, covenants and conditions contained herein and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Landlord and Tenant agree as follows:

DEFINITIONS

As used in this Lease, the following capitalized terms shall have the meanings set forth below, provided that the following list is not an exclusive list of all defined terms used in this Lease:

“**Approved Project**” means the approved development of a residential apartment complex on the Premises, which approval shall be provided by Salt Lake City as provided in those certain construction permits issued in connection therewith.

“**Best Efforts**” means that Tenant is obligated to make its best attempt to accomplish the agreed-to action, even when there is uncertainty, additional expense, or difficulty.

“**Business Day**” means a day other than a Saturday, Sunday or day on which Landlord is authorized or required by law or executive order to be closed.

“Commencement Date” means July 1, 2022.

“Construction Commencement Date” means the date that Tenant commences the construction of the Approved Project which shall not occur earlier than the Commencement Date.

“Imposition” means all taxes (including possessory interest, real property, ad valorem, and personal property taxes), assessments, charges, license fees, municipal liens, levies, excise taxes, impact fees or imposts, whether general or special, ordinary or extraordinary imposed by any governmental or quasi-governmental authority pursuant to law directly as a result of Tenant's leasehold interest of the Premises or ownership of any Future Improvements (as defined below) located thereon which may be levied, assessed, charged or imposed, or may be or become a lien or charge upon the Premises, or any part thereof, or upon the leasehold estate hereby created.

“Improvements” means collectively, any Existing Improvements and any Future Improvements.

“Indebtedness” means the amount which is outstanding at any given time under a Permitted Mortgage (as defined below).

“Landlord's Estate” means all of Landlord's right, title, and interest in the Premises, its reversionary interest in the Future Improvements pursuant hereto, and all other Rent (as defined below) and benefits due Landlord hereunder.

“Lease Expiration Date” means the date that is ninety-nine (99) years following the Commencement Date.

“Legal Requirements” means all present and future laws, statutes, requirements, ordinances, orders, judgments, regulations, administrative or judicial determinations, even if unforeseen or extraordinary, of every governmental or quasi-governmental authority, court or agency having jurisdiction over the Premises now or hereafter enacted or in effect (including, but not limited to, environmental laws and those relating to accessibility to, usability by, and discrimination against, disabled individuals), and all covenants, restrictions, and conditions now or hereafter of record which may be applicable to Tenant or to all or any portion of the Premises, or to the use, occupancy, possession, operation, maintenance, alteration, repair or restoration of any portion of the Premises, even if compliance therewith necessitates structural changes to the Improvements or the making of Improvements, or results in interference with the use or enjoyment of any of the Premises.

“Mortgagee” means the holder of any Permitted Mortgage which is a lender for which Tenant shall first obtain Landlord's written approval before the grant of a Permitted Mortgage, which approval shall not be unreasonably withheld, conditioned or delayed; provided, however, Landlord hereby preapproves all customary and traditional lenders, e.g., banks, life insurance companies and other lenders that customarily and routinely provide financing on projects similar to Tenant's Estate.

“Permitted Exceptions” means those matters described in Exhibit “D” attached hereto and incorporated herein by this reference, affecting Landlord's title to the Premises as of the Effective Date, which have been approved by Tenant, and such subsequently recorded matters affecting Landlord's title to the Premises which Tenant may have approved in writing.

“**Permitted Mortgage**” means collectively any deed(s) of trust and other collateral security instruments serving as security for acquisition, construction, and/or permanent loans which encumber Tenant's Estate, together with any modification, substitution, amendment, extension, increase, refinancing, replacement or recasting of any Permitted Mortgage.

“**Rent**” means the Base Rent (as defined below) and all other sums due and payable to Landlord by Tenant hereunder.

“**Substantial Completion of the Approved Project**” means that (a) construction of the Approved Project has been substantially completed, other than minor “punch-list” type items and adjustments which do not materially interfere with Tenant's access to or use of the Premises, and (b) Tenant has obtained a temporary certificate of occupancy or other required equivalent approval from the local governmental authority permitting occupancy of the Premises.

“**Tenant's Estate**” means all of Tenant's right, title, and interest in this Lease, the leasehold estate in the Premises pursuant to this Lease and its fee estate in the Future Improvements.

ARTICLE 1 **PREMISES**

1.1 **Demise**. Subject to the terms and conditions of this Lease, Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the Premises. This Lease shall be effective as of the Effective Date, except for the provisions of this Lease relating to the payment of Base Rent, which shall commence on the Commencement Date.

1.2 **Possession**. Landlord shall deliver possession of the Premises to Tenant on the Effective Date. Except as expressly set forth in this Lease, Tenant shall be deemed to have accepted the Premises in its “AS-IS” condition as of the Effective Date.

ARTICLE 2 **TERM**

2.1 **Term**. The term of this Lease (the “**Term**”) shall commence on the Effective Date and shall expire on the Lease Expiration Date or the earlier termination of this Lease. After execution of this Lease, but before construction of the Approved Project begins, Tenant may perform all reasonably necessary preconstruction activities on the Premises subject to the conditions of this Lease. The Term may be extended only as provided in Section 2.2 below.

2.2 **Holdover**. If Tenant holds over at the Premises after the expiration the Term without the written consent of Landlord, such tenancy shall be from month-to-month on all of the terms and conditions contained in this Lease, and in such case Base Rent shall be payable at a monthly rate equal to one hundred ten percent (110%) of the Base Rent applicable during the last rental period of the Term for the first twelve (12) months of any holdover and one hundred twenty-five percent (125%) thereafter.

ARTICLE 3
RENT

3.1 Payment. All Rent payable to Landlord hereunder shall be paid without demand or offset, except as otherwise set forth in this Lease, in lawful money of the United States of America, in immediately available funds, at Landlord's address set forth herein or at such other place as Landlord may designate in writing from time to time.

3.2 Base Rent.

(a) Commencing on the Commencement Date, and continuing thereafter throughout the Term, Tenant shall pay to Landlord fixed annual rent (the “**Base Rent**”) in the amounts set forth in this Section 3.2. The first Base Rent Payment is due on the Commencement Date, and the annual Base Rent Payment thereafter is due on or before July 1 of each year thereafter during the Term.

(b) During the first five (5) years of the Term, annual Base Rent shall equal One Hundred Ninety-Eight Thousand and No/100 Cents (\$198,000.00). The rent schedule of the annual base Rent during the term shall be:

<u>Term Year</u>	<u>Due Date</u>	<u>Amount</u>
1	July 1, 2022	\$198,000.00
2	July 1, 2023	\$198,000.00
3	July 1, 2024	\$198,000.00
4	July 1, 2025	\$198,000.00
5	July 1, 2026	\$198,000.00
6	July 1, 2027	\$207,900.00

(subject to rent escalation as provided in Section 3.2(c))

(c) On each fifth (5th) year anniversary of the Effective Date, Base Rent shall increase by five percent (5%). For purposes of clarity, in years 6 through 10 commencing on July 1, 2027, the annual Base Rent shall increase to \$207,900.00; in years 11 through 15 commencing on July 1, 2032, the annual Base Rent shall increase to \$218,295.00; and so forth, increasing every five years throughout the Term.

(d) Tenant may request to prepay the Base Rent during the Term by written notice to the Landlord. Upon receipt of such notice, the parties may negotiate in good faith to reach mutually agreeable terms for such prepayment of Base Rent.

ARTICLE 4
IMPOSITIONS

4.1 Payment of Impositions. Commencing on the Effective Date and continuing throughout the Term, Tenant shall pay and discharge or cause to be paid and discharged all Impositions attributable to that portion of the Term from and after the Effective Date, before delinquency and before any fine, interest or penalty shall be assessed by reason of its nonpayment,

subject to Section 4.2 and Section 4.4 below. If the Effective Date is a day other than the first day of a “tax” or “fiscal” year (a “**Tax Year**”), all such Impositions shall be prorated such that Tenant shall be responsible only for those Impositions payable in connection with the Premises following the Effective Date, such proration to be based on the ratio that the number of days in such fractional Tax Year bears to 365. Payment of Impositions with respect to the final Tax Year within the Term shall be similarly prorated. The provisions of this Section 4.1 shall survive the expiration or earlier termination of this Lease. For the sake of clarity, this Section 4.1 shall not require Tenant to pay or discharge any Impositions accruing after the expiration or earlier termination hereof unless the same is the result of Tenant’s negligence or willful misconduct.

4.2 Installment Payments. If any Legal Requirement expressly permits the payment of any Imposition in installments, Tenant may utilize such permitted installment method, but shall pay each installment attributable to that portion of the Term from and after the Effective Date, with any interest thereon, before delinquency.

4.3 Tax Bills. Tenant shall, if so requested, deliver to Landlord copies of receipts for Impositions paid by Tenant. In the event Landlord receives any notice with respect to Impositions from any party other than Tenant, Landlord shall promptly deliver such notice to Tenant.

4.4 Contesting Impositions. Tenant shall have the right, at its sole cost and expense, to contest in its own name, and on behalf of Landlord, Landlord hereby appointing Tenant as its attorney-in-fact for the limited purpose to so act on behalf on Landlord, any Imposition by pursuing all lawful procedures available under Legal Requirements and shall be entitled to any refund attributable to that portion of the Term from and after the Effective Date. Any such contest or other proceeding shall be conducted solely at Tenant’s expense and free of expense to Landlord. Tenant shall indemnify, defend and hold harmless Landlord from and against any claims arising from such contest or other proceeding. Within ten (10) days after the final non-appealable determination of the amount due from Tenant for such Imposition, Tenant shall pay the amount so determined to be due, together with all costs, expenses and interest.

4.5 Utilities. All water, gas, electricity and other public utilities used upon or furnished to the Premises during the Term hereof shall be in the name of Tenant and shall be promptly paid by Tenant as billed and prior to delinquency.

4.6 Payment by Landlord. Unless Tenant is contesting any Imposition as provided in Section 4.4 above, Landlord may, at any time after the date any Imposition is delinquent, give written notice to Tenant specifying same, and if Tenant continues to fail to pay or contest such Imposition, then at any time after ten (10) days from Tenant’s receipt of such written notice, Landlord may pay the Imposition specified in said notice. Tenant covenants to reimburse and pay Landlord any amount so paid or expended in the payment of such Imposition and any penalties or late payment charges with respect thereto upon demand therefor. Any such payment by Landlord shall not be deemed a waiver of Tenant’s default for failure to pay such Imposition when due hereunder.

4.7 Triple Net Lease. This Lease is intended to be a “net-net-net lease,” with Tenant responsible for paying and discharging all costs and expenses when due incurred in connection with (a) the use, occupancy, operation, condition, design, construction, maintenance, alteration, repair and restoration of the Premises, (b) the performance of Tenant’s obligations under this Lease, and (c) all

costs relating to the performance of capital improvements, repairs and other obligations relating to the Premises required by Legal Requirements.

ARTICLE 5

USE AND MAINTENANCE

5.1 **Use.** Tenant may use the Premises for any uses related to the construction, maintenance and operation of the Approved Project that are permitted by Legal Requirements and which are not otherwise restricted under this Article 5 or Article 10.2.

5.2 **Approved Project – Construction.** Tenant is responsible to design and construct the Approved Project in accordance with Salt Lake County Architectural Design and Construction Standards, as in effect on the Commencement Date, incorporated by reference¹, as the same may be (i) reasonably applied to a multi-family development in the downtown area of Salt Lake City or (ii) otherwise modified or abridged by agreement between Landlord and Tenant. The construction plans and design features for the Approved Project shall be approved by Landlord in conjunction with Tenant obtaining construction permits from Salt Lake City, which approval shall take into consideration security concerns related to the adjacent District Attorney Office and shall not be unreasonably withheld, conditioned or delayed, and in accordance with the requirements and permit(s) of Salt Lake City. Tenant is responsible for all costs and expenses to design and construct the Approved Project; no costs or expenses shall be assessed to Landlord. Tenant shall not allow any mechanic's liens related to Tenant's construction activities to be filed against the Premises. Tenant shall, and hereby does, indemnify, defend, and hold Landlord harmless from and against any and all costs, expenses, claims, liens, liabilities, and damages arising out of or resulting from Tenant's construction of the new Approved Project, including all Future Improvements. The parties shall take reasonable, good-faith efforts to obtain the necessary approvals and permits to allow for construction of the Approved Project to commence as soon as reasonably possible. It is anticipated that it will take approximately twenty-three months following commencement of construction to complete construction of the Approved Project (“**Estimated Completion Date**”). Tenant shall take all reasonable measures to construct Approved Project by the Estimated Completion Date and in a manner that will minimize the interruption and interference with Landlord's use and enjoyment of its adjacent property.

5.3 **Maintenance and Repair.** During the Term, Tenant shall, at Tenant's sole cost and expense, keep and maintain the Premises and Improvements in good condition and repair and in compliance with Legal Requirements.

5.4 **Hazardous Materials.** Tenant shall not cause or permit any Hazardous Material (as defined below) to be brought upon, used at, or discharged from the Premises in violation of any Legal Requirement. As used in this Lease, “**Hazardous Material**” shall mean any hazardous, toxic or radioactive substance, material, matter or waste which is or becomes regulated by any federal, state or local law, ordinance, order, rule, regulation, code or any other governmental restriction or requirement, and shall include, but not be limited to, asbestos, petroleum products and the terms “Hazardous Substance” and “Hazardous Waste” as defined in the Comprehensive Environmental

¹ Salt Lake County Architectural Design and Construction Standards are available at <https://www.slco.org/globalassets/1-site-files/facilities/slcodesignconstrstdproc.pdf>.

Response, Compensation and Liability Act, as amended, 42 U.S.C. Sec. 9601 *et seq.*, and the Resource Conservation and Recovery Act, as amended, 42 U.S.C. Sec. 6901 *et seq.*

5.5 Labor Regulations and Requirements. Tenant agrees to comply with all applicable provisions of Title 34 of the Utah Code, and with all applicable federal, state and local labor laws. Tenant shall indemnify and hold Landlord harmless from and against any and all claims for liability arising out of any violation of this Section or the laws referenced by Tenant, its agents or employees.

5.6 Compliance with Laws. Tenant shall comply with all Legal Requirements in the performance of its duties and obligations under this Lease. Tenant shall hold Landlord harmless and defend Landlord from and against any and all liability arising out of or connected with a material violation by Tenant of any Legal Requirement, including, without limitation, all reasonable attorney fees and costs incurred by Landlord as a result of such material violation.

5.7 Permits and Licenses. Tenant is responsible, at its expense, to acquire, maintain and renew during the Term, all necessary permits and licenses required for its lawful performance of its duties and obligations under this Lease.

5.8 Hotel Restriction. Landlord has entered into a separate agreement concerning the construction of a convention hotel adjacent to the Salt Palace Convention Center (“**Convention Hotel**”). The Convention Hotel is anticipated to open for business by the end of calendar year 2022. During the period from the date the Convention Hotel is opened to the public for business (the “**Opening**”) until the date that is twenty-five (25) years following the Opening, Tenant shall not construct or operate a hotel on the Premises. The foregoing restriction shall automatically terminate and be deemed to be null and void upon the date that is twenty-five (25) years following the Opening.

5.9 Building Security. Landlord and Tenant each agree to identify a representative to meet monthly during Construction and as needed thereafter (or at such other mutually agreeable times) to discuss and develop plans to address security issues. The parties agree to implement and cooperate with any plan of action that is developed as a result of these meetings.

ARTICLE 6 **IMPROVEMENTS**

6.1 Improvements. During the Term, Tenant may, at its sole cost and expense, modify, alter or remove any Existing Improvements, and/or construct or install any new improvements on the Property, including, without limitation, the Approved Project (collectively, the “**Future Improvements**”). Any work performed by Tenant shall be performance in accordance with all Legal Requirements.

(a) Drive Aisle. Included in any Future Improvements, Landlord shall retain title to and control of and except as otherwise expressly provided herein, shall be guaranteed an on-going continuous, and uninterrupted right of access over and across the Premises on the existing drive aisle (the “**Drive Aisle**”) from Main Street to Parcel No. 16-06-306-040-0000 (the “**East Parcel**”), except for such period described in Section 6.1(a)(v), which retained right of access is for the benefit of and appurtenant to the East Parcel and all portions thereof. The design, construction, and maintenance of the Drive Aisle shall be governed by the following terms in addition to the other terms of this Lease:

(i) Tenant shall include the design of the Drive Aisle in those designs submitted to Landlord for approval pursuant to Section 5.2. Any damage to the Drive Aisle during or after Construction caused by Tenant or its agents, employees, or contractors shall be repaired or replaced by Tenant at its sole cost and expense to the same condition as existed prior to the commencement of Construction. Any damage to the Drive Aisle caused by the Tenant or its agents, employees, or contractors after Construction during the Term, except for normal wear and tear, shall be repaired by the Tenant at its sole cost and expense within two weeks of written notice by Landlord to Tenant of the damage, unless such repair cannot reasonably be completed during such two-week period in which event Tenant shall have begun such repairs during the two-week period and shall diligently pursue such repairs until completion. If any repairs cannot be completed with the two-week period, Tenant shall provide Landlord with a written explanation why the repair work cannot be timely performed by Tenant and a timeline for completing the repairs.

(ii) Landlord, as well as its successors, agents, assigns, and invitees, may use the Drive Aisle for vehicular and pedestrian access to the East Parcel.

(iii) Tenant may use a portion of the Drive Aisle to locate an underground electrical vault. Landlord shall cooperate with Tenant and Rocky Mountain Power to provide an easement, as necessary, for the installation of the underground electrical vault. Tenant shall discuss and schedule the timing of any maintenance or repair work in the underground electrical vault that will impact the use of the Drive Aisle with Landlord in the security meetings held pursuant to Section 5.9. In the event that the timing of maintenance or repair work cannot be discussed in a security meeting, Tenant shall provide Landlord with five Business Days prior written notice of any maintenance or repair work in the underground electrical vault that will impact the use of the Drive Aisle. . Tenant shall use Best Efforts to ensure that such maintenance or repair work shall be scheduled to occur outside of business hours. Except during the eight-month period provided in Subsection 6.1(a)(v), in the event that Tenant and Rocky Mountain Power determine that the Drive Aisle must be closed for any period during business hours (i.e., from 7:00 a.m. to 6:00 p.m. during any weekday, excluding holidays), Tenant shall provide Landlord with not less than fourteen days' written notice, unless in the event of emergency. If Tenant and Rocky Mountain Power need to close the Drive Aisle for more than twenty-four (24) hours to conduct maintenance or repairs in the underground electrical vault, Tenant shall, in addition to providing the fourteen days' written notice, provide Landlord with a written plan, explaining the need for the closure, the repair or maintenance work to be performed by Tenant, and a timeline for reopening the Drive Aisle. The Drive Aisle may only be closed for the minimum amount of time necessary for Tenant to complete the repairs. In the event of emergency, Tenant shall take such steps as are reasonable to notify Landlord in a timely manner of the resulting closure.

(iv) Tenant shall be able to use a portion of the Drive Aisle for the retrieval and removal of garbage from bins stored within the Building. Tenant shall contract for the garbage collection to occur between the hours of 7:00 p.m. and 6:00 a.m. so that such contracted garbage collection, to the extent it can be controlled by Tenant, does not impact access to the Drive Aisle during the normal business hours (e.g., between 7:00 a.m. and 6:00 p.m. during any weekday, excluding holidays). Tenant shall use Best Efforts to ensure that the Drive Aisle is kept clean and free of garbage resulting from the contracted garbage collection.

(v) Beginning on the Construction Commencement Date and ending eight months thereafter, Tenant may close the Drive Aisle to the general public and any occupants, visitors,

or employees of District Attorney's Office. At the end of this eight-month period and except as provided herein, Tenant shall provide Landlord with reasonable, continuous, and uninterrupted access across the Drive Aisle. Tenant may comply with this requirement by temporarily relocating the Drive Aisle to provide access from Main Street during Construction in accordance with a plan approved in writing by Landlord.

6.2 Commencement of Construction. Preconstruction activities related to the Approved Project may commence after the Effective Date. Construction activities related to the Approved Project may commence after the Construction Commencement Date. Following commencement of on-site construction, Tenant shall diligently proceed with the construction and completion of the Approved Project.

6.3 Construction of the Approved Project. Tenant shall construct the Approved Project in accordance with the following terms:

(a) Construction. At Tenant's sole cost and expense, Tenant shall construct the Approved Project ("**Construction**") on the Premises provided that before Tenant starts Construction, Tenant shall: (i) provide Landlord copies of any new plans, specifications and surveys detailing the Construction and not previously approved by Landlord; (ii) request Landlord's approval of any such new plans, specification and/or surveys, such approval not to be unreasonably withheld, conditioned or delayed; (iii) give Landlord copies of all necessary permits or approvals obtained in accordance with Section 6.4 below; and (iv) give Landlord such assurances of completion (including performance and payment bonds, as required by Utah Code Ann. Title 14 Chapter 1, as amended, with penal sums at 100% of Tenant's construction contract price and with Landlord as an additional obligee to the bonds) as Landlord shall reasonably require. Tenant shall pay for all Construction when and as required pursuant to the terms of the construction contract entered into by and between Tenant and the contractor(s) that perform such Construction. All improvements that Tenant constructs on the Premises shall become part of the Premises but shall be owned by Tenant except as expressly provided in this Lease.

(i) Plans and Specifications. To the extent that Tenant obtains plans and specifications or surveys (including working plans and specifications and "as-built" plans and specifications and surveys) for any Construction, Tenant shall provide them promptly upon Landlord's request, and shall provide them to Landlord within thirty (30) days of Substantial Completion of the Approved Project .

(ii) License of Construction Documents. Tenant grants Landlord a license to use all plans and specifications for purposes of any law related to intellectual property. Such license includes the right to grant sublicenses. Tenant represents and warrants that it has the power and authority to grant such license.

(iii) Insurance During Construction. Before Tenant commences (and at all times during) any Construction or any related excavation or demolition, Tenant shall at its expense procure and maintain, or cause to be procured and maintained, any insurance coverage (by separate policy or endorsement(s) to other policies) expressly required by the terms of this Lease.

(iv) Utah State Construction Registry Database. Before Tenant commences any Construction or any related excavation or demolition, Tenant shall provide to Landlord written evidence that:

(A) Any original contractor retained by Tenant has timely filed a Notice of Commencement with the Database in accordance with Utah Code Ann. § 38-1b-201; and

(B) In addition, Tenant shall timely file a Notice of Intent to Obtain Final Completion (if applicable) with the Database in accordance with Utah Code Ann. § 38-1a-506 and shall timely file a Notice of Completion with the Database in accordance with Utah Code Ann. § 38-1a-507.

(v) Prohibited Liens:

(A) Tenant's Covenant. If a lien is filed against the Premises and the same is related to Tenant's construction activities, then Tenant shall immediately notify Landlord and, within 30-days after receiving written notice from Landlord of such filing (but in any case, within 15-days after Landlord notifies Tenant of commencement of foreclosure proceedings), commence appropriate action to cause such lien to be paid, discharged, bonded, or cleared from title. Tenant shall thereafter prosecute such action with reasonable diligence and continuity. If Landlord receives notice of any such filing, then Landlord shall promptly notify Tenant of same in writing.

(B) Protection of Landlord. Notice is hereby given that Landlord shall not be liable for any labor or materials furnished or to be furnished to Tenant upon credit, and that no mechanic's or other lien for any such labor or materials shall attach to or affect the fee estate of the Land. Nothing in this Lease shall be deemed or construed in any way to constitute Landlord's consent or request, express or implied, by inference or otherwise, to any contractor, subcontractor, laborer, equipment or material supplier for the performance of any labor or the furnishing of any materials or equipment for any construction, nor as giving tenant any right, power or authority to contract for, or permit the rendering of, any services, or the furnishing of any materials that would give rise to the filing of any liens against the fee estate of the Land. Tenant shall indemnify Landlord against any construction undertaken by Tenant or anyone legally and rightfully claiming through Tenant, and against all prohibited liens.

(vi) Recovery Plan. If Tenant will not complete Construction of the Approved Project by the Estimated Completion Date, Tenant shall submit a recovery plan to Landlord no sooner than one (1) year nor later than thirty (30) days prior to the Estimated Completion Date that sets forth all of the following:

(A) a statement by Tenant that it does not anticipate achieving completion of Construction by the Estimated Completion Date;

(B) a general description of the events or circumstances giving rise to such delay in construction; and

(C) a written plan outlining in reasonable detail the activities to be undertaken, including a schedule therefor, to cause completion of Construction of the Approved Project to be achieved not to exceed one (1) year after the Estimated Completion Date, unless Tenant demonstrates that additional time is reasonably required.

(vii) Tenant Contractor Rules.

(A) Except as expressly permitted under Section 6.1(a)(v), Construction shall not materially and unreasonably impede access to either the District Attorney's Office or the parking garage serving the District Attorney's Office (collectively the "DA Accessway") and Tenant shall not construct or place, or permit to be constructed or placed upon the DA Accessway any fences, curbs, barriers or other obstacles that would prevent, obstruct, or impede the passage of pedestrians or vehicles within or across the DA Accessway. The foregoing provisions shall not prohibit the temporary erection of a barricade which is reasonably necessary to safely proceed with the Construction of the Approved Project; *provided, however*, that Tenant shall give Landlord written notice at least 7 days prior to the erection of any such temporary barrier, identifying its proposed location, duration, and nature, and *provided, further* that Tenant obtains Landlord's written consent to the location, duration and nature of the temporary barrier, which consent shall not be unreasonably withheld, conditioned or delayed. In the security meetings held pursuant to Section 5.9, Landlord and Tenant shall coordinate the timing of the proposed Construction activity requiring a temporary barrier and use Best Efforts to cause the least interference to the use of the DA Accessway. Nothing herein shall be construed to permit Tenant to impede or interrupt access to the District Attorney's Office or the Parking Garage from 500 South for any reason.

(B) Tenant is responsible for securing all its materials.

(C) All areas of the Premises shall be kept reasonably clean and presentable during Construction, and Tenant shall take all commercially reasonable steps to ensure dust and other debris are kept out of or removed from the Premises on a routine basis.

(b) Survival. The provisions of this Section 6.3 shall survive the termination or expiration of this Lease.

6.4 Permits, Compliance with Codes. Tenant shall acquire, at Tenant's expense, as required by applicable law, ordinance, or regulation all building permits and other permits, licenses, permissions, consents, and approvals required to be obtained from governmental agencies or third parties in connection with the construction of the Approved Project and any subsequent improvements, repairs, or replacements of the Approved Project. Landlord shall reasonably cooperate as required, including consenting to and executing documents when needed as set forth in Section 6.7 below.

(a) Tenant shall cause all work on the Premises during the Term, whether performed by Tenant, its contractors or subcontractors to be performed in accordance with this Lease,

all applicable laws, and all lawful directions and regulations of all governmental agencies and the representatives of those agencies having jurisdiction, including, without limitation, all applicable construction standards reasonably imposed by Salt Lake City and by Landlord.

(b) At all times during the Term, Tenant shall confine any Construction at the Premises to areas permitted by law, ordinance, permits and this Lease.

6.5 Title to Future Improvements. All Future Improvements constructed or installed by Tenant as part of the Approved Project or otherwise shall be and thereafter remain real property, and are and shall be the property of Tenant. For purposes of clarity, Landlord shall retain ownership of the Land, but Tenant shall own the Approved Project constructed by Tenant on the Premises during the Term. The purpose of this provision (severing ownership of the Land from ownership of the Approved Project) is to allow Tenant to obtain construction financing to construct the Future Improvements as part of the Approved Project without encumbering the Premises or otherwise placing Landlord's ownership of the underlying ground at risk. Upon the expiration of the Term, subject to Tenant's right to remove any Improvements pursuant to Article 10 below, title to such Future Improvements shall automatically vest in Landlord and the same shall become the property of Landlord, such that Landlord shall become owner of both the Premises and the Future Improvements. Following the expiration of the Term, Tenant shall promptly execute and acknowledge a quitclaim deed or any other documentation reasonably required by Landlord to effectuate the provisions of this Section.

6.6 No Liens. Except as set forth in Article 12 below, Landlord's Estate shall not be subjected to liens of any nature by reason of Tenant's construction, alteration, repair, restoration, replacement or reconstruction of the Improvements, or by reason of any other act or omission of Tenant (or of any person claiming by, through or under Tenant) including, but not limited to, mechanics' and materialmen's liens. All persons dealing with Tenant are hereby placed on notice that such persons shall not look to Landlord or to Landlord's credit or assets (including Landlord's Estate) for payment or satisfaction of any obligations incurred in connection with the construction, alteration, repair, restoration, replacement or reconstruction thereof by or on behalf of Tenant. Tenant has no power, right or authority to subject Landlord's Estate to any mechanic's or materialman's lien or claim of lien.

6.7 Entitlement Agreements. Landlord covenants and agrees, in its capacity as owner of the Landlord's Estate, to execute such documents as Tenant may request in connection with the entitlement, development and construction of improvements upon the Premises, provided that during the Term, all monetary and non-monetary obligations imposed upon the Premises by any such documents shall be paid or performed by Tenant.

ARTICLE 7 **INSURANCE**

7.1 Commercial General Liability Insurance. Tenant shall, at its sole cost and expense, maintain in effect at all times during the Term a policy or policies of commercial general liability insurance with minimum coverages and limits of not less than \$2,000,000.00 per Occurrence Bodily Injury and Property Damage and not less than \$5,000,000.00 General Aggregate. Landlord shall be named as an additional insured in such insurance policy. A certificate of such policy shall be provided to Landlord each year during the Term. Following the first 10-years of the Term, Landlord may

periodically (i.e., not more than once in any 10-year period) review the adequacy of the insurance limits identified in this Section 7.1. If, based upon this review, Landlord determines in its reasonable discretion that the insurance limits identified in this Section 7.1 are inadequate (based upon the insurance routinely required by similar owners of land ground leasing to tenants similar to Tenant), Landlord may require Tenant to provide the minimum insurance coverages and limits that are reasonably determined to be market appropriate based upon the review reasonably conducted by Landlord.

7.2 Property Insurance. Tenant shall, at its sole cost and expense, maintain in effect at all times during the Term a policy or policies of Standard “All-Risk” or so-called “All-Risk” property insurance with coverage including, but not limited to, the perils covered by standard Fire and Extended Coverage Insurance, for one hundred percent (100%) of the actual replacement cost, covering all of the Improvements on the Premises and all items of personal property of Tenant located on or within the Premises. A certificate of such policy shall be provided to Landlord each year during the Term.

7.3 Workers' Compensation. Tenant shall, at its sole cost and expense, maintain in effect at all times during the Term a policy or policies of workers' compensation insurance satisfying Tenant's obligations under the workers' compensation laws of the State of Utah.

7.4 Waiver of Subrogation. Tenant hereby releases and discharges Landlord from all claims and liabilities arising from or caused by any casualty or hazard covered or required hereunder to be covered in whole or in part by casualty insurance on the Premises and waives any right of subrogation which might otherwise exist in or accrue to any person on account thereof.

7.5 Tenant Indemnity. Except to the extent caused by or arising out of the negligence or willful misconduct of Landlord or Landlord's agents, Tenant agrees to indemnify, hold harmless and defend Landlord, its officers, agents and employees from and against any and all losses, damages, injuries, liabilities, and claims, including claims for personal injury, death, or damage to personal property or profits and liens of workmen and material men (suppliers), resulting directly or indirectly from, or arising out of, negligent acts or omissions by Tenant, its agents, representatives, officers, employees or subcontractors in the performance of this Lease or that may be incurred by, imposed upon or asserted against Landlord by reason of Tenant's occupancy or use of the Premises or the Approved Project, including but not limited to the occurrence of any one or more of the following, or of facts or events that result in any one or more of the following:

(a) Use or Occupancy. Any accident, injury or damage to person and/ or property arising from any use or occupancy of the Premises or the Approved Project that Tenant may make, permit or suffer to be made or that exists, or is occasioned by any use, occupancy of, or activity on the Premises and/ or on any sidewalk, street, alley, curb, passageway or space adjacent thereto, or any part thereof, by or for Tenant (or any subtenant, invitee, contractor, employee or agent of Tenant or any subtenant);

(b) Tenant Negligence. Any negligence or wrongful act or omission on the part of Tenant or its subtenants or any of their agents, contractors, servants, employees, licensees, sublessees or invitees, or anyone claiming through the foregoing; or

(c) Tenant Work. Any work or thing done by or for Tenant in, on or about the Premises or the Approved Project and/or on any sidewalk, plaza, street, alley, curb, passageway or space adjacent thereto, or any part thereof unless attributable to Landlord or its agents, employees, contractors or subcontractors. For purposes of clarification, Tenant shall also be responsible for all damages to persons or property that occurs as a result of the negligence or fault of Tenant in connection with the construction of the Approved Project and any maintenance, repair, or other work conducted by the Tenant or its agents in, on, or about the Premises thereafter. Tenant shall also be responsible for all materials delivered and work performed until completion and final acceptance of the Approved Project.

7.6 Landlord Indemnity. Landlord is a political subdivision of the State of Utah, and Landlord's liability and indemnification obligations under this Section 7.6 are subject to the limitations set forth in the Governmental Immunity Act of Utah, Utah Code Ann. §§ 63G-7-101 to -904 (2018), as amended. Subject to the foregoing, Landlord agrees to indemnify, hold harmless and defend Tenant, its officers, agents and employees from and against any and all losses, damages, injuries, liabilities, and claims, including claims for personal injury, death, or damage to personal property or profits and liens of workmen and material men (suppliers), however allegedly caused, resulting directly or indirectly from, or arising out of, negligent acts or omissions by Landlord, its agents, representatives, officers, employees or subcontractors in the performance of this Lease.

ARTICLE 8 **EMINENT DOMAIN AND CASUALTY**

8.1 Total Taking. If the whole or substantially all of the Premises shall be taken for a public or quasi-public use by the exercise of the power of eminent domain or by purchase under threat of condemnation by any governmental agency, this Lease shall terminate in its entirety on the date the condemning authority actually consummates such taking of the Premises, and the Rent required to be paid by Tenant hereunder shall be appropriately prorated and paid to such date of taking or reduced as provided hereinbelow. As used in this Article 8 (including Section 8.5 below), “substantially all of the Premises” shall mean a taking which in Tenant's good faith business judgment renders the balance of the Premises not reasonably susceptible to repair and restoration for the purposes and in substantially the same manner as it was operated prior thereto, or if the balance of the Premises are otherwise rendered unusable for the purposes and in substantially the same manner as it was operated prior thereto; provided, however, that Tenant in its sole and absolute discretion may determine that no such taking of “substantially all of the Premises” has occurred so as to avoid a termination of this Lease, in which event such taking shall be treated as a partial taking pursuant to Section 8.2 below. In the event of any such taking, Landlord and Tenant shall together make one claim for an award for their combined interests in the Premises including an award for severance damages if less than the whole shall be so taken. If the whole or substantially all of the Premises shall be so taken, then the condemnation proceeds shall be allocated between Tenant and Landlord in proportion to their respective interests in Tenant's Estate and Landlord's Estate, respectively, and shall be distributed as follows and in the following order:

(a) First, the Mortgagee under any Permitted Mortgage shall receive payments to reduce the Indebtedness secured by such Permitted Mortgage to the extent required by such Permitted Mortgage, which distribution first shall be taken from the proceeds allocated to Tenant;

(b) Second, the balance, if any, of the condemnation proceeds allocated to Tenant shall be paid to Tenant; and

(c) Third, all of the condemnation proceeds allocated to Landlord based upon Landlord's Estate shall be paid to Landlord.

8.2 Partial Taking. If less than substantially all of the Premises shall be taken for any public or quasi-public use under the power of eminent domain or by purchase under threat of condemnation by any governmental agency, in a manner that the remaining portion of the Premises can be adapted and economically operated for the purposes and in substantially the same manner as it was operated prior thereto in Tenant's good faith business judgment, Tenant shall give notice thereof to Landlord, this Lease shall continue in full force and effect and Base Rent shall be equitably abated to reflect any reduction in the area of the Premises. Landlord and Tenant shall each be entitled to make separate claims with respect to the condemnation award attributable to Landlord's Estate and Tenant's Estate, respectively (including any award for severance damages) as their interest may appear.

8.3 Temporary Taking. If the temporary use (but not fee or leasehold title) of the whole or any part of the Premises shall be taken as aforesaid, this Lease shall not be affected in any way and Tenant shall continue to pay all Rent due hereunder. All condemnation proceeds as a result of such temporary use shall be paid to Tenant.

8.4 Proceedings. In any condemnation proceeding affecting the Premises which may affect Landlord's Estate and Tenant's Estate, both parties shall have the right to appear in and defend against such action as they deem proper in accordance with their own interests. To the extent possible, the parties shall cooperate to maximize the condemnation proceeds payable by reason of the condemnation. Issues between Landlord and Tenant required to be resolved pursuant to this Article shall be joined in any such condemnation proceeding to the extent permissible under then applicable procedural rules of such court of law or equity for the purpose of avoiding multiplicity of actions and minimizing the expenses of the parties.

8.5 Casualty. If the whole or substantially all of the Premises are damaged or destroyed as a result of a casualty in a manner which is not reasonably susceptible to repair and restoration substantially the same as its condition prior to such damage, or if the Premises are otherwise rendered unusable for the purposes and in substantially the same manner as it was operated prior thereto, in either case as determined by Tenant, then Tenant shall have no right to abate Rent, but shall have the right to terminate this Lease by giving written notice thereof to Landlord within one hundred eighty (180) days following the date of such event. In such event, Rent shall be appropriately prorated and paid through the date of termination. In all other events of damage or destruction not covered by the foregoing, there shall be no abatement of Rent and neither party hereto shall have any right to terminate this Lease. In such event, the proceeds of any property insurance policy obtained by Tenant shall be disbursed in accordance with the requirements of the Permitted Mortgage. Landlord acknowledges that Landlord has no right, title, or interest in any such property insurance proceeds, all of which remain the property of Tenant, subject to the terms of any Permitted Mortgage.

ARTICLE 9
DEFAULT

9.1 Event of Default. A breach of this Lease by Tenant shall exist if any of the following events (an “**Event of Default**”) shall occur:

(a) Tenant shall have failed to pay Base Rent within ten (10) days of when due and such failure shall not have been cured within ten (10) days after receipt of written notice from Landlord respecting such overdue payment; or

(b) Tenant shall have failed to pay any Imposition or any other Rent (other than Base Rent) under the terms of this Lease within thirty (30) days of when due and such failure shall not have been cured within thirty (30) days after receipt of written notice from Landlord respecting such overdue payment; or

(c) Tenant shall have failed to perform any term, covenant, or condition of this Lease to be performed by Tenant, except as set forth in clauses (a) and (b) above, and Tenant shall have failed to cure same within thirty (30) days after written notice from Landlord, delivered in accordance with the provisions of this Lease, where such failure could reasonably be cured within said thirty (30) day period; provided, however, that where such failure could not reasonably be cured within said thirty (30) day period, but is capable of being cured, no Event of Default shall be deemed to have occurred so long as Tenant has commenced the cure within thirty (30) days and is thereafter continuing to make diligent and reasonable efforts to cure such failure as soon as practicable.

9.2 Notice to Certain Persons. Landlord shall, before pursuing any remedy, give notice of any Event of Default to Tenant, to Mortgagees whose names and mailing addresses were previously given to Landlord as provided in Article 12, and to any third party which is a party to a non-disturbance and attornment agreement executed by Landlord, as provided in such agreement. Each notice of an Event of Default shall specify the Event of Default and shall describe any damage resulting from any such act.

9.3 Landlord's Remedies. Following any Event of Default which is not cured within the applicable cure period, if any, then following five (5) days prior written notice thereof from Landlord to Tenant, and subject to the rights of any Mortgagee under Article 5 hereof, Landlord shall be entitled to pursue the following rights and remedies, in addition to all rights and remedies provided by law or equity, to which Landlord may exercise cumulatively or in the alternative:

(a) Terminate this Lease by the giving of written notice to Tenant; reenter the Premises, with or without process of law; eject all parties in possession thereof; repossess and enjoy the Premises and all Improvements; and recover from Tenant all of the following: (i) all Rent and other amounts accrued hereunder to the date of termination, and (ii) all Rent and other sums owed hereunder as and when such amounts become due and payable; and

(b) Terminate Tenant's right to possession of the Premises without terminating this Lease by the giving of written notice to Tenant, in which event Tenant shall pay to Landlord (i) all Rent and other amounts accrued hereunder to the date of termination of possession, and (ii) all Rent and other sums owed hereunder as and when such amounts become due and payable.

9.4 Reletting. Upon termination of this Lease or upon termination of Tenant's right to possession of the Premises, Landlord shall use commercially reasonable efforts to relet the Premises on such terms and conditions as Landlord may determine in its reasonable discretion. If Landlord relets the Premises, rent Landlord receives from such reletting shall be applied to the payment of: first, any indebtedness from Tenant to Landlord other than Rent (if any); second, all reasonable costs incurred by Landlord in reletting; and third, Rent due and unpaid.

9.5 Landlord Default; Tenant Remedies. A breach of this Lease by Landlord shall exist (a "**Landlord Default**") if Landlord shall have failed to perform any term, covenant, or condition of this Lease to be performed by Landlord, and Landlord shall have failed to cure same within thirty (30) days after written notice from Tenant, delivered in accordance with the provisions of this Lease, where such failure could reasonably be cured within said thirty (30) day period; provided, however, that where such failure could not reasonably be cured within said thirty (30) day period, but is capable of being cured, no Landlord Default shall be deemed to have occurred so long as Landlord has commenced the cure within thirty (30) days and is thereafter continuing to make diligent and reasonable efforts to cure such failure as soon as practicable. Following any Landlord Default, and following five (5) days prior written notice thereof from Tenant to Landlord, Tenant shall be entitled to pursue all rights and remedies provided by law or equity, to which Tenant may exercise cumulatively or in the alternative. Without limiting the generality of the foregoing, Tenant shall be entitled to offset against the Rent due hereunder any amounts due and payable by Landlord to Tenant hereunder and/or pursue an action for damages.

ARTICLE 10

SURRENDER OF THE PREMISES

10.1 Surrender. On expiration of the Term, Tenant shall quit and surrender the Premises to Landlord in its as-is condition as of the expiration of the Term; provided, however, that Tenant shall have the right, but not the obligation, to remove any Improvements, at Tenant's sole cost and expense. On expiration of the Term, title to any Improvements (other than those removed by Tenant) shall automatically vest in Landlord without the execution of any further instrument. Notwithstanding anything to the contrary contained in Article 11 below, no such surrender shall cause or be deemed to cause a merger of Landlord's Estate and Tenant's Estate, unless Landlord, and any Mortgagee holding a Permitted Mortgage, the lien of which was not reconveyed upon such surrender, expressly so agree in writing.

ARTICLE 11

SUBLEASE AND ASSIGNMENT

11.1 Sublease.

(a) Tenant may sublease all or a portion of the building constructed by Tenant on the Premises during the Term, without Landlord's consent; provided, however, that Tenant shall not be released from any obligation under this Lease as a result of any such sublease.

(b) If Tenant requests that Landlord execute a non-disturbance and attornment agreement with regard to any third party subleasing, operating or otherwise using the Premises, Landlord shall not unreasonably withhold or delay its consent if such form of non-disturbance and attornment agreement is commercially reasonable in light of the size and nature of the third party

contract. Notwithstanding the preceding sentence, if a Mortgagee under a Permitted Mortgage has executed a non-disturbance and attornment agreement with a particular third party, then Landlord agrees to execute a comparable form of non-disturbance and attornment agreement with such third party.

11.2 Assignment.

(a) Except as set forth in this Section and Article 12 below, from the Effective Date until Substantial Completion of the Approved Project, Tenant may not assign all or any portion of Tenant's interests in this Lease during the Term without Landlord's prior consent, which consent shall not be unreasonably withheld, conditioned or delayed; provided, however, that at any time during such period or at any other time during the Term, Tenant may assign all or any portion of Tenant's interests in this Lease, without Landlord's prior consent, to an entity or person that: (i) is an affiliate of Tenant (i.e., an entity which is controlled by, controls, or is under common control with, Tenant); (ii) acquires all or substantially all of the assets of Tenant, or (iii) is the resulting entity of a merger or consolidation of Tenant.

(b) Subject to Section 11.2(d), Tenant may assign its interest in this Lease after the date of Substantial Completion of the Approved Project and continuing through the Term only with the prior written consent of Landlord, which shall not be unreasonably withheld, conditioned or delayed. At least twenty (20) days prior to any proposed assignment, Tenant shall submit in writing to Landlord the name and identity of those entities or persons having direct ownership in the proposed transferee. Within ten (10) days after Landlord receives such information, Landlord shall notify Tenant whether it approves or disapproves such assignment. The parties hereto agree and acknowledge that it shall only be reasonable for Landlord to withhold consent where: (i) the proposed transferee does not intend to assume all of Tenant's obligations for the Premises; (ii) Landlord reasonably determines the proposed transferee lacks sufficient creditworthiness or financing to conduct its business at the Premises as a going concern; (iii) Landlord reasonably believes that the occupancy of the Premises by the transferee will impose upon Landlord additional costs or burdens (including compliance with Laws) that Landlord would not otherwise have to incur but for the particular transferee and/or such transferee's business operations; or (iv) transferee (x) as ascertained by Tenant through a criminal background check, has any felony convictions within the ten (10) years prior to the assignment, (y) will conduct a business at the Premises inconsistent with zoning ordinances governing any real property immediately adjacent to the Land, or (z) will conduct a business which includes any use which can be reasonably expected to cause annoyance or embarrassment to Landlord or other tenants. If Landlord does not provide a written response either consenting to the assignment or reasonably withholding consent for any of the reasons identified in this Section 11.2(b) within ten (10) days after receiving notice from Tenant as provided in Article 13, such Landlord consent shall be irrevocably deemed to have been given and Tenant may proceed with the assignment.

(c) If determined Tenant assigns all of Tenant's interests in this Lease during the Term pursuant to this Section 11.2, then upon the effective date of such assignment, Tenant shall be automatically be released from all obligations under this Lease arising on and after the effective date of such assignment.

(d) Tenant may not assign this Lease to any person or entity that appears on any of the following lists (collectively, "Government Lists") maintained by the United States government:

(A) The two (2) lists maintained by the United States Department of Commerce (Denied Persons and Entities; the Denied Persons list can be found at <http://www.bis.doc.gov/dpl/thedeniallist.asp>; the Entity List can be found at <http://www.bis.doc.gov/entities/default.htm>); (B) The list maintained by the United States Department of Treasury (Specially Designated Nationals and Blocked Persons, which can be found at <http://www.ustreas.gov/ofac/t11sdn.pdf>); (C) The two (2) lists maintained by the United States Department of State (Terrorist Organizations and Debarred Parties; the State Department List of Terrorists can be found at <http://www.state.gov/s/ct/rls/other/des/123085.html>; the List of Debarred Parties can be found at <http://www.pmddtc.state.gov/compliance/debar.html>); and (D) Any other list of terrorists, terrorist, organizations or narcotics traffickers maintained pursuant to any of the rules and regulations of the Office of Foreign Assets Control, United States Department of Treasury, or by any other government or agency thereof. .

ARTICLE 12 **ENCUMBRANCE OF TENANT'S ESTATE; MORTGAGEE PROTECTIONS**

12.1 Encumbrance of Tenant's Estate. Tenant shall have the right to encumber Tenant's Estate (but not Landlord's Estate) pursuant to one or more Permitted Mortgages. Landlord shall not be required to subject its Landlord's Estate to the lien of a Permitted Mortgage.

12.2 Mortgagee Protections. Provided that any Mortgagee provides Landlord with a conformed copy of each Permitted Mortgage which contains the name and address of such Mortgagee, Landlord hereby covenants and agrees to faithfully perform and comply with the following provisions with respect to such Permitted Mortgage:

(a) No Termination. No action by Tenant or Landlord to cancel, surrender or materially modify the economic terms of this Lease or the provisions of this Article 12 shall be binding upon a Mortgagee without its prior written consent, except in the case of an Event of Default, so long as Landlord complies with the terms of this Lease.

(b) Notices. If Landlord shall give to Tenant hereunder, any notice, demand, election or other communication which may adversely affect the security for a Permitted Mortgage, including without limitation a notice of an Event of Default (collectively, “**Notices**”), Landlord shall concurrently give a copy of each such Notice to the Mortgagee at the address theretofore designated by the Mortgagee in a written notice to Landlord. Such copies of Notices shall be sent by Landlord and deemed received as described in Article 13 below. No Notice given by Landlord to Tenant shall be binding upon or affect said Mortgagee unless a copy of said Notice shall be given to Mortgagee pursuant to this Section. In the case of an assignment of such Permitted Mortgage or change in address of such Mortgagee, said assignee or Mortgagee, by written notice to Landlord, may change the address to which such copies of Notices are to be sent. Landlord shall not be bound to recognize any assignment of such Permitted Mortgage unless and until Landlord shall be given written notice thereof, a copy of the executed assignment, and the name and address of the assignee. Thereafter, such assignee shall be deemed to be the Mortgagee hereunder with respect to the Permitted Mortgage being assigned.

(c) Performance of Covenants and Rights. The Mortgagee shall have the right to perform any term, covenant or condition and to remedy any default by Tenant hereunder within the time periods specified herein, and Landlord shall accept such performance with the same force and

effect as if furnished by Tenant; provided, however, that said Mortgagee shall not thereby or hereby be subrogated to the rights of Landlord.

(d) Delegation to Mortgagee. Tenant may delegate irrevocably to the Mortgagee the non-exclusive authority to exercise any or all of Tenant's rights hereunder, but no such delegation shall be binding upon Landlord unless and until either Tenant or the Mortgagee shall give to Landlord notice thereof together with a true copy of a written instrument effecting such delegation. Such delegation of authority may be effected by the terms of the Permitted Mortgage itself, in which case service upon Landlord of an executed counterpart or conformed copy of said Permitted Mortgage in accordance with this Article 12, together with written notice specifying the provisions therein which delegate such authority to said Mortgagee, shall be sufficient to give Landlord notice of such delegation.

(e) Default by Tenant. In the event of an Event of Default in the payment of any monetary obligation hereunder, Landlord agrees not to terminate this Lease unless and until Landlord provides written notice of such Event of Default to any Mortgagee and such Mortgagee shall have failed to cure such Event of Default within ten (10) Business Days following the expiration of any grace or cure periods granted Tenant herein. In the event of an Event of Default in the performance or observance of any non-monetary term, covenant, or condition to be performed by it hereunder, provided that Tenant or such Mortgagee shall have cured within the applicable time period any Event of Default in the payment of any monetary obligation hereunder which can be cured by the payment of money, Landlord agrees not to terminate this Lease unless and until Landlord provides written notice of such Event of Default to any Mortgagee and such Mortgagee shall have failed to cure such Event of Default within thirty (30) days following the expiration of any grace or cure periods granted Tenant herein; provided, however, if such Event of Default cannot practicably be cured by the Mortgagee without taking possession of the Premises, or if such Event of Default is not susceptible of being cured by the Mortgagee, then Landlord shall not terminate this Lease if and as long as:

(i) In the case of an Event of Default which cannot practicably be cured by the Mortgagee without taking possession of the Premises, the Mortgagee has delivered to Landlord, prior to the date on which Landlord shall be entitled to give notice of lease termination, a written instrument wherein the Mortgagee unconditionally agrees that it will cure such Event of Default, and that if this Lease thereafter is terminated prior to the curing of such default, said Mortgagee shall pay to Landlord the cost of curing such an Event of Default;

(ii) In the case of an Event of Default which cannot practicably be cured by the Mortgagee without taking possession of the Premises, said Mortgagee shall proceed diligently to obtain possession of the Premises as Mortgagee (including possession by receiver), and, upon obtaining such possession, shall proceed diligently to cure such Event of Default in accordance with the covenant delivered pursuant to Subsection (i) above; and

(iii) In the case of an Event of Default which is not susceptible to being cured by the Mortgagee, the Mortgagee shall institute foreclosure proceedings and diligently prosecute the same to completion (unless in the meantime it shall acquire Tenant's Estate hereunder, either in its own name or through a nominee, by assignment in lieu of foreclosure).

The Mortgagee shall not be required to obtain possession or to continue in possession as Mortgagee of the Premises pursuant to Subsection (ii) above, or to continue to prosecute foreclosure proceedings

pursuant to Subsection (iii) above, if and when such Event of Default shall be cured. Nothing herein shall preclude Landlord from exercising any of its rights or remedies with respect to any other Event of Default during any period of such forbearance, but in such event the Mortgagee shall have all of its rights provided for herein. If the Mortgagee, its nominee, or a purchaser in a foreclosure sale, shall acquire title to Tenant's Estate hereunder and shall cure all Events of Default which are susceptible of being cured by the Mortgagee or by said purchaser, as the case may be, then prior Events of Default which are not susceptible to being cured by the Mortgagee or by said purchaser shall no longer be deemed Events of Default hereunder.

(f) New Lease. If any Mortgagee shall acquire Tenant's Estate as a result of a judicial or non-judicial foreclosure under any Permitted Mortgage, or by means of a deed in lieu of foreclosure, or through settlement of or arising out of any pending or contemplated foreclosure action, such Mortgagee shall thereafter have the right to assign or transfer Tenant's Estate to an assignee in accordance with Article 11 above. Upon such acquisition of Tenant's Estate as described in the preceding sentence by either Mortgagee, or the assignee of Mortgagee, Landlord shall immediately execute and deliver a new ground lease of the Premises to such Mortgagee or the assignee of such Mortgagee, at the sole expense of Tenant or Mortgagee, upon the written request therefor by such Mortgagee or such assignee of Mortgagee given not later than one hundred twenty (120) days after such party's acquisition of the Tenant's Estate. Said new ground lease shall be identical in form and content to the provisions of this Lease, except with respect to the parties thereto, the term thereof (which shall be co-extensive with the remaining term hereof), and the elimination of any requirements which have been fulfilled by Tenant prior thereto, and said new ground lease shall have priority equal to the priority of this Lease. Upon execution and delivery of such new ground lease, Landlord shall cooperate with the new Tenant, at the sole expense of said new Tenant, in taking such action as may be necessary to cancel and discharge this Lease and to remove Tenant named herein from the Premises.

12.3 Financing. Landlord and Tenant hereby agree to cooperate in including in this Lease by suitable amendment from time to time any provision which may reasonably be requested by any proposed Mortgagee for the purpose of implementing the Mortgagee protection provisions contained in this Lease and allowing such Mortgagee reasonable means to protect or preserve the lien of the Permitted Mortgage on the occurrence of an Event of Default. Landlord and Tenant each agree to execute and deliver (and to acknowledge, if necessary, for recording purposes) any agreement necessary to effectuate any such amendment; provided, however, that any such amendment shall not in any way affect the term or Rent under this Lease, nor otherwise in any material respect adversely affect any rights of Landlord under this Lease. Landlord hereby agrees to fully cooperate, at no cost to Landlord, with Tenant and/or any third party in connection with Tenant's efforts to obtain financing for, or in connection with, Tenant's Estate.

12.4 Encumbrance of Landlord's Estate. Landlord shall have the right to encumber Landlord's Estate (but not the Tenant's Estate); provided, however, any such encumbrance of Landlord's Estate shall be subject and subordinate to all rights of (a) any Mortgagee under a Permitted Mortgage which may then exist or which may come into existence after the date of encumbrance of Landlord's Estate, and (b) the Tenant under the terms of this Lease (including any amendments, renewals, or modifications thereto).

Days following written request as required above, shall be conclusive upon such party that as of the date of said request for the same (i) that this Lease is in full force and effect, without modification except as may be represented by the party hereto requesting execution of such Estoppel Certificate, (ii) that there are no uncured Events of Default or Landlord's Defaults except as may be represented by the party hereto requesting execution of such Estoppel Certificate, and (iii) that no Rent has been paid in advance except as may be represented by the party hereto requesting execution of such Estoppel Certificate.

ARTICLE 15 **ATTORNEYS' FEES**

15.1 Attorneys' Fees. In the event of any litigation, mediation, arbitration or other non-judicial dispute resolution proceeding (if both parties in their sole and absolute discretion elect to use mediation, arbitration or a non-judicial dispute proceeding), or other legal process between the parties with respect to this Lease, then all costs and expenses, including without limitation, all reasonable professional fees such as appraisers', accountants' and attorneys' fees, incurred by the prevailing party therein shall be paid or reimbursed by the other party. The prevailing party shall be entitled to recover all such costs and expenses on appeal and in connection with enforcing any judgment awarded to it. The "prevailing party" means the party determined by the court or arbitrator (if the parties elected to use arbitration) to have most nearly prevailed, even if such party did not prevail in all matters, not necessarily the one in whose favor a judgment is rendered.

ARTICLE 16 **NO MERGER**

16.1 No Merger; Subleases. The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not work a merger and shall, at the option of Landlord, operate as an assignment to Landlord of any or all subleases.

16.2 Permitted Mortgages. Landlord agrees that neither the surrender, cancellation, expiration or termination of this Lease, nor Landlord's acquisition of Tenant's Estate by any means contemplated hereunder, shall, either by the election of Landlord or by operation of law, work a merger of Landlord's Estate and Tenant's Estate unless and until all Indebtedness under any Permitted Mortgage has been repaid pursuant to the terms thereof. The lien of such Permitted Mortgage shall remain unaffected and in full force and effect upon and following the occurrence of any of the events described in the preceding sentence, and Landlord shall be subject to, and bound by, the provisions of such Permitted Mortgage as the successor tenant hereunder following the occurrence of any of such events.

ARTICLE 17 **QUIET ENJOYMENT**

17.1 Quiet Enjoyment. Landlord covenants that Tenant shall have quiet and peaceful possession of the Premises as against Landlord and any person claiming the same by, through or under Landlord; provided, however, nothing contained in this Section shall restrict Landlord's rights following an Event of Default.

ARTICLE 18
ACCESS BY LANDLORD

18.1 Access by Landlord. During the Term, Tenant shall permit Landlord and its agents to enter upon the Premises at times reasonably acceptable to Tenant and subject to Tenant's reasonable requirements for the purpose of making periodic inspections to determine whether the covenants and agreements of Tenant under this Lease are being kept and performed, provided that Landlord and its agents shall not unreasonably interfere with Tenant's use of the Premises or with any occupants of the Premises.

ARTICLE 19
TITLE

19.1 Memorandum. Concurrently with their execution of this Lease, Landlord and Tenant shall execute a Memorandum of Ground Lease in the form of Exhibit "E" attached hereto (the "**Memorandum**"). Tenant may cause same to be recorded in the Official Records of Salt Lake County. Landlord and Tenant shall split equally all costs and expenses related to the recording of the Memorandum (including, without limitation, any documentary transfer tax and recording fees).

19.2 Leasehold Title Policy. Landlord acknowledges and agrees that Tenant may obtain an ALTA Leasehold Owner's Policy of Title Insurance insuring Tenant's Estate, reflecting no exceptions other than the Permitted Exceptions and containing such endorsements as Tenant may desire (the "**Leasehold Policy**"). Within five (5) Business Days of request therefor, Landlord shall complete, execute and deliver, as applicable, all commercially reasonable affidavits and information reasonably required by the title insurer to issue the Leasehold Policy. Landlord shall pay all standard coverage costs and expenses of the Leasehold Policy. Any extended coverage and/or endorsement costs, if applicable, shall be paid by Tenant (unless Landlord agrees to pay the same).

19.3 Development Easements. During the Term, subject to the limitations set forth in this Section, Landlord shall at Tenant's request, grant, convey or dedicate easements, rights, and rights-of-way on and over the Premises to utilities, governmental or quasi-governmental authorities, property owners' associations and other entities that service the Premises, for the sole purpose of facilitating the development of the Premises for the Approved Project or regulating the operation and maintenance of the Premises for the Approved Project, including, without limitation, public access, landscape maintenance, adjacent sidewalk maintenance, and sewer, water and storm drain easements to service or use the Premises or to implement required infrastructure improvements (collectively, the "**Development Easements**"); provided, however, that Landlord's obligation to execute any Development Easements shall be subject to Landlord's review and approval, which approval shall not be unreasonably withheld, conditioned, or delayed.

19.4 Tenant Encumbrances. During the Term, subject to the limitations set forth in this Lease, Tenant may (a) grant, convey or dedicate easements, rights, and rights-of-way on and over the Premises, and (b) cause the recordation of covenants, conditions and restrictions against the Premises, only with Landlord's consent, which shall not be unreasonably withheld, conditioned or delayed, and provided that the foregoing shall not extend beyond the Lease Term, shall encumber solely Tenant's Estate, and shall not in any way encumber Landlord's Estate, in each case unless approved by Landlord in its reasonable discretion.

ARTICLE 20
REPRESENTATIONS AND WARRANTIES

20.1 Landlord Warranties. Landlord hereby makes the following representations and warranties to Tenant, as of the Effective Date, each of which is material and is being relied upon by Tenant:

(a) All requisite action necessary to authorize Landlord to enter into this Lease and to carry out Landlord's obligations hereunder has been taken. This Lease has been duly authorized, executed and delivered by Landlord. This Lease is a legal, valid and binding obligation of Landlord, and does not violate any provisions of any agreement or judicial order to which Landlord is a party or to which it is subject.

(b) Landlord is the fee owner of the Premises. Except for this Lease, there are no leases, licenses or occupancy agreements affecting the Premises (except for easements of record as of the Effective Date).

(c) There are no rights of first refusal or options to purchase the Premises (or any respective part thereof) contained in any agreement affecting the Premises.

(d) There are no condemnation, eminent domain or similar proceedings pending or threatened with regard to the Premises.

(e) There are no lawsuits or other legal or administrative proceedings pending or threatened against or relating to the Premises or Landlord's rights with respect thereto.

(f) To the best of Landlord's knowledge, there are no pending or threatened liens, special assessments, impositions or increases in assessed valuations to be made against the Premises by any governmental authority other than those disclosed of record as of the Effective Date.

(g) To the best of Landlord's knowledge, the Premises and the use thereof does not violate any Legal Requirements or any covenants or restrictions encumbering the Premises.

(h) Except as disclosed in that certain (i) report entitled Limited Subsurface Investigation Results prepared by Wasatch Environmental (Project No. 2039-001A) and dated May 2, 2014 and (ii) undated Phase 1 Environmental Site Assessment prepared by Stantec (Project No. 1862352419), to the best of Landlord's knowledge, no Hazardous Materials have been stored, discharged or released at or from the Premises.

20.2 Tenant Warranties. Tenant hereby makes the following representations and warranties to Landlord, as of the Effective Date, each of which is material and is being relied upon by Landlord:

(a) Tenant has not: (i) provided an illegal gift to any officer or employee of Landlord, or former officer or employee of Landlord, or to any relative or business entity of an officer or employee of Landlord, or relative or business entity of a former officer or employee of Landlord; (ii) retained any person to solicit or secure this Lease upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, other than bona fide employees of bona fide commercial agencies established for the purpose of securing business; or (iii) knowingly influenced, and hereby promises that it will not knowingly influence, any officer or employee of Landlord or

former officer or employee of Landlord to breach any of the ethical standards set forth in the Utah Public Officer's and Employees' Ethics Act, Utah Code Ann. §§ 67-16-1, *et seq.*, or Salt Lake County Code of Ordinances § 2.07 (2011).

ARTICLE 21
GOVERNMENT RECORDS ACCESS MANAGEMENT ACT

21.1 Government Records Access Management Act. Tenant acknowledges that Landlord is a governmental entity subject to the Utah Government Records Access and Management Act (“GRAMA”), Utah Code Ann. §§ 63G-2-101 to -901 (2011). As a result, Landlord is required to disclose certain information and materials to the public, upon request. Tenant agrees to timely refer all requests for documents, materials and data in its possession relating to this Lease and its performance to Landlord's representative for response by Landlord. Generally, any document submitted to Landlord is considered a “public record” under GRAMA. Any person who provides to Landlord a record that the person believes should be protected under subsection 63G-2-305(1) or (2) shall provide both: (a) a written claim of business confidentiality; and (b) a concise statement of reasons supporting the claim of business confidentiality. Generally, GRAMA only protects against the disclosure of trade secrets or commercial information that could reasonably be expected to result in unfair competitive injury.

ARTICLE 22
COMMISSIONS

22.1 Commissions. Landlord and Tenant each represent and warrant to the other that they have employed no broker, finder or other person in connection with the transactions contemplated under this Lease which might result in the other party being held liable for all or any portion of a commission hereunder. Landlord and Tenant each hereby agree to indemnify and hold the other free and harmless from and against all claims and liability arising by reason of the incorrectness of the representations and warranties made by such party in this Section, including, without limitation, reasonable attorneys' fees and litigation costs.

ARTICLE 23
GENERAL

23.1 Captions. The captions used in this Lease are for the purpose of convenience only and shall not be construed to limit or extend the meaning of any part of this Lease.

23.2 Counterparts. Any executed copy of this Lease shall be deemed an original for all purposes. This Lease may be executed in one or more counterparts, each of which shall be an original, and all of which together shall constitute a single instrument.

23.3 Force Majeure. If either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes, lockouts, labor troubles, inability to procure material, failure of power, restrictive governmental laws or regulations (including pandemic-related governmental mandates), riots, insurrection, war, environmental remediation work whether ordered by any governmental body or voluntarily initiated, weather, acts of god (including pandemics) or other reason of a like nature not the fault of the party delayed in performing work or doing acts required under this Lease, the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

23.4 Survival. Notwithstanding anything to the contrary contained in this Lease, the provisions (including, without limitation, covenants, agreements, representations, warranties, obligations, indemnities and liabilities described therein) of this Lease which from their sense and context are intended to survive the expiration or earlier termination of this Lease (whether or not such provision expressly provides as such) shall survive such expiration or earlier termination of this Lease and continue to be binding upon the applicable party.

23.5 Severability. If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Lease, but this Lease shall be construed as if such invalid, illegal or unenforceable provision had not been contained herein.

23.6 Interpretation. This Lease shall be construed and enforced in accordance with the laws of the State of Utah. The language in all parts of this Lease shall in all cases be construed as a whole according to its fair meaning, and not strictly for or against either Landlord or Tenant. When the context of this Lease requires, the neuter gender includes the masculine, the feminine, a partnership or corporation or joint venture or other entity, and the singular includes the plural.

23.7 Successors and Assigns. The covenants and agreements contained in this Lease shall be binding upon and shall inure to the benefit of the parties hereto and their respective permitted heirs, successors, and assigns.

23.8 Waivers. The waiver of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition herein contained.

23.9 Remedies. All remedies herein conferred shall be deemed cumulative and no one remedy shall be exclusive of any other remedy herein conferred or created by law.

23.10 Good Faith. Except where a party hereto is specifically permitted to act in its sole and absolute discretion, each party hereto agrees to act reasonably and in good faith with respect to the performance and fulfillment of the terms of each and every covenant and condition contained in this Lease.

23.11 No Partnership. The parties hereto agree that nothing contained in this Lease shall be deemed or construed as creating a partnership, joint venture, or association between Landlord and Tenant, or cause either party to be responsible in any way for the debts or obligations of the other party, and neither the method of computing Rent nor any other provision contained in this Lease nor any acts of the parties hereto shall be deemed to create any relationship between Landlord and Tenant other than the relationship of landlord and tenant.

23.12 Integration. This Lease, and the Exhibits and addendums, if any, attached hereto, constitutes the entire agreement between the parties, and there are no agreements or representations between the parties except as expressed herein. All prior negotiations and agreements between Landlord and Tenant with respect to the subject matter hereof are superseded by this Lease. Except as otherwise provided herein, no subsequent change or addition to this Lease shall be binding unless in writing and signed by the parties hereto.

23.13 Time is of the Essence. Landlord and Tenant hereby acknowledge and agree that time is strictly of the essence with respect to each and every term, condition, obligation and provision hereof.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Ground Lease as of the Effective Date set forth hereinabove.

“LANDLORD”

“TENANT”

SALT LAKE COUNTY

PEG SLC 465 MAIN, LLC

By: Exhibit Only, Do Not Sign
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

DEPARTMENT DIRECTOR APPROVAL

Megan Hillyard

APPROVED AS TO FORM:

R. Christopher Preston
Deputy District Attorney

EXHIBIT "A"

LEGAL DESCRIPTION OF LAND

(To be confirmed and updated after the recording of the subdivision plat creating the legal parcel constituting the Land)

PARCEL 2

A PARCEL OF GROUND BEING A PART OF LOTS 2 AND 3 OF BLOCK 39, PLAT "A", SALT LAKE CITY SURVEY, SAID PARCEL BEING DESCRIBED MORE PARTICULARLY AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT 2, SAID POINT ALSO BEING THE SOUTHWEST CORNER OF PARCEL "A" PER THOSE QUIT CLAIM DEEDS RECORDED APRIL 28, 2016, AS ENTRY NO. 12268305 IN BOOK 10425, AT PAGE 5841 AND AS ENTRY NO. 12268306 IN BOOK 10425, AT PAGE 5845 IN THE OFFICE OF THE SALT LAKE COUNTY RECORDER, AND RUNNING THENCE NORTH 00°12'45" EAST (NORTH 00°12'55" EAST BY DEED) ALONG THE WEST LINE OF SAID BLOCK 39 A DISTANCE OF 262.58 FEET TO A POINT ON THE WEST LINE OF SAID LOT 3; THENCE SOUTH 89°47'29" EAST 98.85 FEET; THENCE SOUTH 262.58 FEET TO A POINT ON THE SOUTH LINE OF SAID PARCEL "A" AND SAID LOT 2; THENCE NORTH 89°47'29" WEST ALONG THE SOUTH LINE OF SAID LOT 2 A DISTANCE OF 99.83 FEET TO THE POINT OF BEGINNING.

CONTAINS: 26,085 SQUARE FEET OR 0.599 ACRES

EXHIBIT “B”

Request for Proposals #DRD52970-1 Stage 2

REQUEST FOR PROPOSALS
MULTI-STAGE SELECTION PROCESS

SALT LAKE COUNTY

500 South Main Street Development
Stage 2 RFP

RFP #DRD52970-1

Date of Issue: 12/21/2018



The Department of Transportation, Housing, and Economic Development

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Part 1: Overview and Instructions

1.1 Purpose of the RFP

Salt Lake County, "County" is soliciting proposals from qualified firms "Proposer / Developer" for the long-term ground lease and development of the parcel located at 500 South Main (Property). A site map is included as Exhibit A.

This solicitation represents the second stage (Stage 2 RFP or RFP) of a two-stage Request for Proposal process through which the County intends to select a Developer with whom it may negotiate and enter into agreements for the Property. The Stage 2 RFP is being made available only to those Developers short-listed through the Stage 1 RFQ process.

Stage 1 – The purpose of the RFQ was to establish a short-list of interested, capable and qualified Developers for the Property.

Stage 2 – A Request for Proposal (RFP) will be issued to the short-listed firms to select a Developer to enter into a long-term ground lease and develop the Property. The RFP will request the short-listed Developers to prepare and provide a complete Proposal for the development of the Property include a proforma, complete development team description, detailed development program to include a development schedule, schematic site plans and architecture renderings and a project financial summary.

1.2 Deadline for Proposal Submission

Sealed proposals must be logged and stamped received before **2:00 PM on Wednesday, February 20, 2019** at Contracts & Procurement, 2001 South State Street, Room N4-600, Salt Lake City, Utah 84190-3100. **No proposals will be accepted after the closing date and time.**

1.3 Projected Schedule for the RFP Process

County reserves the right to modify the following schedule at its discretion:

<u>Activity</u>	<u>Date</u>
Stage 2 RFP Anticipated Release	December 21, 2018
Stage 2 Pre-Proposal Conference	January 9, 2018
Stage 2 RFP Question Deadline	February 7, 2019
Stage 2 Proposal Due Date	February 20, 2019
Stage 2 Selection Committee Mtg	February 22, 2019
Stage 2 Interviews (if needed)	February 27, 2019

1.4 Pre-Proposal Conference

Interested Proposers are invited to attend a pre-proposal meeting to discuss the project and to ask questions about this RFP. It will be held on **Wednesday, January 9, 2018 at 11:00 AM. It will be held at the Salt Lake County Government Center, 2001 South State Street, SLC, UT in the Contracts and Procurement Conference Room N4-600.** If Proposer would like to participate by conference phone, e-mail SLCo-purchasing@slco.org for the toll free phone number and meeting room number. Proposers are encouraged to submit their questions in writing before the meeting through the county's online solicitation system the Utah Public Procurement Place (UPPP) powered by Jaggaer / SciQuest. The meeting is for informational purposes only and is not binding. If the RFP needs to be modified or clarified, the County will issue a written amendment on UPPP.

1.5 Question Submission

Questions may be submitted through UPPP until the deadline for questions submission which is **February 7, 2019 at 2:00 pm.** Answers to the questions will be posted in UPPP for anyone to view. **Do not contact County officers or employees, or selection committee members.**

Part 2: Scope and Requirements

2.1 Background

The Salt Lake County 500 South property is an ideal location for a mixed-use development including a high-rise tower in downtown Salt Lake City (SLC). The property is less than 1 mile from the I-15 on-ramp and local arterial streets 400 S, 500 S, State and Main Streets are adjacent to the property. The Utah Transit Authority (UTA) Courthouse Station is directly across the street and serves as a hub for the Red, Blue and Green lines.

In 2018 the Salt Lake County District Attorney office and parking structure were completed and occupied. The design and construction of the new buildings on the leased property must consider the County's structures, access and easements. The District Attorney parking structure will not be available for shared parking.

2.2 Minimum Requirements

1. The County will maintain Property ownership during the long-term lease.
2. The lessee will construct and manage a mixed-use development including a high-rise building(s) on the property.
3. The lease consideration is for the entire lot.
4. The minimum annual cash return to the County is at least \$450,000 based off of a 9% discount rate on land value.
5. The County will not pay a stipend to Proposer for the Stage 2 RFP submission.
6. A hotel or hospitality component is restricted from development on the property for the first 25 years of the resulting agreement.

2.3 Site Characteristics – See Exhibits A-C

1. Parcel Description – Parcel Record number is 16063060390000 and is 1.58 acres
2. Zoning – Property is located in the SLC D1 zone - Central Business District. “The purpose of the D-1 central business district is to provide for commercial and economic development within Salt Lake City's most urban and intense areas. A broad range of uses, including very high density housing, are intended to foster a twenty four (24) hour activity environment consistent with the area's function as the business, office, retail, entertainment, cultural and tourist center of the region. Development is intended to be very intense with high lot coverage and large buildings that are placed close together while being oriented towards the pedestrian with a strong emphasis on a safe and attractive streetscape and preserving the urban nature of the downtown area.” Property is located on the corner and section 21A.30.020: D-1 CENTRAL BUSINESS DISTRICT: E. Special Controls Over Block Corners apply, including a minimum building height of 100 feet.
3. Parking – Must meet Salt Lake City’s ordinance for parking.
4. Utilities – The Property is well serviced by existing public utilities. Any upgrades to existing utility services (both on and off the site) and any new connections to support the development of the site will be the responsibility of the Developer selected to develop the Property.
4. Environmental – The selected Developer is expected to undertake all appropriate and required environmental reviews.
4. Each Proposer shall be responsible for any physical examination of the Project site it deems necessary for the purpose of responding to the Stage 2 RFP.

2.4 Development Goals

1. The property and corner have been preserved for a mixed-use development and high-rise building benefiting the economy and vitality of Salt Lake County.
2. The type of the development should be mixed-use such as retail, office, and/or residential.
3. A public/private open space located on Main Street is highly encouraged. The open space will be managed by the lessee.
4. The design of the proposed development should enhance the area.
5. Through a long-term lease the County is looking to maximize revenue and retain a County asset for the benefit of the tax payer.
6. The County prefers projects that demonstrate energy efficiency and sustainability.

2.5 Proposal Format / Submission Requirements

Please submit written copies of your proposal. All proposals should be formatted as listed below.

Proposals must respond to the elements outlined in the Evaluation and Scoring Criteria and must also conform to the following submission requirements. The proposal narrative cannot be more than 50 pages. The cover page, table of contents and county forms do not count toward the page limit.

1. *Cover Summary*: Submit Attachment A proposal cover summary indicating the Proposer's willingness and authority to enter into an agreement with the County and to agree to all the terms set forth.
2. *Page Numbering*: The proposals must contain page numbers and not exceed the page number limit specified above.
3. *Table of Contents*: The proposals must contain a table of contents with references to page numbers.
4. *Tabs*: The proposals may contain tabs for the sections listed in the Evaluation and Scoring Criteria, but the tabs do not count toward the page limit.
5. *Format*: The proposals shall be formatted on 8.5" by 11" paper, preferably in portrait orientation, printed double-sided and submitted as an electronic document in an unsecured Adobe Acrobat (.pdf) format (except that the

financial pro forma shall be submitted in an unsecured Excel format) via flash drive. 11" x 17" paper is acceptable for schedules and spreadsheets to make them easier to read. All page limitations identify single-sided pages of content (i.e. one double sided page equals two pages of content).

6. *Proposer Request for Protected Information:* All documents submitted in response to this RFP will be treated as public records in accordance with GRAMA unless a claim of business confidentiality is submitted per the Request for a Protected Status. If submitting, the Request for Protected Status form must be submitted with the proposal directly behind the cover summary and does not count toward the page limit.
7. *Sealed and Marked Packaging:* The proposals must be sealed and clearly marked "**500 South Main Street Development-Stage 2 RFP**" on the outside of the package and on the body of the proposal. All copies must be put into **one** envelope or box and sealed; do not put each proposal copy in a separate sealed envelope.
8. *Number of Proposal Copies:* Submit **seven (7)** complete copies of your proposal + **one (1)** unchanged electronic copy in PDF format on a thumb drive or disk.

Part 3: Response Evaluation and Notice to Proposers

3.1 Evaluation and Scoring Criteria

The proposal will be evaluated, scored, and ranked by a Selection Committee. Each member of the committee will be provided a score sheet to complete the proposal evaluation utilizing the point system listed below. Committee Members individually score the proposals and rank them 1st, 2nd, 3rd, etc. according to their total score. The following point system is utilized:

Excellent (5): If the proposal offer exceeds expectations, with an excellent probability of success in achieving all requirements of the RFP, and is very detailed in providing innovative ideas, new concepts or optional features applicable to the project; a score of "5" is given.

Good (4): If the proposal offers a very good probability of success, achieves all requirements of the RFP in a reasonable fashion and provides some innovative ideas, new concepts or optional features applicable to the project; a score of "4" is given.

Acceptable (3): If the proposal offers a reasonable probability of success, but

some of the requirements may not be met and does not include innovative ideas, new concepts or optional features applicable to the project; a score of “3” is given.

Poor (1-2): If the proposal falls short of expectations and has a low probability of success; a score of “1-2” is given.

Unacceptable: If the approach completely fails the requirements; a score of “0” is given.

Proposals will be evaluated, scored, and ranked on the following criteria.

A. Stage 2 Proposal Organization and Scoring Criteria

Proposers shall submit all of the following elements to be considered complete. Incomplete responses may be disqualified immediately at the County’s discretion. County reserves the right to request additional or clarifying information from Proposers, and to negotiate with one or more proposers at a time without negotiating with all Proposers. Developers who fail to submit the additional information requested may be disqualified.

Stage 2 Proposals should be organized as set forth below.

50% Offer – Project Financials

Development Entity: Provide a description of the development entity. Please include a description of the organization, corporation, partnership, business association, or joint venture that indicates the jurisdiction under whose laws the organization is formed or will be formed. The submission must include a copy of the certificate of incorporation, certificate of partnership, and other relevant organizational documents, if the organization has been formed. The County intends to contract with a single entity for the Project.

Proposer’s Letter of Authority: A principal of the development team or the lead entity on a development team must execute a letter documenting his or her authority to submit an offer to develop the Site, negotiate with County if selected, and bind the development team. The letter should authorize one additional representative to act on behalf of the development team, in the event the primary individual becomes unavailable, and include full contact information for both.

Offer: The proposal must describe in detail the proposed lease structure consideration. The County anticipates that the price will reflect at least the minimum requirements established for the Project in Section 2.2 of this

RFP.

Contingencies to Offer: Proposers must identify any issues that will require satisfaction prior to fully executing the contract documents.

Sources & Uses Statement: Include a Sources & Uses statement for the proposed development program.

Development Costs: A detailed breakdown of the total estimated development costs of the project (e.g., detailed construction costs, architectural and engineering fees, construction interest, insurance and all other relevant expenses or fees).

Pro Forma: A 10-year projected pro forma cash flow analysis including a break-even analysis. The analysis should be presented in current dollars and in sufficient detail for the selection committee to evaluate the financial viability of the proposed development. Detailed assumptions for the projected pro forma cash flow analysis and projected rents for commercial spaces and price points for keys are required.

Plan of Finance: Provide a detailed plan of finance, including sources of capital, and proposed terms. Respondents must note whether they will fund the proposed development program through equity, debt, or a mixture of the two. Please describe any proposed use of public subsidy or if there are any financial gaps and how you will seek to fill them.

Financial Participants: Identify principals, partners, or co-venturers who are committed or have a financial interest in the proposed development at this stage, whether active or passive. County expects that additional participants may be added over time.

40% Proposed Development Documents

Narrative: Provide a narrative description of the proposed conceptual development sufficient to evaluate its compatibility with the preferred development goals as described in Section 2.4 of this RFP. Proposals must specifically note any contemplated demolition or new construction that may be part of the development concept. The plan should include the proposed mix of uses, prospective users of the facility and an estimated development timeline including any phasing of the project.

Development Schedule: Include a development timeline of critical milestones, including any phasing of the project. Please provide a schedule listing important tasks and dates, beginning with execution of the

Agreement and ending with full occupancy and operation of the proposed development.

Site Plans & Renderings: Include a site plan, conceptual renderings, and any supporting graphics that may help explain the proposed development, such as maps, floor plans elevations, sections, or photographs. It is essential that all proposals include high quality supporting graphics to enable the selection committee to ascertain the nature and quality of the proposed development program. Be sure the plan and supporting materials clearly indicate any phasing of the proposed development.

Further develop the site access plans. It's the County's desire to have curb appeal and an inviting space that leads into the development. Describe your plan to ensure both 500 South and Main Street fronts meet this goal.

Zoning: Proposals should state any zoning changes, variances or special exceptions required for the proposed development.

Off-Site Improvements: Explain the nature, scale and cost of any off-site improvement that may be required to accommodate the proposed development.

10% Social Impact: Proposers should include a narrative explaining, in more detail, the project's social impact—the way that the physical project may have a positive effect on people and communities. Such impact should be described and quantified with relevant metrics such as the approximate number of people to be served by the project or its social impact component.

Preference Points – Eligible Preference Points submitted for in the Stage 1 RFQ will carry forward to the Stage 2 RFP evaluation.

B. Evaluation and Award Notices

Preference System – Salt Lake County may adjust scoring pursuant to its Preference System established by ordinance and policy.

Interview, Demonstration, and Site Visit –The Selection Committee may invite Proposers for an interview, demonstration, or conduct a site visit. The purpose is clarification and verification of the written proposal. The Selection Committee may re-score the proposal after the interview, demonstration, or site visit.

Recommended Award – After the Selection Committee has completed their evaluation process, the Selection Committee will then present a recommendation

for award to the proper signing authority for authorization to award the top-ranked Proposers.

Debrief Meetings – Debrief meetings with the selection committee members will not be allowed, however, a Proposer may discuss the RFP process with the chair/facilitator of the committee at any time.

C. Post Selection Process

Term Sheet – Awarded Proposer shall document key proposal terms and the County’s Standard Terms, included as Attachment D to this RFP, into a Term Sheet submitted to the County for acceptance. Should the parties not reach agreement on the Term Sheet, the County reserves the right to enter into discussions with the second ranked Proposer. Upon completion of the Term Sheet, the Term Sheet will be submitted to the County for approval.

Contracting - Following acceptance of the Term Sheet, the terms will be documented in contract documents.

3.2 Written Agreement Required

Written agreement will be required after the Stage 2 RFP. The selected Proposers must agree to all requirements in the RFP scope of work. The selected Proposers must also be willing to enter into a written agreement with County.

If you wish to request alterations to the RFP or any of the exhibits, attachments, or addenda, the alterations must be specifically identified in your proposal with reasonable alternatives presented. Any such exceptions must be submitted in a separate sealed envelope, and clearly marked as “Requested Alterations.” Only those alterations so specified will be available for discussion or negotiation.

Proposers are advised that the County is not bound by the terms of the RFP until a written agreement is fully executed and any activity taken on by the Proposer prior to full execution of a written agreement is done at the Proposer’s sole risk.

3.3 Notice To Proposers

By submitting a proposal to this RFP, Proposer understands and agrees to the following:

- A. Government Records Access and Management Act (GRAMA):
County is a governmental entity subject to the Utah Government Records

Access and Management Act (“GRAMA”), Utah Code Ann. §§ 63G-2-101 to -901. As a result, County is required to disclose certain information and materials to the public, upon request. Generally, any document submitted to County is considered a “public record” under GRAMA. Any person who provides to County a record that the person believes merits protection under subsection 63G-2-305(1) or (2) must submit with their proposal both: (1) a written claim of business confidentiality and (2) a concise statement of reasons supporting the claim of business confidentiality. Generally, GRAMA only protects against the disclosure of trade secrets or commercial information that could reasonably be expected to result in unfair competitive injury. For your convenience, County has provided a Business Confidentiality Request Form which is attached to this RFP as Attachment B. **All documents submitted in response to this RFP will be treated as public records in accordance with GRAMA, unless a claim of business confidentiality has been properly made and approved by County. All proposed costs/pricing/fees submitted to the county are public records. An entire proposal cannot be identified as “PROTECTED,” “CONFIDENTIAL,” or “PROPRIETARY” and may be considered non-responsive if marked as such.**

- B. Copyrighted Material Waiver: In the event that the proposal contains copyrighted or trademarked materials, by submitting its proposal the Proposer grants the County the right to use, reproduce, and publish the copyrighted or trademark materials in any manner the County deems necessary for conducting County business and for allowing public access to the responses under GRAMA or otherwise, including but not limited to photocopying, County Intranet/Internet postings, broadcast faxing, and direct mailing.

If the proposal contains materials whose copyright or trademark is held by a third party, it is the Proposer’s sole responsibility to obtain permission from that third party for the County to reproduce and publish the information.

By submitting its proposal, the Proposer certifies that it owns or it has obtained all necessary approvals for the reproduction or distribution of the contents of the proposal and agrees to indemnify, protect, save and hold the County, its representatives and employees harmless from any and all claims arising from all intellectual property claims related or connected to the proposal and agrees to pay all legal fees incurred by the County in the defense of any such action.

- C. Restrictions On Communications: From the issue date of this solicitation until a Proposer is selected and the selection is announced, Proposers are prohibited from communications regarding this procurement with agency staff, evaluation committee members, or other associated individuals EXCEPT the Buyer overseeing this procurement. Failure to comply with this requirement may result in disqualification.

- D. RFP Cancellation: This RFP may be cancelled at any time prior to the execution of a written agreement if deemed in the best interests of County. This includes cancellation of the RFP after an award has been made, but prior to the execution of a written contract. Proposer is not entitled to recover any costs related to the preparation of the proposal due to cancellation of the RFP or withdrawal of an award prior to the execution of a written agreement.
- E. Firm Pricing: All prices, quotes, or proposals are to remain firm for 120 days after the closing date, unless a different period is stated in County's RFP. Any proposal that does not offer to remain firm for the required period may be considered to be non-responsive.
- F. Costs: Proposers bears all costs and expenses related to this RFP including, but not limited to, preparation and delivery of the proposal, attending the pre-proposal conference, and attending the interview.
- G. Licensing: All applicable federal, state, and local licenses must be acquired before the contract is entered into between County and the selected Proposer. Licenses must be maintained throughout the entire contract period. Persons doing business as an Individual, Association, Partnership, Corporation, or otherwise must be registered with the Utah State Division of Corporations and Commercial Code. NOTE: Forms and information on registration may be obtained by calling (801) 530-4849 or toll free at 877-526-3994, or by accessing: www.commerce.utah.gov.
- H. Changes or Modifications: Any changes or modification to the RFP will be made by written addendum. Proposer submitting a proposal based on any information other than that contained in County's RFP and any addenda, do so at their own risk.
- I. Receiving Proposals: Contracts and Procurement will administer receipt and opening of all proposals. Proposals will be held, unopened, by Contracts and Procurement in the same condition as received if delivered prior to the date and closing time designated in the RFP. After the closing time, only the identity of each Proposer will be made public. If only one proposal is received in response to County request, Contracts and Procurement, in coordination with the agency requesting the project, may recommend entering into a contract to the single Proposer if the conditions cited above are met. Alternatively, Contracts and Procurement may re-solicit for the purpose of obtaining additional proposals.
- J. Modifying or Withdrawing Proposals: Proposer may modify or withdraw their proposals at any time prior to the closing time. Requests to modify a proposal before the closing time must be made in writing to the County.

- K. Rejection of Proposals: Any proposal containing significant deviations from the specifications of the RFP will be considered non-responsive and may be rejected in whole or in part.
- L. Protests: Pursuant to Salt Lake County Code of Ordinances § 3.20.150, a protest in regard to the RFP document must be submitted in writing prior to the RFP closing date. All other protests must be submitted in writing within five (5) business days after notification of the award is posted on UPPP. A protestor may file only one (1) protest after the RFP closing date. Protest letters must specifically and completely state the facts that the protestor believes constitute error in the RFP document or the award.
- M. Free and Competitive Selection: Any agreement or collusion among prospective Proposers to fix a price or limit competition will render the proposal void, and such conduct is unlawful and subject to criminal sanction. By submitting a proposal, the Proposer hereby certifies that no one in its firm or company has either directly or indirectly restrained free and competitive selection, participated in any collusion, or otherwise taken any action unauthorized by County Purchasing Ordinances or applicable law.
- N. Ethical Standards: Proposer represents that it has not: (a) provided an illegal gift to any County officer or employee, or former County officer or employee, or to any relative or business entity of a County officer or employee, or relative or business entity of a former County officer or employee; (b) retained any person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, other than bona fide employees of bona fide commercial agencies established for the purpose of securing business; (c) breached any of the ethical standards set forth in State statute or Salt Lake County Code of Ordinances § 2.07; or (d) knowingly influenced, and hereby promises that it will not knowingly influence, any County officer or employee or former County officer or employee to breach any of the ethical standards set forth in State statute or Salt Lake County ordinances.
- O. Campaign Contributions: The Salt Lake County campaign finance disclosure ordinance limits campaign contributions by Proposers to County candidates. Salt Lake County Code of Ordinances § 2.72A. Proposer acknowledges and understands those limitations on campaign contributions mean that any person, business, corporation or other entity that enters into a contract or is engaged in a contract with County is prohibited from making campaign contributions in excess of \$100 to County candidates during the term of the contract and during a single election cycle as defined in the ordinance. Proposer further acknowledges

that violation of those provisions governing campaign contributions may result in criminal sanctions as well as termination of this Agreement.

- P. Reasonable Accommodations: Reasonable accommodations for qualified individuals to attend meetings may be provided upon receipt of a request with two (2) working days' notice. Please contact Contracts and Procurement at 385.468.0306. TTY users may call 711.
- Q. Environmentally Responsible Procurement Practices: In compliance with Executive Order #2013-4, County has implemented environmentally responsible procurement practices. Please refer to Attachment C.
- R. Notice to Retirees of Utah Retirement Systems ("URS")
County is a URS "participating employer." Entering into an agreement with County may affect a URS retiree's retirement benefits including, but not limited to, cancellation of the retiree's "retirement allowance" due to "reemployment" with a "participating employer" pursuant to Utah Code Ann. § 49-11-504 to -505. In addition, Proposer is required to notify County immediately if a retiree of URS is the Proposer; or an owner, operator, or principal of the Proposer. Proposer may refer the URS retiree to the URS Retirement Department at 801-366-7770 or 800-695-4877 for all questions about post-retirement employment regulations.
- S. Employee Status Verification System
Proposer shall register and participate in the Status Verification System before entering into a contract with County as required by Utah Code Ann. § 63G-12-302. The Status Verification System is an electronic system operated by the federal government, through which an authorized official of a state agency or a political subdivision of the state may inquire by exercise of authority delegated pursuant to 8 U.S.C. § 1373 to verify the citizenship or immigration status of an individual within the jurisdiction of the agency or political subdivision. Proposer is individually responsible for verifying the employment status of only new employees who work under Proposer's supervision or direction and not those who work for another Proposer or subcontractor, except each Proposer or subcontractor who works under or for another Proposer shall certify to the main Proposer by affidavit that the Proposer or subcontractor has verified, through the Status Verification System, the employment status of each new employee of the respective Proposer or subcontractor. The Proposer shall comply in all respects with the provisions of Utah Code Ann. § 63G-12-302. Proposer's failure to comply with this requirement may result in the immediate termination of its contract with County.

Exhibit A – Site Map

Salt Lake County parcel referenced in RFP is outlined in yellow.

Parcel	
Parcel Record	16063060390000
Owner	SALT LAKE COUNTY
Address	
Total Acreage	1.58
Tax Class Id	400
Property Type	916
Tax District	13
% Exempt	100
Exempt Type	T
Municipal Zone	
MLS Number	
Valuation / Tax Year 2017	
Land Value	\$ 3,785,400
Building Value	\$ 0
Final Value:	\$ 3,785,400
Legal Description:	
BEG AT SW COR OF LOT 2, BLK 39, PLAT A, SLC SUR; N 00°12'47"E 410.52 FT; S 89°47'29" E 165.00 FT; N 00°58'10" E 1.98 FT; S 89°47'29" E 165.00 FT; S 00°13'04" W 121.00 FT; N 90°00'00" W 231.33 FT; S 00°00'00" E 290.65 FT; N 89°47'29" W 99.77 FT TO BEG.	
Land	
Structures	
Value History	
Results 1	

Parcel Record 16063060390000
 Owner SALT LAKE COUNTY
 Address
 Total Acreage 1.58
 Tax Class Id 400
 Property Type 916
 Tax District 13
 % Exempt 100
 Exempt Type T
 Municipal Zone
 MLS Number

Legal Description:
 BEG AT SW COR OF LOT 2, BLK 39, PLAT A, SLC SUR; N 00°12'47"E 410.52 FT; S 89°47'29" E 165.00 FT; N 00°58'10" E 1.98 FT; S 89°47'29" E 165.00 FT; S 00°13'04" W 121.00 FT; N 90°00'00" W 231.33 FT; S 00°00'00" E 290.65 FT; N 89°47'29" W 99.77 FT TO BEG.

AMERICAN LAND TITLE ASSOCIATION Commitment for Title Insurance

Issued by North American Title Insurance Company

NOTICE

IMPORTANT - READ CAREFULLY: THIS COMMITMENT IS AN OFFER TO ISSUE ONE OR MORE TITLE INSURANCE POLICIES. ALL CLAIMS OR REMEDIES SOUGHT AGAINST THE COMPANY INVOLVING THE CONTENT OF THIS COMMITMENT OR THE POLICY MUST BE BASED SOLELY IN CONTRACT.

THIS COMMITMENT IS NOT AN ABSTRACT OF TITLE, REPORT OF THE CONDITION OF TITLE, LEGAL OPINION, OPINION OF TITLE, OR OTHER REPRESENTATION OF THE STATUS OF TITLE. THE PROCEDURES USED BY THE COMPANY TO DETERMINE INSURABILITY OF THE TITLE, INCLUDING ANY SEARCH AND EXAMINATION, ARE PROPRIETARY TO THE COMPANY, WERE PERFORMED SOLELY FOR THE BENEFIT OF THE COMPANY, AND CREATE NO EXTRACTIONAL LIABILITY TO ANY PERSON, INCLUDING A PROPOSED INSURED.

THE COMPANY'S OBLIGATION UNDER THIS COMMITMENT IS TO ISSUE A POLICY TO A PROPOSED INSURED IDENTIFIED IN SCHEDULE A IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THIS COMMITMENT. THE COMPANY HAS NO LIABILITY OR OBLIGATION INVOLVING THE CONTENT OF THIS COMMITMENT TO ANY OTHER PERSON.

COMMITMENT TO ISSUE POLICY

Subject to the Notice; Schedule B, Part I - Requirements; Schedule B, Part II - Exceptions; and the Commitment Conditions, North American Title Insurance Company, a Corporation (the "Company"), commits to issue the Policy according to the terms and provisions of this Commitment. This Commitment is effective as of the Commitment Date shown in Schedule A for each Policy described in Schedule A, only when the Company has entered in Schedule A both the specified dollar amount as the Proposed Policy Amount and the name of the Proposed Insured.

If all of the Schedule B, Part I - Requirements have not been met within 180 days after the Commitment Date, this Commitment terminates and the Company's liability and obligation end.

NORTH AMERICAN TITLE INSURANCE COMPANY

BY



Emilio Fernandez, PRESIDENT

ATTEST



Jefferson E. Howeth, SECRETARY



This page is only a part of a 2016 ALTA® Commitment for Title Insurance. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I – Requirements; and Schedule B, Part II – Exceptions.

COMMITMENT CONDITIONS

1. DEFINITIONS

- (a) "Knowledge" or "Known": Actual or imputed knowledge, but not constructive notice imparted by the Public Records.
- (b) "Land": The land described in Schedule A and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is to be insured by the Policy.
- (c) "Mortgage": A mortgage, deed of trust, or other security instrument, including one evidenced by electronic means authorized by law.
- (d) "Policy": Each contract of title insurance, in a form adopted by the American Land Title Association, issued or to be issued by the Company pursuant to this Commitment.
- (e) "Proposed Insured": Each person identified in Schedule A as the Proposed Insured of each Policy to be issued pursuant to this Commitment.
- (f) "Proposed Policy Amount": Each dollar amount specified in Schedule A as the Proposed Policy Amount of each Policy to be issued pursuant to this Commitment.
- (g) "Public Records": Records established under state statutes at the Commitment Date for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge.
- (h) "Title": The estate or interest described in Schedule A.

2. If all of the Schedule B, Part I - Requirements have not been met within the time period specified in the Commitment to Issue Policy, this Commitment terminates and the Company's liability and obligation end.

3. The Company's liability and obligation is limited by and this Commitment is not valid without:

- (a) the Notice;
- (b) the Commitment to Issue Policy;
- (c) the Commitment Conditions;
- (d) Schedule A;
- (e) Schedule B, Part I - Requirements;
- (f) Schedule B, Part II - Exceptions; and
- (g) a counter-signature by the Company or its issuing agent that may be in electronic form.

4. COMPANY'S RIGHT TO AMEND

The Company may amend this Commitment at any time. If the Company amends this Commitment to add a defect, lien, encumbrance, adverse claim, or other matter recorded in the Public Records prior to the Commitment Date, any liability of the Company is limited by Commitment Condition 5. The Company shall not be liable for any other amendment to this Commitment.

5. LIMITATIONS OF LIABILITY

- (a) The Company's liability under Commitment Condition 4 is limited to the Proposed Insured's actual expense incurred in the interval between the Company's delivery to the Proposed Insured of the Commitment and the delivery of the amended Commitment, resulting from the Proposed Insured's good faith reliance to:
 - (i) comply with the Schedule B, Part I - Requirements;
 - (ii) eliminate, with the Company's written consent, any Schedule B, Part II - Exceptions; or
 - (iii) acquire the Title or create the Mortgage covered by this Commitment.
- (b) The Company shall not be liable under Commitment Condition 5(a) if the Proposed Insured requested the amendment or had Knowledge of the matter and did not notify the Company about it in writing.
- (c) The Company will only have liability under Commitment Condition 4 if the Proposed Insured would not have incurred the expense had the Commitment included the added matter when the Commitment was first delivered to the Proposed Insured.

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- (d) The Company's liability shall not exceed the lesser of the Proposed Insured's actual expense incurred in good faith and described in Commitment Conditions 5(a)(i) through 5(a)(iii) or the Proposed Policy Amount.
- (e) The Company shall not be liable for the content of the Transaction Identification Data, if any.
- (f) In no event shall the Company be obligated to issue the Policy referred to in this Commitment unless all of the Schedule B, Part I - Requirements have been met to the satisfaction of the Company.
- (g) In any event, the Company's liability is limited by the terms and provisions of the Policy.

6. LIABILITY OF THE COMPANY MUST BE BASED ON THIS COMMITMENT

- (a) Only a Proposed Insured identified in Schedule A, and no other person, may make a claim under this Commitment.
- (b) Any claim must be based in contract and must be restricted solely to the terms and provisions of this Commitment.
- (c) Until the Policy is issued, this Commitment, as last revised, is the exclusive and entire agreement between the parties with respect to the subject matter of this Commitment and supersedes all prior commitment negotiations, representations, and proposals of any kind, whether written or oral, express or implied, relating to the subject matter of this Commitment.
- (d) The deletion or modification of any Schedule B, Part II - Exception does not constitute an agreement or obligation to provide coverage beyond the terms and provisions of this Commitment or the Policy.
- (e) Any amendment or endorsement to this Commitment must be in writing and authenticated by a person authorized by the Company.
- (f) When the Policy is issued, all liability and obligation under this Commitment will end and the Company's only liability will be under the Policy.

7. IF THIS COMMITMENT HAS BEEN ISSUED BY AN ISSUING AGENT

The issuing agent is the Company's agent only for the limited purpose of issuing title insurance commitments and policies. The issuing agent is not the Company's agent for the purpose of providing closing or settlement services.

8. PRO-FORMA POLICY

The Company may provide, at the request of a Proposed Insured, a pro-forma policy illustrating the coverage that the Company may provide. A pro-forma policy neither reflects the status of Title at the time that the pro-forma policy is delivered to a Proposed Insured, nor is it a commitment to insure.

9. ARBITRATION

The Policy contains an arbitration clause. All arbitrable matters when the Proposed Policy Amount is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Proposed Insured as the exclusive remedy of the parties. A Proposed Insured may review a copy of the arbitration rules at <http://www.alta.org/arbitration>.

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SCHEDULE A
AMERICAN LAND TITLE ASSOCIATION COMMITMENT

Transaction Identification Data for reference only:

Issuing Agent:
Issuing Office:
ALTA Universal ID:
Loan ID No.:
Commitment No.: 40909-18-00622
Issuing Office File No.: 40909-18-00622
Property Address: 465 South Main Street, Salt Lake City, UT 84111

1. Commitment Date: October 4, 2018 at 08:00 AM

2. Policy to be issued:

A.	Owner's Policy ()	
	Proposed Insured: T B D	\$0.00
		Premium: \$0.00
B.	Loan Policy ()	
	Proposed Insured:	\$0.00
		Premium: \$0.00

Endorsements to be issued:

Loan Policy - ALTA Endorsement 8.1 (Environmental Protection Lien)	\$25.00
Loan Policy - 100-06 (Restrictions, Encroachments & Minerals)	\$20.00
Loan Policy - 116 (Designation Of Improvements, Address)	\$10.00

3. The estate or interest in the Land described or referred to in this Commitment is Fee Simple.

4. Title to the Fee Simple estate or interest in the land at the date of this Commitment vested in:

[Salt Lake County, a body corporate and politic of the State of Utah](#)

5. The estate herein described upon issuance of the Policy shall be held as follows:

T B D

6. The Land is described as follows:

LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT "A" AND MADE A PART HEREOF

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, as
issuing agent for
NORTH AMERICAN TITLE INSURANCE COMPANY

By: 
Authorized Officer or Agent

SCHEDULE B-I
AMERICAN LAND TITLE ASSOCIATION COMMITMENT

Issuing Office File No.: 40909-18-00622 Commitment No.: 40909-18-00622

Requirements

All of the following Requirements must be met:

1. Pay the full consideration to, or for the account of, the grantors or mortgagors.
2. Pay all taxes, charges and assessments levied and assessed against the subject premises, which are due and payable.
3. Satisfactory documentation evidencing that improvements and/or repairs or alterations thereto are completed, that contractor, sub-contractor, labor and materialmen are all paid, and have released of record all liens or notice of intent to perfect a lien for labor or material.
4. Pay all premiums, fees and charges for this report, and any policy issued hereunder.
5. Provide the Company, in writing, with instructions as to the full nature of the transaction, including but not limited to: Names of any party not referred to in this Commitment who will receive an interest in the Land, or who will be named as a proposed insured (Owner and/or Lender) and amounts (Owners and/or Lenders) of policies to be issued. Additional requirements or exceptions may then be made.
6. Pay the full consideration to, or for the account of, the grantors or mortgagors.
7. Pay all taxes, charges, assessments, levied and assessed against subject premises, which are due and payable.
8. Satisfactory evidence should be had that improvements and/or repairs or alterations thereto are completed, that contractor, sub-contractors, labor and materialmen are all paid, and have released of record all liens or notice of intent to perfect a lien for labor or material.
9. Pay all premiums, fees and charges for this report, and any Policy issued hereunder.
10. Provide the Company, in writing, with instructions as to the full nature of the transaction, including but not limited to: Names of any party not referred to in this form who will receive an interest in the land, or who will be named as a proposed insured (Owner and/or Lender) and amounts (Owners and/or Lenders) of policies to be issued. Additional requirements or exceptions may then be made.

NOTICE TO APPLICANT: The land covered herein may be served by districts or service companies and/or municipalities which assess charges for water, sewer, electricity and other utilities, etc., which are not covered by this form or insured under a Title Insurance Policy issued hereunder.

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SCHEDULE B-II
AMERICAN LAND TITLE ASSOCIATION COMMITMENT

Issuing Office File No.: 40909-18-00622 Commitment No.: 40909-18-00622

Exceptions

THIS COMMITMENT DOES NOT REPUBLISH ANY COVENANT, CONDITION, RESTRICTION, OR LIMITATION CONTAINED IN ANY DOCUMENT REFERRED TO IN THIS COMMITMENT TO THE EXTENT THAT THE SPECIFIC COVENANT, CONDITION, RESTRICTION, OR LIMITATION VIOLATES STATE OR FEDERAL LAW BASED ON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, GENDER IDENTITY, HANDICAP, FAMILIAL STATUS, OR NATIONAL ORIGIN.

The Policy will not insure against loss or damage resulting from the terms and provisions of any lease or easement identified in Schedule A, and will include the following Exceptions unless cleared to the satisfaction of the Company:

1. Any facts, rights, interests, or claims which are not shown by the Public Records but which could be ascertained by an inspection of the Land or which may be asserted by persons in possession, or claiming to be in possession, thereof.
2. Easements, liens, encumbrances, or claims thereof, which are not shown by the Public Records.
3. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land, and that is not shown by the Public Records.
4. Any lien, or right to a lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records. Proceedings by a public agency, which may result in taxes or assessments, or notices of proceedings, whether or not shown by the records of such agency or by the Public Records.
7. Any service, installation, connection, maintenance or construction charges for sewer, water, electricity or garbage collection or disposal or other utilities unless shown as an existing lien by the Public Records.
8. Defects, liens, encumbrances, adverse claims or other matters, if any created, first appearing in the Public Records or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires of record for value the estate or interest or mortgage thereon covered by this Commitment.
9. Taxes for the year 2018 are now due and payable, but will not become delinquent until November 30th.
Tax ID No. [16-06-306-039](#) (2018 taxes are \$EXEMPT.)

Subject to the rights of the Salt Lake County Assessor to assess property/improvements not previously assessed

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SCHEDULE B-II

(Continued)

10. Said property is included within the boundaries of Salt Lake City, and is subject to the charges and assessments thereof. (Phone No. 483-6900)
11. SALT LAKE CITY ORDINANCE NO. 70 OF 2005 (ADOPTING THE CENTRAL COMMUNITY MASTER PLAN) AN ORDINANCE ADOPTING THE CENTRAL COMMUNITY MASTER PLAN, PURSUANT TO PETITION NO. 400-01-36 and the terms, conditions and limitations contained therein:
Recorded: November 22, 2005
Entry No.: [9560336](#)
Book/Page: 9220/4101
12. Water rights, claims or title to water, whether or not the matters are shown by the Public Records.
13. Minerals of whatsoever kind, subsurface and surface substances, including but not limited to coal, lignite, oil, gas, uranium, clay, rock, sand and gravel in, on, under and that may be produced from the Land, together with all rights, privileges, and immunities relating thereto, whether or not appearing in the Public Records or listed in Schedule B. The Company makes no representation as to the present ownership of any such interests. There may be leases, grants, exceptions or reservations of interests that are not listed.
14. EASEMENT AND CONDITIONS CONTAINED THEREIN:
Grantee: SALT LAKE COUNTY
Recorded: April 11, 1952
Entry No.: [1325291](#)
Book/Page: 998/612
15. EASEMENT AND CONDITIONS CONTAINED THEREIN:
Grantee: UTAH POWER & LIGHT CO.
Recorded: September 1, 1965
Entry No.: [2107810](#)
Book/Page: 2371/149
16. EASEMENT AND CONDITIONS CONTAINED THEREIN:
Grantee: UTAH POWER & LIGHT COMPANY
Recorded: September 1, 1965
Entry No.: [2107811](#)
Book/Page: 2371/150
17. MUTUAL USE EASEMENT AGREEMENT and the terms, conditions and limitations contained therein:
Recorded: June 5, 2002
Entry No.: [8255791](#)
Book/Page: 8606/4260
AND
Recorded: June 7, 2002
Entry No. [8257995](#)
Book/Page: 8607/856

REVISED AND RESTATED MUTUAL USE EASEMENT AGREEMENT and the terms, conditions and limitations contained therein:
Recorded: August 10, 2016
Entry No.: [12339593](#)
Book/Page: 10462/4835

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SCHEDULE B-II

(Continued)

18. NOTICE OF PERMISSIVE USE OF LAND and the terms, conditions and limitations contained therein:
Recorded: January 21, 2003
Entry No.: [8499609](#)
Book/Page: 8723/3334

ASSIGNMENT OF NOTICE OF PERMISSIVE USE OF LAND and the terms, conditions and limitations contained therein:
Recorded: December 16, 2009
Entry No.: [10860534](#)
Book/Page: 9789/2034

ASSIGNMENT OF NOTICE OF PERMISSIVE USE OF LAND and the terms, conditions and limitations contained therein:
Recorded: August 8, 2012
Entry No.: [11446575](#)
Book/Page: 10044/1070

ASSIGNMENT OF NOTICE OF PERMISSIVE USE OF LAND and the terms, conditions and limitations contained therein:
Recorded: May 15, 2014
Entry No.: [11849865](#)
Book/Page: 10230/9596
19. NOTICE OF SUBDIVISION LOT CONSOLIDATION and the terms, conditions and limitations contained therein:
Recorded: April 7, 2016
Entry No.: [12255465](#)
Book/Page: 10419/764
20. UTAH DEPARTMENT OF TRANSPORTATION DRAINAGE AGREEMENT and the terms, conditions and limitations contained therein:
Recorded: July 19, 2016
Entry No.: [12323489](#)
Book/Page: 10454/159
21. ACCESS EASEMENT AGREEMENT and the terms, conditions and limitations contained therein:
Recorded: January 13, 2017
Entry No.: [12454391](#)
Book/Page: 10520/5594
22. NOTICE OF LOT LINE ADJUSTMENT APPROVAL and the terms, conditions and limitations contained therein:
Recorded: January 17, 2017
Entry No.: [12455777](#)
Book/Page: 10521/2551
23. Mechanics or materialmen's liens, if any, which do not appear of record.
24. Any matters that might be disclosed by an accurate survey of said premises.
25. Rights of tenants as tenants only.

This page is only a part of a 2016 ALTA Commitment for Title Insurance. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I – Requirements; and Schedule B, Part II – Exceptions.

SCHEDULE B-II

(Continued)

- 26. Rights or claims of parties in possession.
- 27. The Company specifically excepts any and all matters pending against any lessee or tenant, being on or off record, including but not limited to, bankruptcies, judgment liens, Federal and State Tax Liens, etc., and makes no certification as to the checking of judgments, tax liens, or other encumbrances created by any lessee or tenant.
- 28. NOTE: No existing Deed of Trust appears of record. If this information is not correct, please notify the Company as soon as possible to provide information regarding the existing loan.

The policy to be issued contains an arbitration clause. Any matter in dispute between you and the Company may be subject to arbitration as an alternative to court action. Upon request, the company will provide a copy of this clause and the accompanying arbitration rules prior to the closing of the transaction. Any decision reached by arbitration shall be binding upon both you and the Company. The arbitration award may include attorney's fees, if allowed by state law, and may be entered as a judgment in any court of proper jurisdiction.

NOTE: Judgments were NOT checked as to Salt Lake County.

Title is to vest in persons not yet revealed, and when so vested will then be subject to matters disclosed by a search of the record against their names.

EXHIBIT "A"
Legal Description

Issuing Office File No.: 40909-18-00622 Commitment No.: 40909-18-00622

The land referred to in this report is situated in the County of Salt Lake, State of Utah, and is described as follows:

A parcel of land being a part of Lots 2, 3 and 4 of Block 39, Plat A, Salt Lake City Survey, and described as a portion of Parcels A and B per those Quit Claim deeds recorded April 28, 2016, as Entry No. 12268305 in Book 10425, at Page 5841 and as Entry No. 12268306 in Book 10425, at Page 5845 in the Office of the Salt Lake County Recorder; said parcel is located in the Southwest Quarter of Section 6, Township 1 South, Range 1 East, Salt Lake Base and Meridian and described as follows:

Beginning at the Southwesterly corner of said Parcel A also being the Southwesterly corner of said Lot 2 of Block 39, which point is 68.72 feet S. 89°47'38" E. along the centerline of 500 South Street and 63.78 feet N. 00°12'34" E. from a brass monument marking the intersection of Main Street and 500 South Street; thence N. 00°12'47" E. 410.52 feet along the Westerly boundary lines of said Parcels A and B, and Westerly line of said Lots 2, 3, and 4 of Block 39, to the Northwesterly corner of said Parcel B; thence along the Northerly and Easterly boundary lines of said Parcel B the following four (4) courses: (1) S. 89°47'29" E. 165.00 feet; (2) N. 00°58'10" E. 1.98 feet; (3) S. 89°47'29" E. 165.00 feet to the Northeasterly corner of said Parcel B and Easterly line of said Lot 4 of Block 39; (4) S. 00°13'04" W. 121.00 feet along the Easterly line of said Lots 4 and 3 of Block 39; thence N. 90°00'00" W. 231.33 feet; thence S. 00°00'00" E. 290.65 feet to the Southerly boundary line of said Parcel A and the Southerly line of said Lot 2, Block 39; thence N. 89°47'29" W. 99.77 feet along said lines to the Point of Beginning.

The following is shown for information purposes only: Tax ID / Parcel No. 16-06-306-039-0000

This page is only a part of a 2016 ALTA Commitment for Title Insurance. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I – Requirements; and Schedule B, Part II – Exceptions.

North American Title Group Family of Companies

FACTS	WHAT DOES NORTH AMERICAN TITLE GROUP, LLC FAMILY OF COMPANIES DO WITH YOUR PERSONAL INFORMATION?	
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some, but not all, sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.	
What?	The types of personal information we collect and share depend on the product or service you have with us. This information can include: <ul style="list-style-type: none"> Social Security number and income Transaction history and payment history Purchase history and account balances 	
How?	All financial companies need to share customers’ personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers’ personal information, the reasons North American Title Group, LLC Family of Companies (“NATG”) chooses to share, and whether you can limit this sharing.	
Reasons we can share your personal information		Does NATG share?
For our everyday business purposes Such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus		Yes
For our marketing purposes To offer our products and services to you		Yes
For joint marketing with other financial companies		No
For our affiliates’ everyday business purposes Information about your transactions and experiences		No
For our affiliates’ everyday business purposes Information about your creditworthiness		No
For our affiliates to market to you		Yes
For nonaffiliates to market to you		No
To limit our sharing	<ul style="list-style-type: none"> Visit the following webpage for full instructions and a link to the Opt Out process via our NATTRACK system: www.nat.com/Opt-Out OR Mail the form below Please note: If you are a new customer, we can begin sharing your information 30 days from the date we sent this notice. When you are no longer our customer, we continue to share your information as described in this notice. However, you can contact us at any time to limit our sharing.	
Questions?	Call 1 (844) 654-5408	

Mail-in Form	
If you have a joint account, your choice(s) will apply to everyone on your account unless you mark below. <input type="checkbox"/> Apply my choices only to me.	Mark any/all you want to limit: <input type="checkbox"/> Do not allow your affiliates to use my personal information to market to me.
	Name
	Address
	City, State, Zip
	Account #

Mail To:
North American Title Group, LLC Family of Companies
ATTN: General Counsel
760 Northwest 107th Avenue, Suite 400
Miami, FL 33172

SCHEDULE B-II (Continued)

Page 2

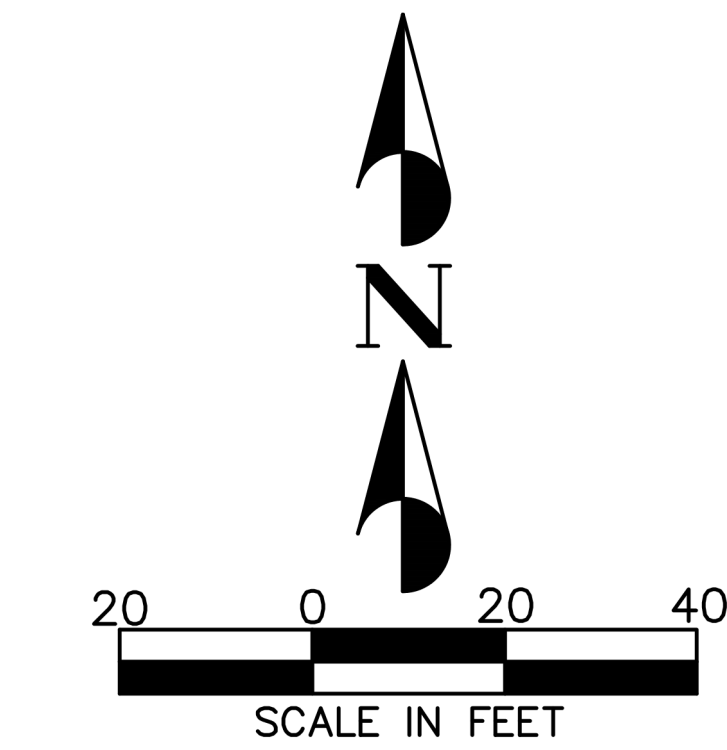
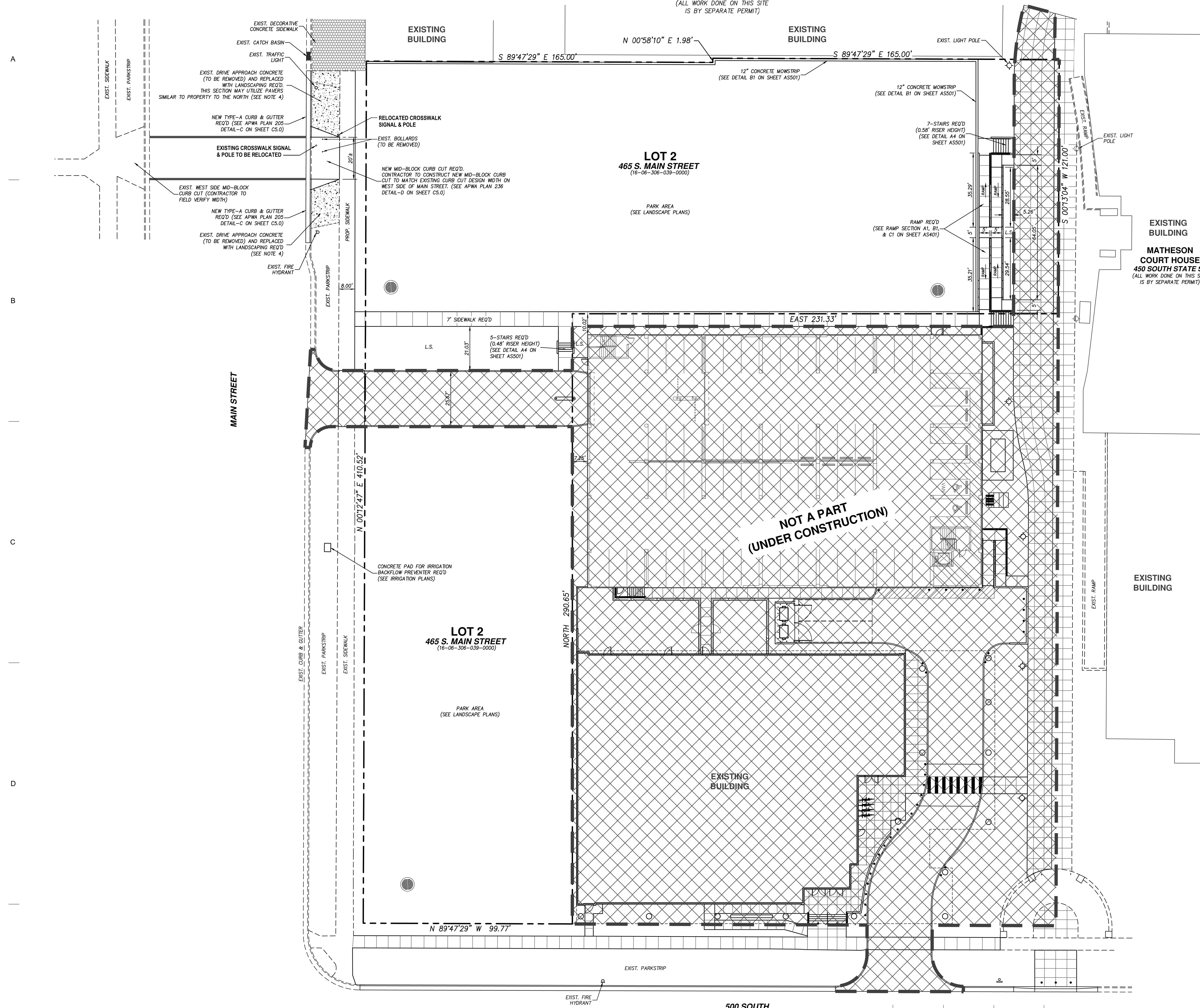
Who we are	
Who is providing this notice?	North American Title Group, LLC Family of Companies (identified below), which offers title insurance and settlement services and property and casualty insurance
What we do	
How does NATG protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secure files and buildings.
How does NATG collect my personal information?	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> • Apply for insurance; • Apply for financing; • Give us your contact information • Provide your mortgage information • Show your government-issued ID <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
Why can't I limit all sharing?	<p>Federal law gives you the right to limit only</p> <ul style="list-style-type: none"> • Sharing for affiliates' everyday business purposes – information about your creditworthiness • Affiliates from using your information to market to you • Sharing for nonaffiliates to market to you <p>State laws and individual companies may give you additional rights to limit sharing.</p>
What happens when I limit sharing for an account I hold jointly with someone else?	Your choices will apply to everyone on your account – unless you tell us otherwise.
Definitions	
Affiliates	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> • Our affiliates include companies with a Lennar name; financial companies such as Eagle Home Mortgage, Eagle Home Mortgage of California, CalAtlantic Mortgage, Inc., and Rialto Capital Management; and nonfinancial companies, such as Lennar Corporation, Lennar Multifamily Companies, Lennar Commercial, Lennar Homes USA, Lennar Family of Builders, CalAtlantic Homes, Lennar Sales Corp., SPH Title, Inc., Sunstreet Energy Group, Five Point Communities, WCI Communities, LLC, Watermark Realty Referral, Inc., and WCI Realty, Inc.
Nonaffiliates	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> • Nonaffiliates we share with can include collection agencies, IT service providers, companies that perform marketing services on our behalf, and consumer reporting agencies.
Joint marketing	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> • NATG doesn't jointly market.

The North American Title Group, LLC Family of Companies consists of the following entities:

North American Title Company	North American Abstract Agency
North American Title Company, Inc.	NASSA, LLC
North American Title Company of Colorado	North American Title, LLC
North American Title Insurance Company	North American Advantage Insurance Services, LLC
North American Services, LLC	North American National Title Solutions, LLC
North American Title Agency, Inc.	North American Title Agency, LLC
CalAtlantic Title, Inc.	CalAtlantic Title Atlanta, LLC
CalAtlantic Title of Maryland, Inc.	CalAtlantic Title Charleston, LLC

EXHIBIT C

KEN GARFF PROPERTY
405 SOUTH MAIN STREET
(ALL WORK DONE ON THIS SITE
IS BY SEPARATE PERMIT)



LEGEND

	PROPERTY/LOT LINE
	PROPOSED CURB & GUTTER
	EXISTING CURB & GUTTER
	EXISTING CONCRETE (TO BE REMOVED)

- GENERAL NOTES:**
- ALL WORK SHALL BE DONE IN ACCORDANCE WITH THE CITY OF SALT LAKE CITY DESIGN AND CONSTRUCTION STANDARDS. FOR AREAS NOT COVERED BY PUBLISHED SPECIFICATIONS OR THE SALT LAKE CITY STANDARDS AND SPECIFICATIONS, CONSTRUCTION MUST COMPLY WITH THE CURRENT APWA STANDARDS AND SPECIFICATIONS. THE WORK SHALL ALSO COMPLY WITH THE PROJECT PLANS, PROJECT SPECIFICATIONS, AND PROJECT GEOTECHNICAL ENGINEERING REPORT, WHICHEVER IS THE MOST STRINGENT.
 - CONTRACTOR IS RESPONSIBLE FOR PERFORMING WORK ON OR ADJACENT TO A PUBLIC ROAD TO PROVIDE, INSTALL, AND MAINTAIN APPROPRIATE TRAFFIC CONTROL DEVICES, AS WELL AS ANY ADDITIONAL TRAFFIC CONTROL DEVICES THAT MAY BE REQUIRED TO INSURE SAFE AND EFFICIENT MOVEMENT OF TRAFFIC AND PEDESTRIANS THROUGH OR AROUND THE WORK AREA AND TO PROVIDE MAXIMUM PROTECTION AND SAFETY TO ROAD WORKERS.
 - PRIOR TO WORKING IN THE PUBLIC WAY, A LICENSED, INSURED, AND BONDED CONTRACTOR, WHO HAS SAID INFORMATION ON FILE WITH SLC ENGINEERING, MUST OBTAIN A PUBLIC WAY PERMIT FROM SLC ENGINEERING AND PERHAPS A TRANSPORTATION PERMIT. ALL WORK IN THE PUBLIC WAY SHALL FOLLOW APWA STANDARD PLANS.
 - LANDSCAPING ALONG MAIN STREET MAY CONSIST OF PAVERS, NATURAL STONE, MULCH OR OTHER MATERIALS APPROVED BY SALT LAKE CITY ENGINEER.

LOT 2:
465 South Main Street (parcel/sidewalk #16-06-306-039-0000)

A parcel of land being a part of Lots 2, 3, and 4 of Block 39, Plat A, Salt Lake City Survey and described as Parcels A and B per those Quit Claim Deeds recorded April 28, 2016, as Entry No. 12268305 in Book 10425, at Page 5841 and as Entry No. 12268306 in Book 10425, at Page 5845 in the Office of the Salt Lake County Recorder; said parcel is located in the Southwest Quarter of Section 5, Township 1 South, Range 1 East, Salt Lake Base and Meridian and described as follows:

Beginning at the southwesterly corner of said Parcel A, which point is 65.72 feet S 89°47'30" E. along the centerline of 500 South Street and 63.78 feet N 00°12'34" E. from a brass monument marking the intersection of Main Street and 500 South Street; thence N. 00°12'47" E. 410.52 feet along the westerly boundary lines of said Parcels A and B to the northwesterly corner of said Parcel B; thence along the northerly and easterly boundary lines of said Parcel B the following four (4) courses: (1) S. 89°47'29" E. 165.00 feet; (2) N. 00°58'10" E. 1.98 feet; (3) S. 89°47'29" E. 165.00 feet to the northeasterly corner of said Parcel B; (4) S. 00°13'04" W. 121.00 feet; thence N. 90°00'00" W. 231.33 feet; thence 00°00'00" E. 290.65 feet to the southerly boundary line of said Parcel A; thence N. 85°47'29" W. 99.77 feet along said southerly boundary line to the Point of Beginning.

The above described parcel of land contains 68,630 square feet in area or 1.576 acres, more or less.

MHTN ARCHITECTS
MHTN Architects, Inc.
420 East South Temple
Suite 100
Salt Lake City, Utah 84111
Telephone (801) 595-6700
Telefax (801) 595-6717
www.mhtn.com

PEPG CONSULTING
800 SOUTH 300 WEST • SALT LAKE CITY, UT 84115
PHONE: (801) 362-2521 • FAX: (801) 362-2521

**SALT LAKE CITY
DISTRICT ATTORNEY
OFFICE BUILDING**

465 SOUTH MAIN STREET
SALT LAKE CITY, UTAH

MHTN ARCHITECTS, INC.
Confidentiality Notice
This document is prepared for use on the Project identified herein by individuals and companies involved in the design, permitting, bidding and construction of the Project. MHTN ARCHITECTS, INC. grants limited rights to distribute and reproduce this document for the express purpose only. Distribution, printing or copying this document for purposes other than those indicated is strictly prohibited. If a digital copy of this document is received in error, please delete it.

SEAL

MHTN PROJECT NO. PROJ # 2015551
DRAWN BY: BCB CHECKED BY: RLK

REVISIONS
CONTRACTOR TO VERIFY DRAWINGS IN FIELD USE REFLECT LAST REVISION DATE

NO.	DATE	DESCRIPTION

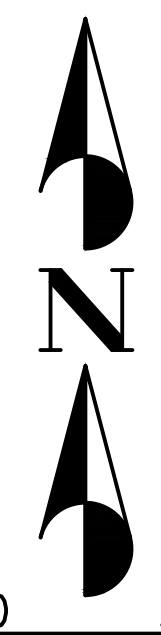
BLUE STAKES OF UTAH
CONSTRUCTION DOCUMENTS
FEBRUARY 15, 2018

SHEET NAME
SITE PLAN

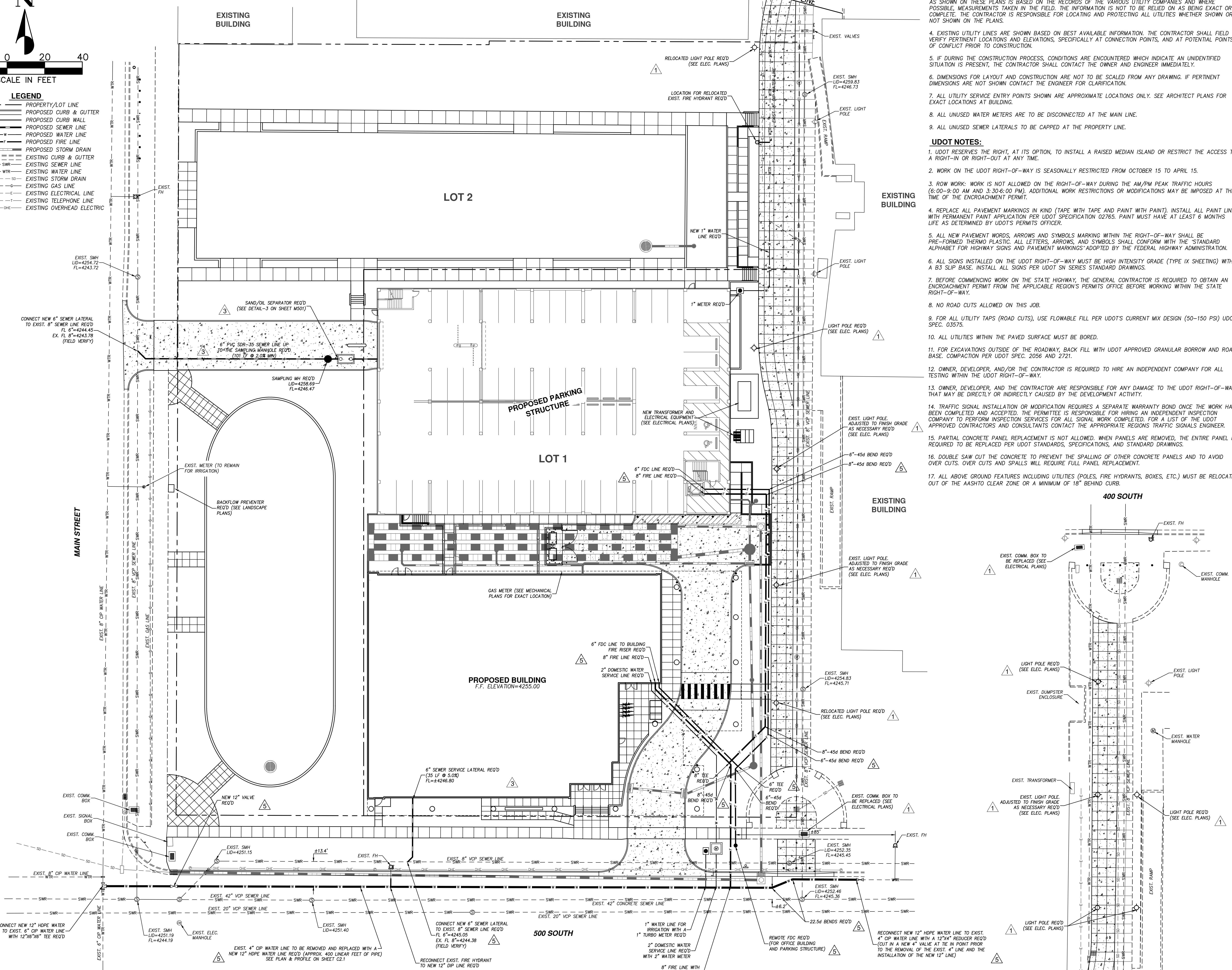
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SHEET NUMBER
C1.0

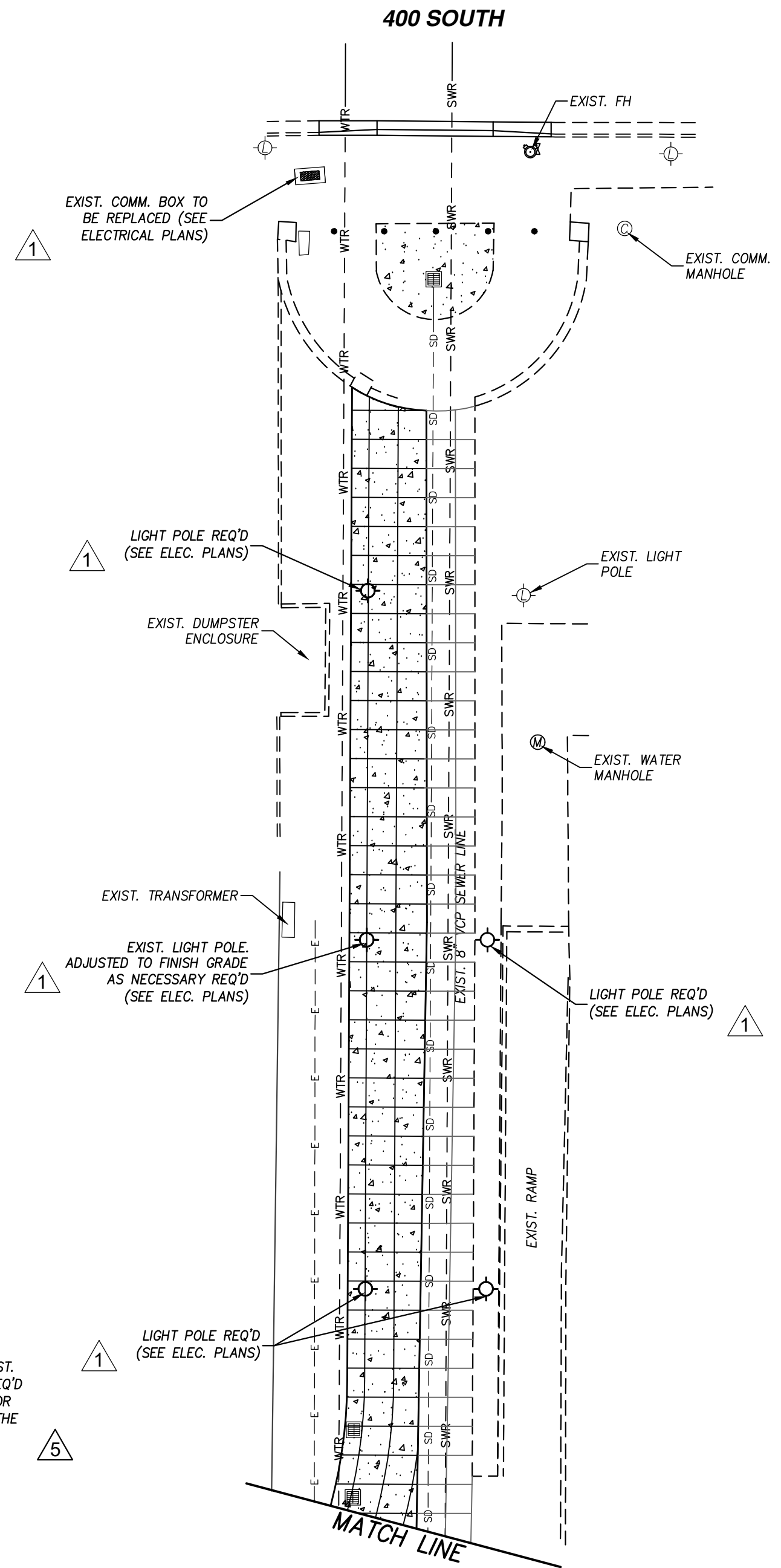




- LEGEND**
- PROPERTY/LOT LINE
 - PROPOSED CURB & GUTTER
 - PROPOSED CURB WALL
 - PROPOSED SEWER LINE
 - PROPOSED WATER LINE
 - PROPOSED FIRE LINE
 - PROPOSED STORM DRAIN
 - EXISTING CURB & GUTTER
 - EXISTING SEWER LINE
 - EXISTING WATER LINE
 - EXISTING STORM DRAIN
 - EXISTING GAS LINE
 - EXISTING ELECTRICAL LINE
 - EXISTING TELEPHONE LINE
 - EXISTING OVERHEAD ELECTRIC



- NOTES:**
- ALL WORK SHALL BE DONE IN ACCORDANCE WITH THE CITY OF SALT LAKE DESIGN AND CONSTRUCTION STANDARDS.
 - IT IS THE CONTRACTOR'S RESPONSIBILITY TO CONTACT BLUE STAKES PRIOR TO STARTING ANY ACTIVITIES. ALL EXISTING UTILITIES SHOWN ON THE PLANS ARE APPROXIMATIONS ONLY.
 - THE CONTRACTOR IS SPECIFICALLY CAUTIONED THAT THE LOCATION AND/OR ELEVATION OF EXISTING UTILITIES AS SHOWN ON THESE PLANS IS BASED ON THE RECORDS OF THE VARIOUS UTILITY COMPANIES AND WHERE POSSIBLE, MEASUREMENTS TAKEN IN THE FIELD. THE INFORMATION IS NOT TO BE RELIED ON AS BEING EXACT OR COMPLETE. THE CONTRACTOR IS RESPONSIBLE FOR LOCATING AND PROTECTING ALL UTILITIES WHETHER SHOWN OR NOT SHOWN ON THE PLANS.
 - EXISTING UTILITY LINES ARE SHOWN BASED ON BEST AVAILABLE INFORMATION. THE CONTRACTOR SHALL FIELD VERIFY PERTINENT LOCATIONS AND ELEVATIONS, SPECIFICALLY AT CONNECTION POINTS, AND AT POTENTIAL POINTS OF CONFLICT PRIOR TO CONSTRUCTION.
 - IF DURING THE CONSTRUCTION PROCESS, CONDITIONS ARE ENCOUNTERED WHICH INDICATE AN UNIDENTIFIED SITUATION IS PRESENT, THE CONTRACTOR SHALL CONTACT THE OWNER AND ENGINEER IMMEDIATELY.
 - DIMENSIONS FOR LAYOUT AND CONSTRUCTION ARE NOT TO BE SCALED FROM ANY DRAWING. IF PERTINENT DIMENSIONS ARE NOT SHOWN CONTACT THE ENGINEER FOR CLARIFICATION.
 - ALL UTILITY SERVICE ENTRY POINTS SHOWN ARE APPROXIMATE LOCATIONS ONLY. SEE ARCHITECT PLANS FOR EXACT LOCATIONS AT BUILDING.
 - ALL UNUSED WATER METERS ARE TO BE DISCONNECTED AT THE MAIN LINE.
 - ALL UNUSED SEWER LATERALS TO BE CAPPED AT THE PROPERTY LINE.
- UDOT NOTES:**
- UDOT RESERVES THE RIGHT, AT ITS OPTION, TO INSTALL A RAISED MEDIAN ISLAND OR RESTRICT THE ACCESS TO A RIGHT-IN OR RIGHT-OUT AT ANY TIME.
 - WORK ON THE UDOT RIGHT-OF-WAY IS SEASONALLY RESTRICTED FROM OCTOBER 15 TO APRIL 15.
 - ROW WORK: WORK IS NOT ALLOWED ON THE RIGHT-OF-WAY DURING THE AM/PM PEAK TRAFFIC HOURS (6:00-9:00 AM AND 3:30-6:00 PM). ADDITIONAL WORK RESTRICTIONS OR MODIFICATIONS MAY BE IMPOSED AT THE TIME OF THE ENCROACHMENT PERMIT.
 - REPLACE ALL PAVEMENT MARKINGS IN KIND (TAPE WITH TAPE AND PAINT WITH PAINT). INSTALL ALL PAINT LINES WITH PERMANENT PAINT APPLICATION PER UDOT SPECIFICATION 0276S. PAINT MUST HAVE AT LEAST 6 MONTHS LIFE AS DETERMINED BY UDOT'S PERMITS OFFICER.
 - ALL NEW PAVEMENT WORDS, ARROWS AND SYMBOLS MARKING WITHIN THE RIGHT-OF-WAY SHALL BE PRE-FORMED THERMO PLASTIC. ALL LETTERS, ARROWS, AND SYMBOLS SHALL CONFORM WITH THE STANDARD ALPHABET FOR HIGHWAY SIGNS AND PAVEMENT MARKINGS ADOPTED BY THE FEDERAL HIGHWAY ADMINISTRATION.
 - ALL SIGNS INSTALLED ON THE UDOT RIGHT-OF-WAY MUST BE HIGH INTENSITY GRADE (TYPE IX SHEETING) WITH A B3 SLIP BASE. INSTALL ALL SIGNS PER UDOT SN SERIES STANDARD DRAWINGS.
 - BEFORE COMMENCING WORK ON THE STATE HIGHWAY, THE GENERAL CONTRACTOR IS REQUIRED TO OBTAIN AN ENCROACHMENT PERMIT FROM THE APPLICABLE REGION'S PERMITS OFFICE BEFORE WORKING WITHIN THE STATE RIGHT-OF-WAY.
 - NO ROAD CUTS ALLOWED ON THIS JOB.
 - FOR ALL UTILITY TAPS (ROAD CUTS), USE FLOWABLE FILL PER UDOT'S CURRENT MIX DESIGN (50-150 PS) UDOT SPEC. 0357S.
 - ALL UTILITIES WITHIN THE PAVED SURFACE MUST BE BORED.
 - FOR EXCAVATIONS OUTSIDE OF THE ROADWAY, BACK FILL WITH UDOT APPROVED GRANULAR BORROW AND ROAD BASE. COMPACTION PER UDOT SPEC. 2056 AND 2721.
 - OWNER, DEVELOPER, AND/OR THE CONTRACTOR IS REQUIRED TO HIRE AN INDEPENDENT COMPANY FOR ALL TESTING WITHIN THE UDOT RIGHT-OF-WAY.
 - OWNER, DEVELOPER, AND/OR THE CONTRACTOR ARE RESPONSIBLE FOR ANY DAMAGE TO THE UDOT RIGHT-OF-WAY THAT MAY BE DIRECTLY OR INDIRECTLY CAUSED BY THE DEVELOPMENT ACTIVITY.
 - TRAFFIC SIGNAL INSTALLATION OR MODIFICATION REQUIRES A SEPARATE WARRANTY BOND ONCE THE WORK HAS BEEN COMPLETED AND ACCEPTED. THE PERMITTEE IS RESPONSIBLE FOR HIRING AN INDEPENDENT INSPECTION COMPANY TO PERFORM INSPECTION SERVICES FOR ALL SIGNAL WORK COMPLETED. FOR A LIST OF THE UDOT APPROVED CONTRACTORS AND CONSULTANTS CONTACT THE APPROPRIATE REGION'S TRAFFIC SIGNALS ENGINEER.
 - PARTIAL CONCRETE PANEL REPLACEMENT IS NOT ALLOWED. WHEN PANELS ARE REMOVED, THE ENTIRE PANEL IS REQUIRED TO BE REPLACED PER UDOT STANDARDS, SPECIFICATIONS, AND STANDARD DRAWINGS.
 - DOUBLE SAW CUT THE CONCRETE TO PREVENT THE SPALLING OF OTHER CONCRETE PANELS AND TO AVOID OVER CUTS. OVER CUTS AND SPALLS WILL REQUIRE FULL PANEL REPLACEMENT.
 - ALL ABOVE GROUND FEATURES INCLUDING UTILITIES (POLES, FIRE HYDRANTS, BOXES, ETC.) MUST BE RELOCATED OUT OF THE AASHTO CLEAR ZONE OR A MINIMUM OF 18" BEHIND CURB.



MHTN ARCHITECTS
 MHTN Architects, Inc.
 420 East South Temple
 Suite 100
 Salt Lake City, Utah 84111
 Telephone (801) 595-6700
 Telefax (801) 595-6717
 www.mhtn.com

PEPG CONSULTING
 500 SOUTH 300 WEST • SANDY, UT 84070
 PHONE: (801) 562-2521 • FAX: (801) 562-2520

SALT LAKE CITY DISTRICT ATTORNEY OFFICE BUILDING
 35 EAST 500 SOUTH
 SALT LAKE CITY, UTAH

SEAL

MHTN PROJECT NO. PROJ # 2015551
 DRAWN BY: BCB CHECKED BY: RLK

REVISIONS

CONTRACTOR TO VERIFY DRAWINGS IN FIELD USE REFLECT LAST REVISION DATE

NO.	DATE	DESCRIPTION
1	03/20/2016	PROPOSED REV. 3
2	04/16/2016	CITY REVIEW COMMENTS
3	05/20/2016	CITY REVIEW COMMENTS

DATE OF CONFORMANCE SET
 JULY 6, 2016

SHEET NAME
UTILITY PLAN

Original drawing is 30 x 42. Do not scale contents of this drawing.

C2.0



Attachment A - Request for Proposals Cover Summary

Legal Name			
Doing Business As (if applicable)			
Address	City	State	Zip Code
Contact Person after contract award		Telephone Number	
E-mail Contact			
I certify that to the best of my knowledge the information contained in this proposal is accurate and complete and that I have the legal authority to commit this organization to a contractual agreement. I realize the final funding for any service is based upon funding levels and the approval of the Mayor for Salt Lake County.			
Proposer Authorized Representative Type or Print Name		Date	
		Position or Title	
Signature required when submitting hard copy. Electronic signature acceptable if an electronic proposal is allowed.			
X	Proposer _____		

Please include one or two e-mail address for notification of an interview.	
	Name, telephone number, E-mail address

Attachment B
REQUEST FOR PROTECTED RECORD
(Business Confidentiality Claim)

I request that the attached/enclosed information (record) provided to Salt Lake County, or any of its agencies (divisions or programs), be considered confidential and given protected status as defined in Utah's Government Records Access and Management Act ("GRAMA").

Name and Address of business and representative making this confidentiality claim:

Description of the information (record) which is to be covered by this confidentiality claim and which you believe qualifies for protected status:

The following reasons support this claim of business confidentiality and protected status under Utah Code Ann. § 63G-2-305 (please check all of the following that apply):

1. The record provided is a trade secret as defined in Utah Code Ann. § 13-24-2 (*See Utah Code Ann. §§ 63G-2-305(1) and 63G-2-309*).

2. The record is commercial or non-individual financial information and: (a) disclosure of the information could reasonably be expected to result in unfair competitive injury to the person submitting the information or would impair the ability of Salt Lake County, or its agencies, to obtain necessary information in the future; and (b) the interest of the provider in prohibiting access to the information is greater than the interest of the public in obtaining access. (*See Utah Code Ann. §§ 63G-2-305(2) and 63G-2-309*).

REQUIRED: A concise written statement supporting a business confidentiality claim, as required by Utah Code Ann. § 63G-2-309(1). Attach additional sheets if necessary.

NOTE: Claimant shall be notified if a record claimed to be protected is classified public or if the determination is made that the record should be disclosed because the interests favoring access outweigh the interests favoring restriction of access. Records claimed to be protected under this business confidentiality claim may not be disclosed until the period in which to bring an appeal expires or the end of the appeals process, including judicial appeal, **unless the claimant, after notice, has waived the claim by not appealing within thirty (30) calendar days.** *See Utah Code Ann § 63G-2-309(2).* The procedure to appeal a GRAMA classification within thirty (30) calendar days is described in Countywide Policy 2040, which can be found on the County's website www.slco.org or by typing the following link into your address bar: <http://slco.org/policies/Countywide>.

Signature of Claimant Representative: _____ Date: _____

Claimant Representative Name and Title: _____

Attachment C

Environmental Compliance Practices Vendor Compliance Statement and Non-Debarment Certification

1. In compliance with Executive Order #2013-4, Salt Lake County has implemented environmentally responsible procurement practices. The County requires all persons, businesses, corporations and other entities doing business or entering into a contract with the County to comply with all federal, state and local environmental laws, rules and regulations. Compliance with environmental laws, rules and regulations is a relevant factor in evaluating the integrity and responsibility of a business. The county, in its sole discretion, may not solicit proposals from, award contracts to, procure, or otherwise enter into business arrangements with any person, business, corporation or other organization that is noncompliant. If a vendor is suspended, proposed for debarment, debarred, ineligible or excluded from contracting with another government entity due to environmental non-compliance, the County in its sole discretion, may deem the vendor non-responsible and decline to award a contract.

2. Based on the foregoing, the vendor certifies, to the best of its knowledge, that neither the vendor nor any owner, officer or agent of the vendor:

2.1 is presently debarred, suspended, proposed for debarment, declared ineligible, or excluded from the award of a contract or purchase by any federal, state or local agency based on a finding, determination, notice of violation or order of environmental non-compliance;

2.2 is presently indicted or charged by a government entity in a criminal, civil or administrative proceeding with the commission of any offense, violation, or failure to comply with any federal, state, or local environmental law, rule or regulation, indicating a lack of business integrity or business honesty affecting its responsibility as a county vendor;

2.3 has, within the last three (3) years, been convicted, or had a civil judgment or administrative order rendered against it for any offense or violation, including but not limited to environmental noncompliance, indicating a lack of business integrity or business honesty affecting its responsibility as a county vendor;

2.4 has, within the last three (3) years, had a contract/purchase terminated due to an act or omission, including but not limited to environmental non-compliance, demonstrating a lack of business integrity or business honesty affecting its responsibility as a county vendor.

3. Vendor shall require any sub-vendor to disclose in writing, whether at the time of the award of the subcontract, the sub-vendor complies with the certification requirements in subparagraphs 2.1, 2.2, 2.3 and 2.4 above.

4. Vendor shall immediately notify the county in writing if, at any time before the award, the vendor learns that its certification was erroneous when submitted or has since become erroneous because of changed circumstances.

5. If it is later determined that vendor knowingly rendered an erroneous certification under this provision, in addition to other available remedies, the county in its sole discretion, may terminate the contract/purchase for default.

Attachment D County Standard Terms

INDEMNIFICATION

Contractor agrees to indemnify, hold harmless and defend the County, its officers, agents and employees from and against any and all losses, damages, injuries, liabilities, and claims, including claims for personal injury, death, or damage to personal property or profits and liens of workmen and material men (suppliers), however allegedly caused, resulting directly or indirectly from, or arising out of, negligent acts or omissions by Contractor, its agents, representatives, officers, employees or subcontractors in the performance of this Agreement.

ETHICAL STANDARDS

Contractor represents that it has not: (a) provided an illegal gift to any County officer or employee, or former County officer or employee, or to any relative or business entity of a County officer or employee, or relative or business entity of a former County officer or employee; (b) retained any person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, other than bona fide employees of bona fide commercial agencies established for the purpose of securing business; (c) breached any of the ethical standards set forth in State statute or Salt Lake County Code of Ordinances § 2.07 (2011); or (d) knowingly influenced, and hereby promises that it will not knowingly influence, any County officer or employee or former County officer or employee to breach any of the ethical standards set forth in State statute or Salt Lake County ordinances.

LABOR REGULATIONS AND REQUIREMENTS

Contractor agrees to comply with all applicable provisions of Title 34 of the Utah Code, and with all applicable federal, state and local labor laws. Contractor shall indemnify and hold County harmless from and against any and all claims for liability arising out of any violation of this paragraph or the laws referenced by Contractor, its agents or employees.

GOVERNMENT RECORDS ACCESS MANAGEMENT ACT

Contractor acknowledges that County is a governmental entity subject to the Utah Government Records Access and Management Act ("GRAMA"), Utah Code Ann. §§ 63G-2-101 to -901 (2011). As a result, County is required to disclose certain information and materials to the public, upon request. Contractor agrees to timely refer all requests for documents, materials and data in its possession relating to this Agreement and its performance to the County Representative for response by County.

Generally, any document submitted to County is considered a "public record" under GRAMA. Any person who provides to the County a record that the person believes should be protected under subsection 63G-2-305(1) or (2) shall provide both: (1) a written claim of business confidentiality and (2) a concise statement of reasons supporting the claim of business confidentiality. Generally, GRAMA only protects

against the disclosure of trade secrets or commercial information that could reasonably be expected to result in unfair competitive injury.

ASSIGNMENT

Contractor shall not assign or transfer its rights, interests, or obligations under this Agreement, without the prior written approval of County. County reserves the right to assert any claim or defense it may have against Contractor and against any assignee or successor-in-interest of Contractor.

COMPLIANCE WITH LAWS

Each party agrees to comply with all federal, state and local laws, rules and regulations in the performance of its duties and obligations under this Agreement. Any violation by Contractor of applicable law shall constitute an event of default under this Agreement and Contractor shall be liable for and hold the County harmless and defend the County from and against any and all liability arising out of or connected with the violation, to include all attorney fees and costs incurred by the County as a result of the violation. Contractor is responsible, at its expense, to acquire, maintain and renew during the term of this Agreement, all necessary permits and licenses required for its lawful performance of its duties and obligations under this Agreement.

INSURANCE

The parties agree that Contractor is responsible for obtaining and maintaining, and for causing each of Contractor's agents, employees, representatives, affiliates, advisors, consultants, professionals, contractors or subcontractors, sublessees or licensees or anyone taking by, through, under, directed or retained by or commissioned or contracted by Contractor (collectively, the "**Contractor's Representatives**") to obtain and maintain, at its or their sole cost and expense, adequate insurance (including, but not limited to, casualty, commercial general liability, professional liability, automobile liability, builders' risk and other applicable insurance) in such amounts as may be appropriate under the circumstances to protect its interests in the Property and as set forth in the Agreement to cover contractual liability.

USE OF PREMISES

Contractor shall use the premises for any lawful use permitted in the zone by Salt Lake City, except as restricted below, that benefits the citizens of Salt Lake County and that is approved by County in writing.

RESTRICTIONS

Contractor shall not operate a hotel on said parcel for 25 years from date of execution of this Agreement.

COUNTY'S INTERESTS IN DEVELOPMENT GOALS

County reserves the right to reevaluate the Agreement if the development isn't meeting the original intent of the RFP Development Goals.

TAXES, FEES, AND ASSESSMENTS

Contractor shall be responsible to pay all applicable taxes, fees, and assessments.

ONGOING RELATIONSHIP

County has the right to review the design documents at stated design development milestones to ensure the RFP Development Goals are being met.

EXHIBIT “C”

Tenant Response to RFP



500 SOUTH MAIN
STREET DEVELOPMENT
STAGE 2 RFP

Development Proposal For:
SALT LAKE COUNTY

RFP #DRD52970-1

Feb. 20, 2018

Eric Peterson
epeterson@pegdev.com
(435) 647-6344



Table of Contents

Our proposal is based on the requirements of the RFQ and is broken down as described below. Our team has demonstrated our ability and relevant experience and has created a program that we are confident will create lasting value to the City’s downtown core, while providing a strong financial asset for the development team and the County.

01

Offer – Project Financials

The proposed land lease is designed to generate annual market-level returns to Salt Lake County and retain the asset for the long-term benefit of the residents.

PEG has a long and proven history of financial performance, both in terms of ability to execute on ambitious development plans and financing both the debt and equity requirements of their projects.

Proposed Development Documents

13

The proposed development includes multiple uses. Our complimentary design will add significant value in upscale development to downtown Salt Lake and enhance the surrounding community.

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Social Impact

Improving the communities where we work is a core value of PEG Companies and Hines. Our plan to incorporate real-estate uses that will have a significant positive social impact on downtown Salt Lake City and create long term sustainability.



Architectural Rendering -- 500 South Main Street

DEVELOPMENT ENTITY

The development entity will be a to-be-formed co-development entity comprised of PEG Companies (“PEG”) and Hines Development (“Hines”). A description of PEG’s background was provided in the initial Stage 1 RFP. We have provided a brief description of Hines portfolio and experience below for reference. Hines is truly a worldwide development leader with a presence in 207 cities on five continents and approximately 4,300 employees worldwide. Hines is paving the way in renewable and energy efficient buildings with 101 LEED certified buildings and 163 Energy Star Certifications within it’s portfolio. Hines is also leading out on the development of mass timber office buildings and has completed several similar to the one proposed herein.

Assets Under Management

\$116.4 Billion

\$64.0 Billion as Fiduciary

\$52.4 Billion for Third Parties

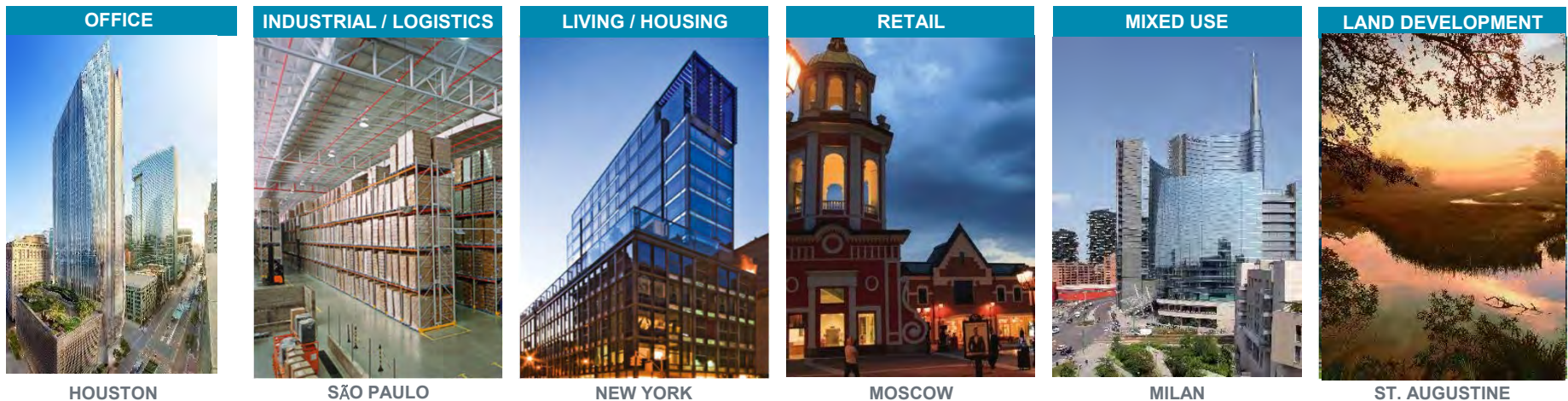
Real Estate Experience

109 Developments currently underway

1,319 Properties developed, redeveloped, or acquired totaling **431 Million+ SF**

Current portfolio consists of 527 Properties totaling **224 Million+ SF**

Multiple Product Types



PROPOSER'S LETTER OF AUTHORITY

February 20, 2019

To Whom It May Concern:

The purpose of this Letter of Authority is to state that I have authority to submit an offer to develop the Site, negotiate with County if selected, and bid the development team. In addition, I authorize Rob Fetzer (see contact information below) to act on behalf of the development team in the event that I am unavailable.

Sincerely,



Soren Halladay, Chief Investment Officer
PEG Companies
180 North University Avenue #200
Provo, UT 84601
(661) 644-4042

Rob Fetzer, President
PEG Companies
180 North University Avenue #200
Provo, UT 84601
(801) 592-7051

OFFER

Lease	County 465 S Main RFP Land
Lessor	PEG Development Entity
Lessee	Salt Lake County
Term	
Acres	1.58
Square Footage	68,824.80
Lease Commencement Date	5/1/2019
Rent Commencement Date	1/1/2020
Lease Expiration Date	1/31/2070
Lease Term	50 Years Two (2) Twenty Five (25) Year Options
Escalations	5% Escalations every five (5) years

Year	Date	Payment	Cumulative
1	12/31/20	450,000	450,000
2	12/31/21	450,000	900,000
3	12/31/22	450,000	1,350,000
4	12/31/23	450,000	1,800,000
5	12/31/24	450,000	2,250,000
6	12/31/25	450,000	2,700,000
7	12/31/26	450,000	3,150,000
8	12/31/27	450,000	3,600,000
9	12/31/28	450,000	4,050,000
10	12/31/29	450,000	4,500,000 \$ 65.38

To be negotiated: We would like to explore the option of affordable housing. If an affordable housing component is an option we will look for flexibility within the ground lease structure.

SOURCES & USES STATEMENT

Total Project

Sources	
Equity	24,178,786
Construction Loan	60,588,155
Total	84,766,941

Uses	
Land	270,000
Hard Costs	68,140,714
Soft Costs	16,356,226
Total	84,766,940

DEVELOPMENT COSTS (APARTMENTS)

465 S Main

Construction Sources & Uses

Input City:

Salt Lake City

	Square Footage	Acres	Cost / PSF	Unit	Total
Construction Costs	Sq. Footage	Acres	Cost / PSF	Unit	Total
Apartments	91,520		\$ 160.00	100	14,643,200
Dry Utilities					300,000
Garages			\$ 17,000	100	1,700,000
Lounge	2,800		\$ 200		560,000
Site Work	27,530		\$ 25.00		688,248
Retail	7,000		\$ 150.00		1,050,000
Retail TI	7,000		\$ 38.00		266,000
FF & E					200,000
Signage					30,000
Hard Cost Contingency			5.00%		960,372
Total Construction Costs				203,978	20,397,820
Accrued Preferred Return - Upfront Costs					-
Ground Lease (1.5 yrs - during constr)	27,530	0.63	\$ 9.81	2,700	270,000
Total Construction Costs With Pref and Land					20,667,820
Soft Costs					
Administrative Fees					179,000
Accounting Allowance					15,000
Administrative Miscellaneous					10,000
Legal Fees					150,000
Marketing					3,000
Travel / Overhead					1,000
City Fees					648,900
City Impact & Connection Fees				5,550	368,900
City Fees: Building & Other					280,000
Engineering Fees					902,376
Civil Engineering (Offsite)					25,000
Civil Engineering (Onsite)			0.10% of HC		20,668
Architectural and Engineering (Struct, Mech, Elect) and Landscape Arch.			4.20% of HC		856,708
Commissions (Leasing & Sales)			0%		-
Development, Entitlement, and Financing Overhead				4.00%	1,000,000
Guarantor Fee				1%	187,694
Bank Fees					723,700
Loan Construction Interest			18		565,430
Loan Origination Fee			0.75%		140,771
Bank Appraisal					5,500
Bank Inspections					12,000
Construction & Testing Fees					225,841
Construction Testing					45,000
ALTA Survey & "As Built"					11,500
Soils Compaction Test (Geotech)					10,000
Traffic Study					5,000
Environmental Study (Phase I)					15,000
Insurance - Builder's Risk			0.50% of HC		103,339
Insurance - Property, Liability & Casualty Ins.			0.15% of HC		31,002
Performance & Completion Bonds					5,000
Property Fees & Operations					292,003
Title Policy and Updates			0.30% of HC		62,003
Property Tax					-
Operating Reserve					180,000
Miscellaneous (Triple Play)					50,000
Contingency Funds			5% of SC		198,591
Total Soft Cost			17% of TC	43,581	4,358,106
Total Construction and Development Costs				Per Unit 250,259	25,025,927

Construction Loan Amount (Traditional)	75.00% LTC	18,769,445
Total Equity Requirement		6,256,482
Land Equity		270,000



Hines

DEVELOPMENT COSTS (OFFICE)

		Total Budget
		Shell Costs --->
		Parking --->
Building SF Allocation		210,000
Leaseable SF		210,000
		Value
Value Allocation		100.00%
Land Allocation		
Land		
Size	41,295 SF	
Price	\$ - per sf	-
Hard Costs		
Shell Costs	Refer to Row 6	35,700,000
Parking Structure	\$ 13,000	-
Site work	\$15	619,423
Demolition		-
Underground Aerial Utilities		750,000
Façade Improvements		-
TI's	\$ 40	8,400,000
Signage		-
Contingency	5.00% of Hard Cost	2,273,471
Total Hard Cost		47,742,894
Soft Costs		
Architect, Engineering, & Site		3,677,100
ALTA Survey & ALTA "As Built"		75,000
Architectural and Engineering (Office)	9.00% of Bldg. HC	3,213,000
Architectural and Engineering (Parking/Retail)	0.00%	-
Landscape Architecture		100,000
Structural Engineering		125,000
Civil Engineering		80,000
Construction Testing		50,000
Environmental Study (Phase I)		5,000
Geotechnical Investigation		16,000
Traffic Study		13,100
City, State, Utilities		946,250
City Impact Fees & Connection Fees		500,000
City Fees: Building & Other	1.25% of Shell	446,250
Property Tax		-
Lender & Financing		1,929,373
Bank Appraisal		10,000
Bank Inspections		10,000
Loan Construction Interest		773,646
Loan Origination Fee (Construction)	1.00% of Loan	418,187
Loan Fees (Misc.) Bank Legal		150,000
Equity Raise Fee	0.00%	-
Guarantor Fee	1.00% Loan	418,187
Title Policy and Updates	0.25%	149,353
Development & Project Management		2,335,065
Accounting Allowance		15,000
Administrative Miscellaneous		10,000
Insurance - Builder's Risk		100,000
Insurance - Property, Liability & Casualty Ins.		75,000
Legal Fees		75,000
Marketing/Franchise Fee		20,000
Pre-Opening/Startup Expenses		150,000
Pre-Opening/Startup Management		-
Working Capital Reserve		360,000
Travel / Overhead		2,000
Leasing Commissions	6.00% Commissions	1,528,065
Developer Fee	4.25%	2,538,993
Commissions		
Contingency Funds	5.00% of Soft Costs	571,339
Total Soft Costs	20% of Total	11,998,120
Total Project Costs		59,741,014

PROFORMA (10-YEAR APARTMENTS)

	Stabilization									
	1	2	3	4	5	6	7	8	9	10
	6/30/2021	6/30/2022	6/30/2023	6/30/2024	6/30/2025	6/30/2026	6/30/2027	6/30/2028	6/30/2029	6/30/2030
Total Potential Revenue										
Gross Apartment Rent	2,012,895	2,073,282	2,135,480	2,199,545	2,265,531	2,333,497	2,403,502	2,475,607	2,549,875	2,626,371
Gross Retail Rent	143,500	210,000	216,300	222,789	229,473	236,357	243,448	250,751	258,274	266,022
Other Apartment Income										
Triple Play (Net)	144,000	148,320	152,770	157,353	162,073	166,935	171,944	177,102	182,415	187,887
Parking Income	96,000	98,880	101,846	104,902	108,049	111,290	114,629	118,068	121,610	125,258
Utility Income (RUBS)	48,000	49,440	50,923	52,451	54,024	55,645	57,315	59,034	60,805	62,629
Lease (Late, App, Buyouts)	33,000	33,990	35,010	36,060	37,142	38,256	39,404	40,586	41,803	43,058
Other Apartment Income Total	321,000	330,630	340,549	350,765	361,288	372,127	383,291	394,790	406,633	418,832
Other Retail Income										
Reimbursements (NNN Charges)	45,500	46,865	48,271	49,719	51,211	52,747	54,329	55,959	57,638	59,367
CAM Administration Fee / Mngmt Fee	910	937	965	994	1,024	1,055	1,087	1,119	1,153	1,187
Retail Other Income Total	46,410	47,802	49,236	50,713	52,235	53,802	55,416	57,078	58,791	60,555
Apartment Vacancy	(612,647)	(116,695)	(123,801)	(127,516)	(131,341)	(135,281)	(139,340)	(143,520)	(147,825)	(152,260)
Effective Gross Income	1,911,158	2,545,019	2,617,764	2,696,297	2,777,186	2,860,502	2,946,317	3,034,706	3,125,747	3,219,520
EXPENSES										
Payroll	100,000	103,000	106,090	109,273	112,551	115,927	119,405	122,987	126,677	130,477
Marketing	15,000	15,450	15,914	16,391	16,883	17,389	17,911	18,448	19,002	19,572
Landscaping	5,000	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524
Fire Safety	5,500	5,665	5,835	6,010	6,190	6,376	6,567	6,764	6,967	7,176
General Repairs	8,850	12,360	12,731	13,113	13,506	13,911	14,329	14,758	15,201	15,657
HVAC	2,700	2,781	2,864	2,950	3,039	3,130	3,224	3,321	3,420	3,523
Janitorial	2,950	4,120	4,244	4,371	4,502	4,637	4,776	4,919	5,067	5,219
Security Expense	1,000	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305
Triple Play	66,000	67,980	70,019	72,120	74,284	76,512	78,807	81,172	83,607	86,115
Utilities	47,500	48,925	50,393	51,905	53,462	55,066	56,717	58,419	60,172	61,977
Common Area Utilities	20,281	28,325	29,175	30,050	30,951	31,880	32,836	33,822	34,836	35,881
Management Fees	61,319	85,639	88,209	90,855	93,580	96,388	99,279	102,258	105,326	108,485
General & Administration	9,588	13,390	13,792	14,205	14,632	15,071	15,523	15,988	16,468	16,962
Insurance	18,000	18,540	19,096	19,669	20,259	20,867	21,493	22,138	22,802	23,486
Taxes	130,000	133,900	137,917	142,055	146,316	150,706	155,227	159,884	164,680	169,621
Reserves	25,000	25,750	26,523	27,318	28,138	28,982	29,851	30,747	31,669	32,619
NNN Charges	45,500	46,865	48,271	49,719	51,211	52,747	54,329	55,959	57,638	59,367
Reserve	4,200	4,326	4,456	4,589	4,727	4,869	5,015	5,165	5,320	5,480
Management Fee	7,350	7,571	7,798	8,032	8,272	8,521	8,776	9,040	9,311	9,590
Ground Lease Payment	180,000	180,000	180,000	180,000	180,000	189,000	189,000	189,000	189,000	189,000
Total Expenses	\$ 8,108 /unit	755,738	810,767	829,690	849,181	869,256	898,934	920,232	942,169	964,764
Apartment NOI	1,202,559	1,715,212	1,763,062	1,815,954	1,870,433	1,926,546	1,984,342	2,043,872	2,105,188	2,168,344
Retail NOI (incl Ground Lease)	(47,140)	19,041	25,012	31,162	37,497	43,022	48,743	54,665	60,795	67,139
Net Operating Income	1,335,419	1,734,253	1,788,074	1,847,116	1,907,930	1,961,568	2,026,085	2,092,537	2,160,984	2,231,483
Debt Service - Permanent	985,396	1,186,399	1,387,402	1,387,402	1,387,402	1,387,402	1,387,402	1,387,402	1,387,402	1,387,402
Operating Reserves	180,000									
AM Fee	109,488	109,488	109,488	109,488	109,488	109,488	109,488	109,488	109,488	109,488
Cash Flow Before Taxes	420,535	438,365	291,184	350,226	411,040	464,677	529,194	595,647	664,093	734,593
Gross Cash Flow	530,023	547,854	400,672	459,714	520,528	574,166	638,683	705,135	773,582	844,081
Gross Cash on Cash	8.47%	8.76%	7.72%	8.86%	10.03%	11.06%	12.30%	13.58%	14.90%	16.26%
Equity	6,256,482	6,256,482	5,190,862	5,190,862	5,190,862	5,190,862	5,190,862	5,190,862	5,190,862	5,190,862
10-Yr Project Average Cash on Cash	11.19%									

PROFORMA (10-YEAR OFFICE)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Income Summary										
Annual Rent Revenue	\$ 4,009,964	\$ 4,130,263	\$ 4,254,171	\$ 4,381,796	\$ 4,513,250	\$ 4,648,647	\$ 4,788,107	\$ 4,931,750	\$ 5,079,702	\$ 5,232,093
NNN Reimbursement	\$ 941,114	\$ 941,114	\$ 969,347	\$ 998,428	\$ 1,028,381	\$ 1,059,232	\$ 1,091,009	\$ 1,123,739	\$ 1,157,452	\$ 1,192,175
Parking Reimbursement	\$ 491,016	\$ 491,016	\$ 505,746	\$ 520,919	\$ 536,546	\$ 552,643	\$ 569,222	\$ 586,299	\$ 603,888	\$ 622,004
Free Rent	\$ (1,002,491)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vacancy	\$ (1,455,760)	\$ (389,368)	\$ (401,049)	\$ (413,080)	\$ (425,472)	\$ (438,237)	\$ (451,384)	\$ (464,925)	\$ (478,873)	\$ (493,239)
Effective Gross Income	\$ 2,983,843	\$ 5,173,025	\$ 5,328,216	\$ 5,488,063	\$ 5,652,705	\$ 5,822,286	\$ 5,996,954	\$ 6,176,863	\$ 6,362,169	\$ 6,553,034
Expense Summary										
NNN Charges (Excluding Parking)	\$ 941,114	\$ 969,347	\$ 998,428	\$ 1,028,381	\$ 1,059,232	\$ 1,091,009	\$ 1,123,739	\$ 1,157,452	\$ 1,192,175	\$ 1,227,940
Parking Expense	\$ 491,016	\$ 505,746	\$ 520,919	\$ 536,546	\$ 552,643	\$ 569,222	\$ 586,299	\$ 603,888	\$ 622,004	\$ 640,665
Reserves	\$ 60,149	\$ 61,954	\$ 63,813	\$ 65,727	\$ 67,699	\$ 69,730	\$ 71,822	\$ 73,976	\$ 76,196	\$ 78,481
Ground Lease Payment	\$ 270,000	\$ 270,000	\$ 270,000	\$ 270,000	\$ 270,000	\$ 283,500	\$ 283,500	\$ 283,500	\$ 283,500	\$ 283,500
Total Expenses	\$ 1,762,279	\$ 1,807,048	\$ 1,853,159	\$ 1,900,654	\$ 1,949,574	\$ 2,013,461	\$ 2,065,360	\$ 2,118,816	\$ 2,173,875	\$ 2,230,586
Net Operating Income	\$ 1,221,563	\$ 3,365,978	\$ 3,475,057	\$ 3,587,409	\$ 3,703,131	\$ 3,808,825	\$ 3,931,595	\$ 4,058,047	\$ 4,188,294	\$ 4,322,448
Less: Debt Service	\$ 1,823,317	\$ 1,823,317	\$ 2,542,896	\$ 2,542,896	\$ 2,542,896	\$ 2,542,896	\$ 2,542,896	\$ 2,542,896	\$ 2,542,896	\$ 2,542,896
Less: Asset Management	1.25% \$ 234,460	\$ 234,460	\$ 234,460	\$ 234,460	\$ 234,460	\$ 234,460	\$ 234,460	\$ 234,460	\$ 234,460	\$ 234,460
Operating Reserve	\$ 360,000									
Cash Flow Before Taxes	\$ (476,214)	\$ 1,308,201	\$ 697,701	\$ 810,053	\$ 925,775	\$ 1,031,469	\$ 1,154,239	\$ 1,280,691	\$ 1,410,938	\$ 1,545,092

PROFORMA (RETURNS APARTMENTS)

100 Units - 465 S Main - SLC

Physical Description:

Building Area (Gross S	91,520
Units	100
Land Area (Acres)	0.63
Total Project Stabiliz	31,651,623
Total Project Cost	25,025,927

Investor Returns*:

Equity (Construction Loan)	\$ 6,256,482
Equity (Long Term)	\$ 5,190,862
Net Operating Income	\$ 1,788,074
Annual Cash Flow	\$ 291,184

Apartments

Building Area	91,520
Cost:	\$23,254,503
Stabilized Value:	\$28,901,830
Cost/Unit:	\$ 232,545
Stabilized Value/Unit:	\$ 289,018
Capitalization rate:	5.75%

Gross Average Cash on Cash	11.19%
Gross Stabalized YR 3 Cash on Ca	7.72%
Net to LP Average Cash on Cash	10.88%
Net to LP Stabalized YR 3 Cash o	5.61%
Project IRR (10 Year)	16.62%
Net to LP IRR (10 Year)	15.06%
ROI (NOI/Cost)	7.14%
Equity Multiple (10 Year)	3.87x

Retail

Building Area	7,000
Cost:	\$ 1,771,424
Stabilized Value:	\$ 2,749,793
Profit/Loss:	\$ 978,369
Capitalization rate:	7.25%

Loan Assumptions (Permanent)

Interest Rate	5.25%
Term (Years)	30
Loan Amount	\$ 20,937,353
Payment (Annual)	\$ 1,387,402

PROFORMA (RETURNS OFFICE)

Office			
Office			Equity Requirements
Square Feet		210,000	
Cost	\$	59,741,014	Equity (Construction) \$ 17,922,304
Cost Per Sqft	\$	284	Equity (Long Term) \$ 13,168,599
Stabilized Value	\$	70,021,465	
Value Per Sqft	\$	333	Office Returns:
Profit / (Loss)	\$	10,280,451	
Capitalization rate		6.50%	NOI
			Year 1 \$ 1,766,816
			Year 2 \$ 4,551,395
			Year 3 \$ 4,696,037
Loan Assumptions (Construction)			Cash Flow
Interest Rate		5.00%	Year 1 \$ (188,148)
Term		3.00	Year 2 \$ 2,236,431
Loan Amount	\$	41,818,710	Year 3 \$ 860,067
Payment (Annual)	\$	2,090,936	
Loan Assumptions (Permanent)			LP Cash on Cash
Interest Rate		5.50%	Year 1 -1.05%
Term		25.00	Year 2 23.37%
Loan Amount	\$	49,015,026	Year 3 6.53%
Payment (Annual)	\$	3,611,942	
			ROI
			Year 1 2.96%
			Year 2 7.62%
			Year 3 7.86%
			10 Yr IRR (Project Le 16.79%
			10 Yr MOIC (Project I 3.59

PLAN OF FINANCE/FINANCIAL PARTICIPANTS

Both PEG and Hines are well capitalized to take on a project of this scale. The equity will be provided by a combination of PEG and Hines investment funds already in place. The site is located within an opportunity zone.

PEG intends to explore options for utilizing equity from its Opportunity Zone fund, and is open to additional discussions on a structure which may be feasible to maximize tax benefits for both parties. Below are a list of references that are familiar with PEG Companies' projects, people, and business practices. Our success is due to partnering with the right people and assembling the best team for each project.

PEG and Hines have great local and national banking relationships and plan to explore all options for the debt of the property.

**ZIONS
BANK**

Kelly Ward
Area President
(801) 344 1901

**WELLS
FARGO**

Nick Muelleck
Sr. Underwriter
(801) 246-1515

NARRATIVE

The mixed-use (retail, office, and residential), high-rise development program summarized below reflects our intent to maximize the highest and best use of the land. As we go through due diligence and negotiations with the County and Salt Lake City, the program may be adjusted to meet the diverse needs of all project stakeholders and the intricacies of the site. This initial program ensures the project is viable and gives us the data we need to confidently move forward.

201,000_{SF}

Office
A mass timber office building offers many benefits, including being as strong as concrete and steel in addition to being built from a natural, low-carbon, and renewable source. Mass timber building have also proven to be economically viable as they lend themselves to demand higher rental rates.

100+

RESIDENTIAL UNITS
The residential units will appeal to a variety of residents and provide a much needed boost to the supply of Salt Lake City. The variety of residential space will provide a strong financial base.

100+

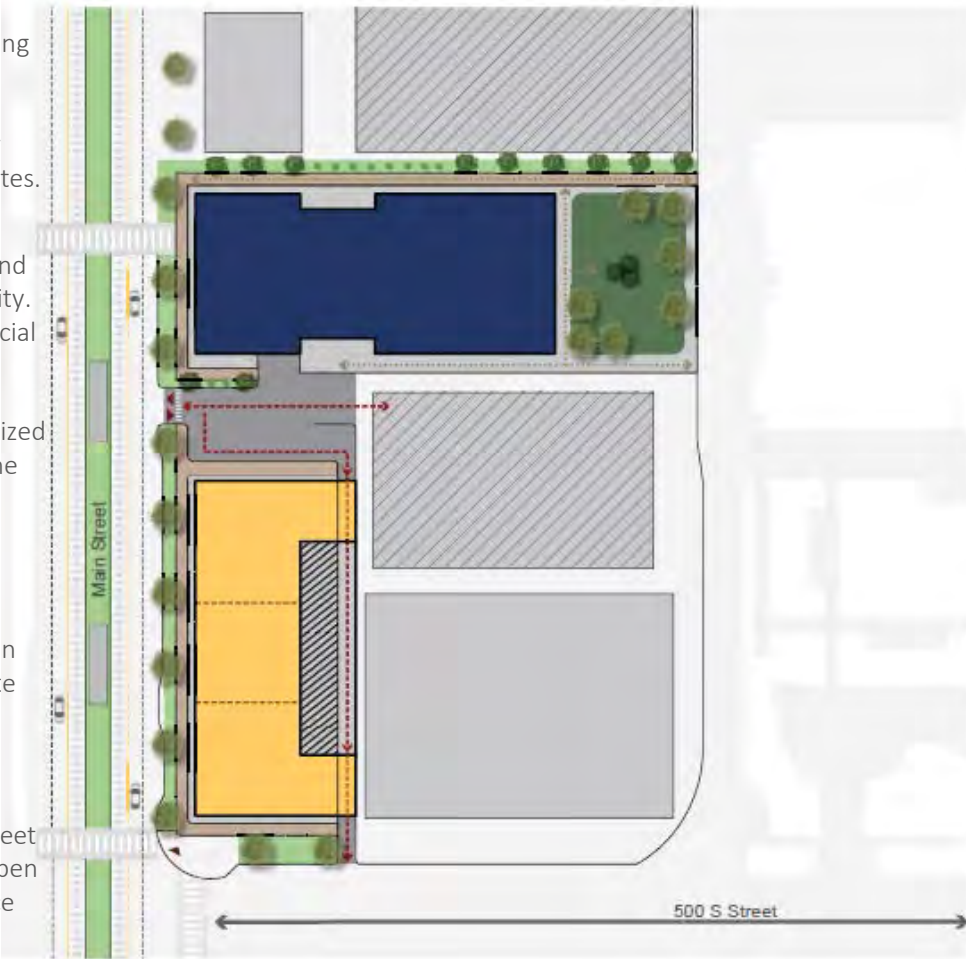
PARKING STALLS
Concealed within the development, 100+ stalls of mechanized and surface parking will provide the required spaces for the development. Additional parking requirements will be supplemented with offsite parking.

35,000_{SF}

RETAIL
Ground-floor retail will provide the energy of a thriving downtown mixed-use development. The entire frontage on Main Street and 500 South will be retail space, and operate 24 hours a day to create and maintain a safe and vibrant community.

8,400_{SF}

OPEN SPACE
In addition to ample streetscape amenities along Main Street and 500 South, the project will also provide a mid-block open space that will be open to the public and users of the office building and residential tower.



DEVELOPMENT SCHEDULE

500 South Main Street Development—Stage 2 RFP Development Schedule

Stage 2 Interviews (if needed)	February 27, 2019
Award Announcement	February 28, 2019
Completion of Due Diligence	April 29, 2019
Submit for Building Permit	January 27, 2020
Receive Building Permit	July 27, 2020
Begin Construction	August 31, 2020
Complete Construction	August 29, 2022

SITE PLANS AND RENDERINGS

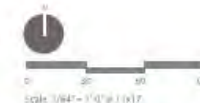


Key:

- Existing Building
- Existing Parking Garage
- Surrounding Roads
- Designed Office Buildings
- Designed Residential Buildings
- Proposed Park (8,000 sq.ft)
- Stacker Parking System
- Car Circulation
- Pedestrian Circulation
- Main Entry

Total Building Area : 152,275 sf
 - Residential = 102,555 sf
 - Retail = 10,450 sf
 - Parking = 39,270 sf

Total Building Area : 171,092 sf
 - Office = 163,672 sf
 - Retail = 7,420 sf



Client
Salt Lake City - UT

Project Name
500 Main SLC - Conceptual Site Plan

www.ibigroup.com

Sheet
SKH 01

Date
02/19/2019

Revisions
Rev_00



Key:

- Existing Building
- Existing Parking Garage
- Surrounding Roads
- Designed Office Buildings (23,950 sq.ft)
- Designed Residential Buildings (16,800 sq.ft)
- Proposed Park (8,400 sq.ft)
- Stacker Parking System
- Car Circulation
- Pedestrian Circulation
- Main Entry

**Residential Building
Level 1
Area - 23,540 sf**



500 S Street

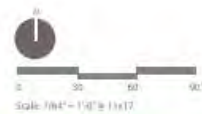


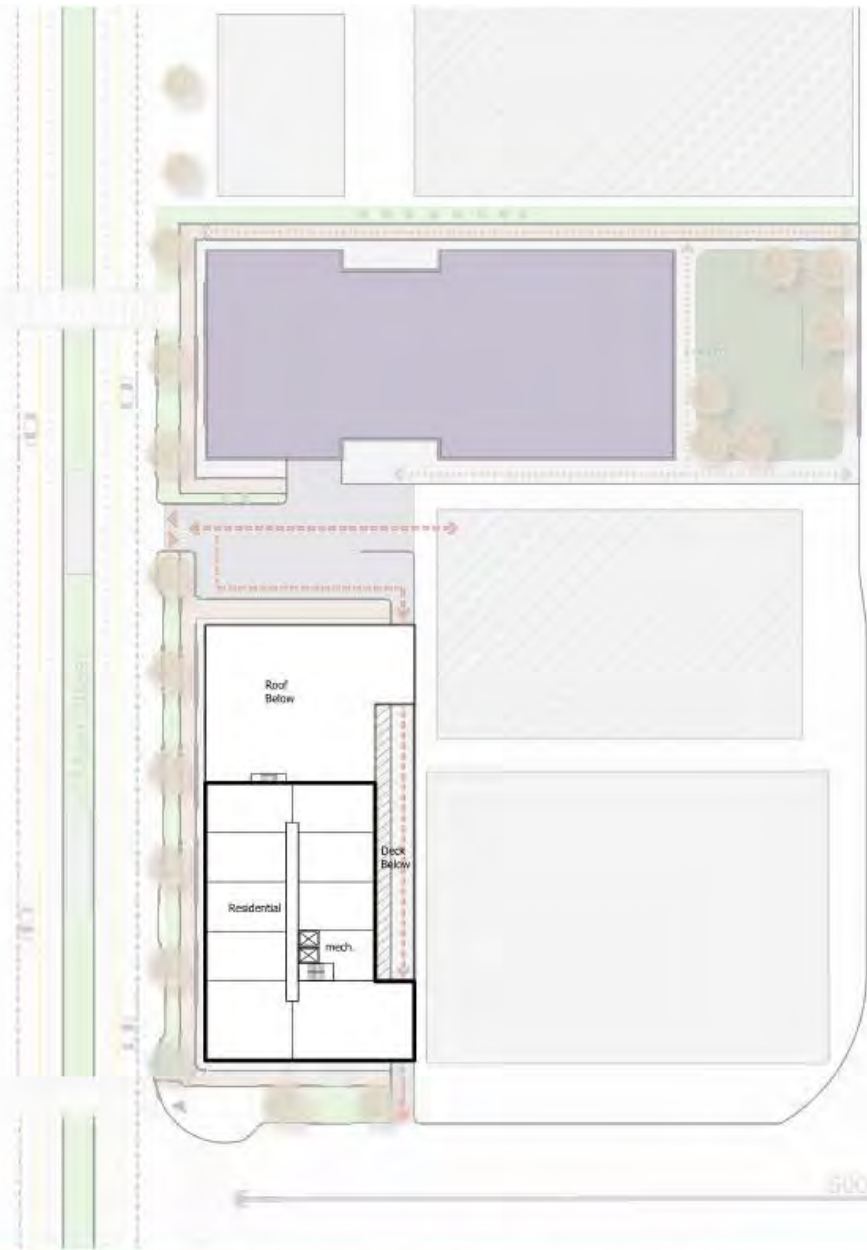
Key:

- Existing Building
- Existing Parking Garage
- Surrounding Roads
- Designed Office Buildings (23,950 sq.ft)
- Designed Residential Buildings (16,800 sq.ft)
- Proposed Park (8,400 sq.ft)
- Stacker Parking System
- Car Circulation
- Pedestrian Circulation
- Main Entry

Residential Building
Level 2-3
Area - 23,540 sf

500 S Street





Key:

- Existing Building
- Existing Parking Garage
- Surrounding Roads
- Designed Office Buildings (23,950 sq.ft)
- Designed Residential Buildings (16,800 sq.ft)
- Proposed Park (8,400 sq.ft)
- Stacker Parking System
- Car Circulation
- Pedestrian Circulation
- Main Entry

**Residential Building
Level 5 - 7
Area - 12,980 sf**



Client
Salt Lake City - UT

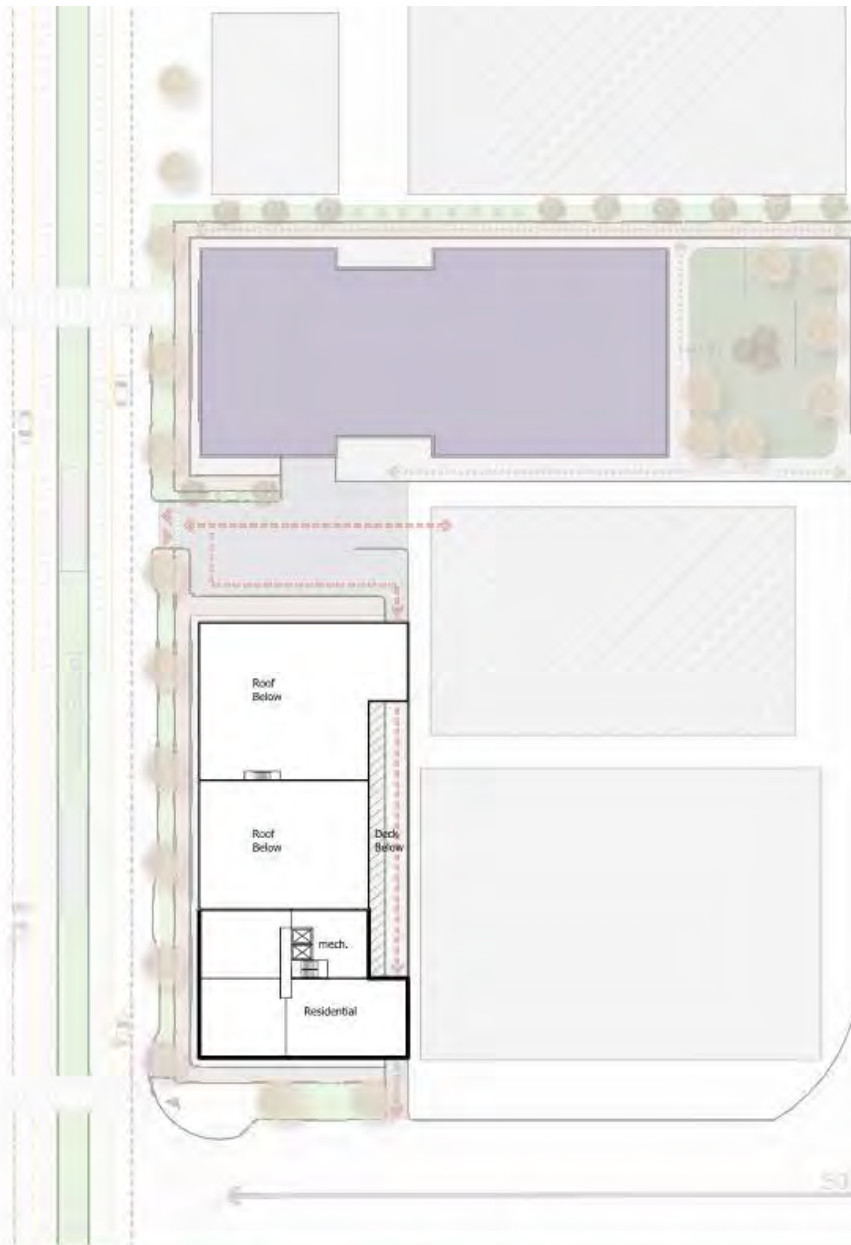
Project Name
500 Main SLC - Conceptual Floor Plan - Residential Level 5-7



SK14
SK14.05

Date:
02/19/2019

Revision:
Rev_00

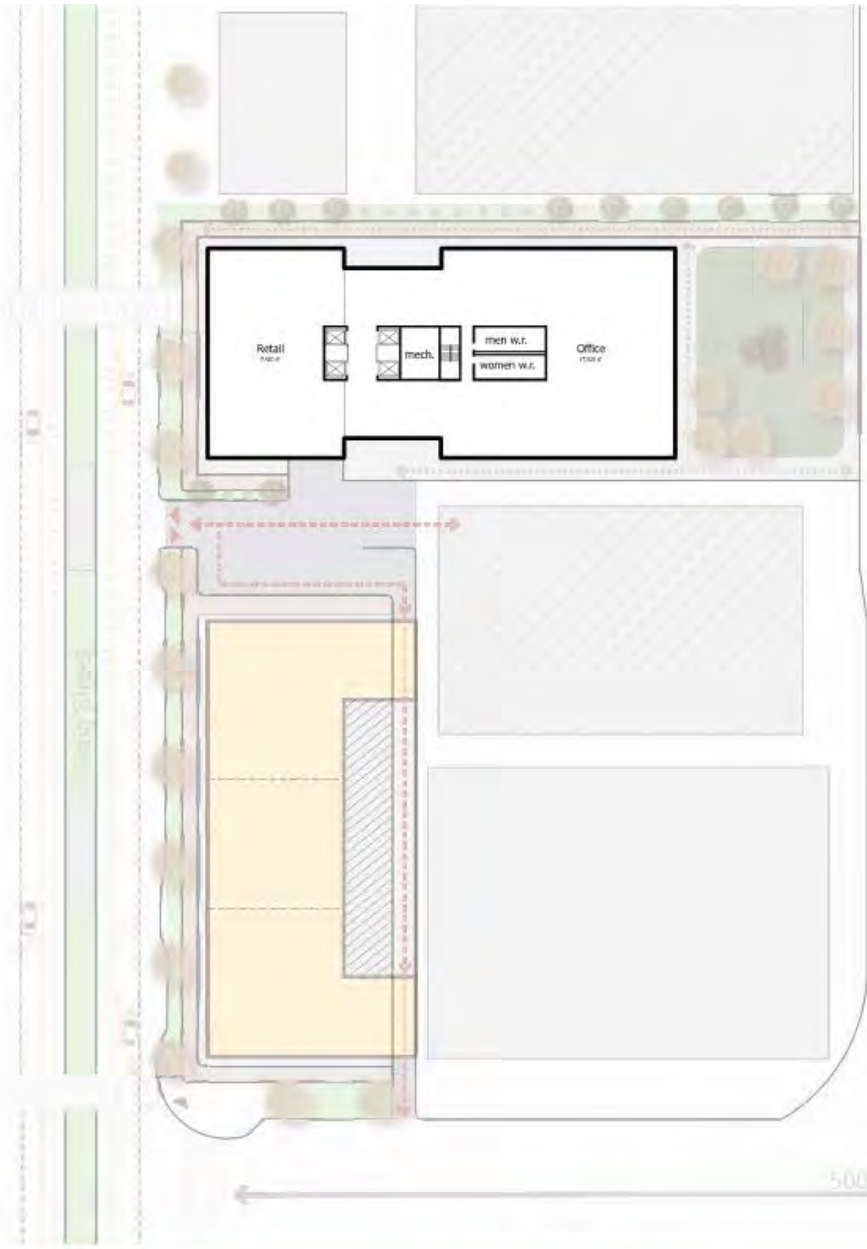


Key:

- Existing Building
- Existing Parking Garage
- Surrounding Roads
- Designed Office Buildings (23,950 sq. ft.)
- Designed Residential Buildings (16,800 sq. ft.)
- Proposed Park (8,400 sq. ft.)
- Stacker Parking System
- Car Circulation
- Pedestrian Circulation
- Main Entry

Residential Building
 Level 8 - 10
 Area - 7,325 sf



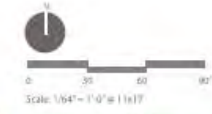


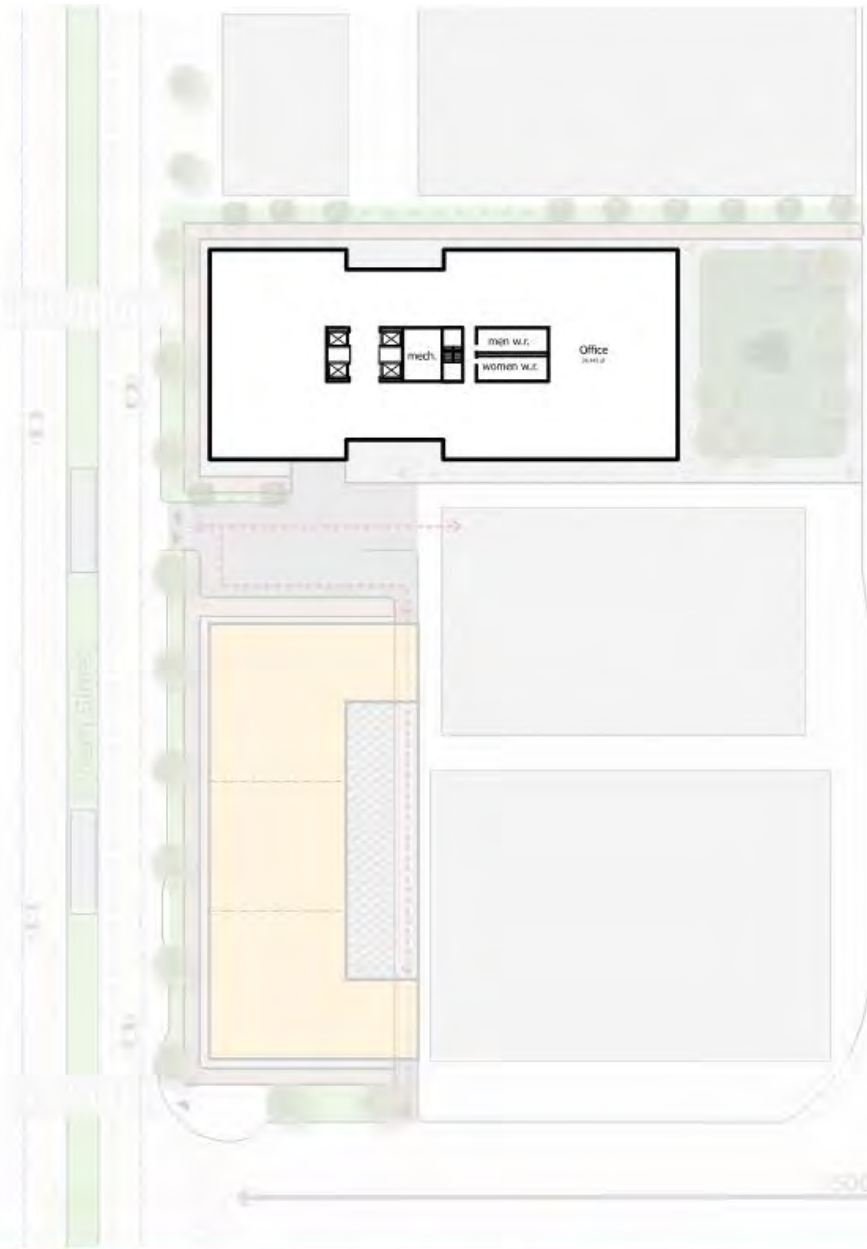
Key:

- Existing Building
- Existing Parking Garage
- Surrounding Roads
- Designed Office Buildings (23,950 sq. ft)
- Designed Residential Buildings (16,800 sq. ft)
- Proposed Park (8,400 sq. ft)
- Stacker Parking System
- Car Circulation
- Pedestrian Circulation
- Main Entry

**Office Building
Level 1
Area - 24,442 sf**

500 S 600 EAST

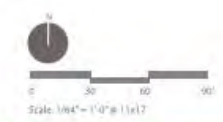




Key:

- Existing Building
- Existing Parking Garage
- Surrounding Roads
- Designated Office Buildings (20,950 sq ft)
- Designated Residential Buildings (16,800-sq ft)
- Proposed Park (8,400 sq ft)
- Stacker Parking System
- Car Circulation
- Pedestrian Circulation
- Main Entry

Office Building
 Level 2 - 7
 Area - 24,442 sf





Retail

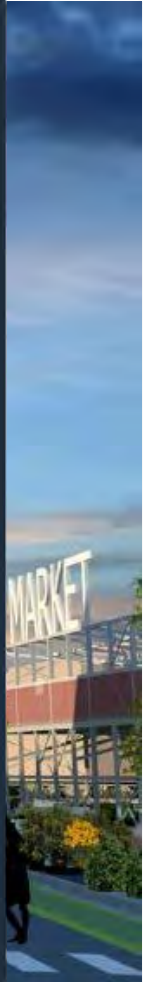
A strong anchor of complementary retail uses will be invaluable to the project and create the vibrant energy that will ultimately attract guests and residents to the development.

The location next to the TRAX station creates a gathering place that is unique in that each day thousands of travelers will be passing by, or switching trains near our front door.

The retail offerings will be evaluated and selected to specifically attract and retain guests, plus offer important services to residents, neighbors or others visiting the area.

Ground floor retail will focus on providing the right mix of options for the development. These might include:

- Small-scale grocery store
- Experiential restaurant space that encourage a social atmosphere
- Small-concept 24-hour pharmacy
- Restaurants with patio seating
- Unique and novel retail outlets
- Other retail outlets to be determined after additional consultation with local brokers and market research







Multifamily

As a County-sponsored project, our team has focused on a comprehensive housing solution that provides three different carefully planned options to the community.

The Multifamily component of the project represents a tremendous opportunity for placemaking and a community of lasting value that could serve as a benchmark for future developments in Salt Lake City. A unique spectrum of three offerings within our residential component is envisioned by our team as an optimal solution for the community.

At PEG, we have used decades of market experience to develop a proven strategy for successful projects that revitalizes neighborhoods. It involves a combination of rigorous research and analysis, creative approaches to challenges, open communication with neighboring projects and inclusiveness, and a steadfast commitment to do the right thing. Our team is thrilled for the opportunity to work with the city in creating value for the city as stake holder and community alike with this project

Mixed Multifamily Concepts

Our proposal could include a minimum of THREE types of multifamily housing.

CLASS A RESIDENCES

There is demand in the market for premium housing options and this location, with its proximity to Downtown and adjacency to TRAX, make it ideal to include some Class A housing options.



MARKET RATE ATTAINABLE

In line with the leading edge design and with a seamless transition, market-rate housing that is attainable to a broader spectrum of city residents will be delivered. The apartments will be premium relative to the general market, but scaled to size and finish that will be able to offer an attainable price point for the broader market. Premium lifestyle amenities will solidify the demand for the project during economic cycles.



SMART SPACE RESIDENCES

Certain levels of the project may include micro units/co-loving floor plans/and single-room occupancy (SRO) units that deliver leading-edge design components consistent with a Class A residential community, with sizes and unique finishes consistent with leading urban trends that allow single renters to enjoy attainable rents. Residents will enjoy the lifestyle amenities along with distinctive offerings created for the *smart-space* users like bike washing stations.





SUSTAINABLE



T3's construction consists of using young trees versus old growth trees to sustain forestry



T3 will store 3,646 metric tons of carbon dioxide

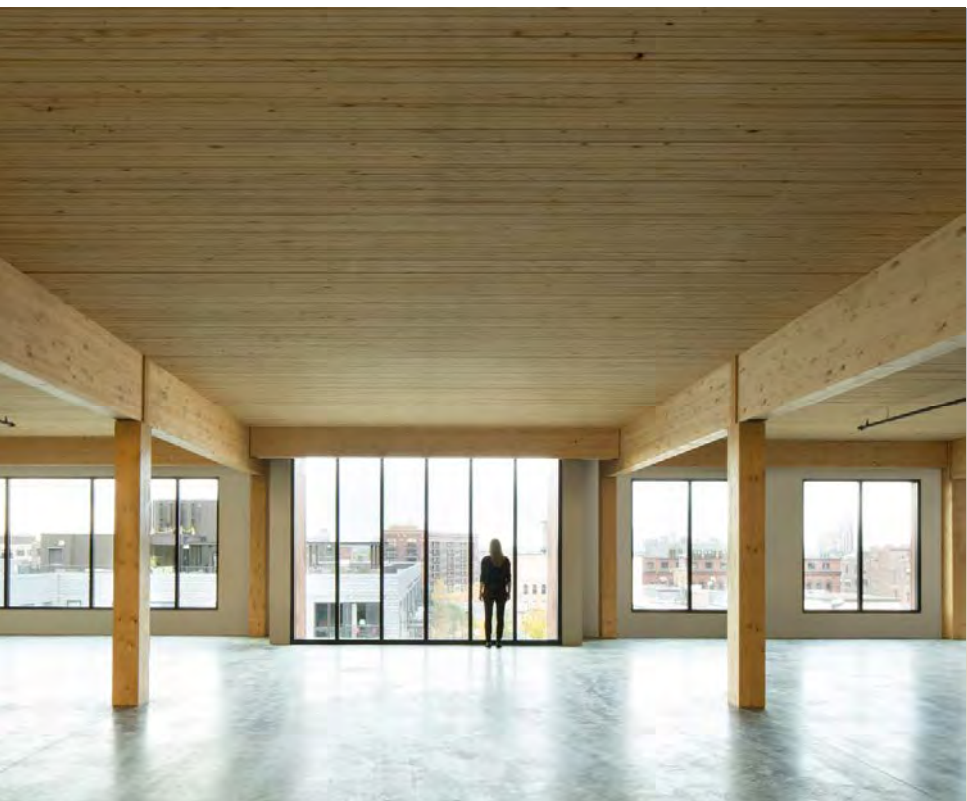


T3 will take the equivalent of 996 cars off the road due to its wood construction

CO₂

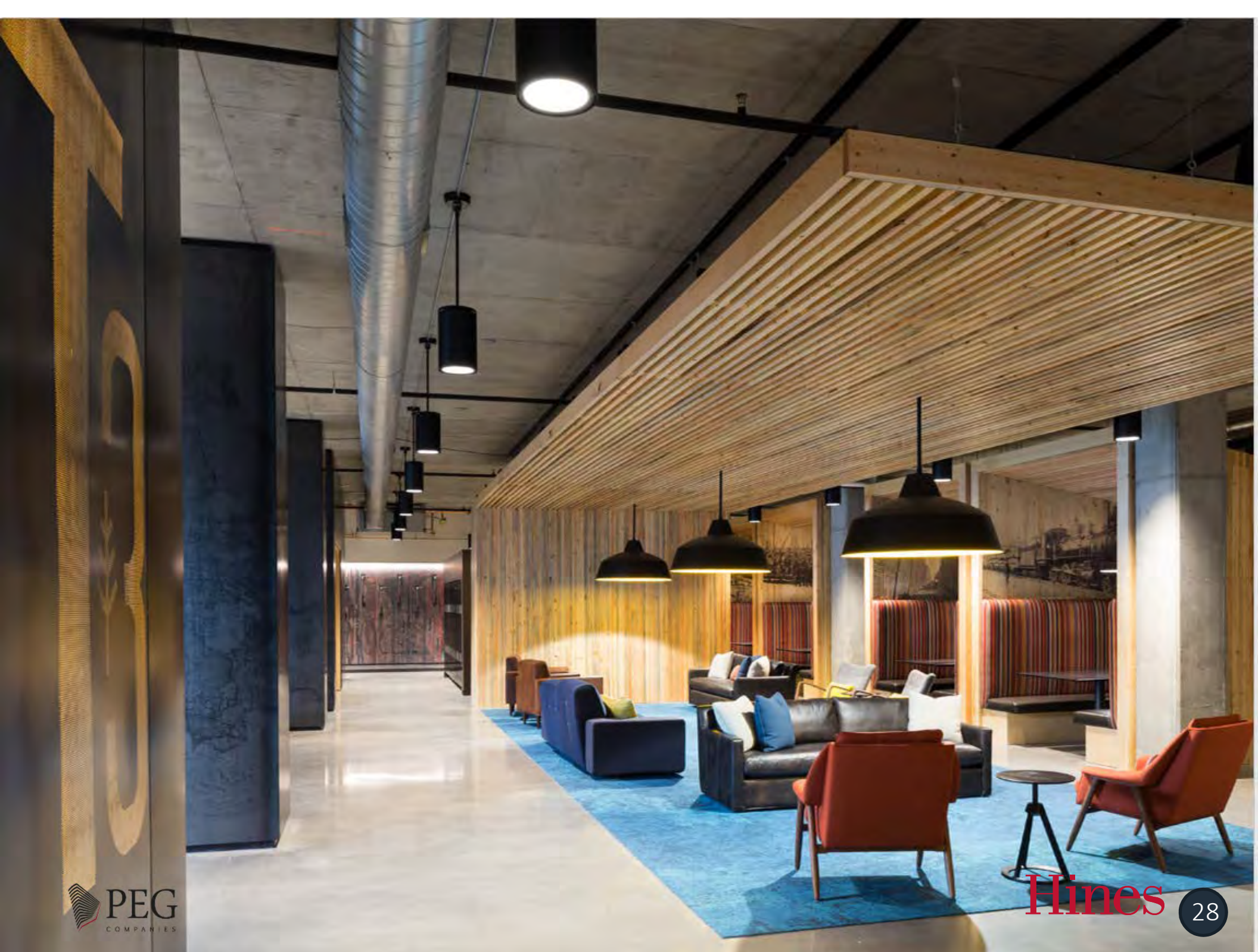
Buy using wood, T3 avoids 1,411 metric tons of carbon dioxide emissions

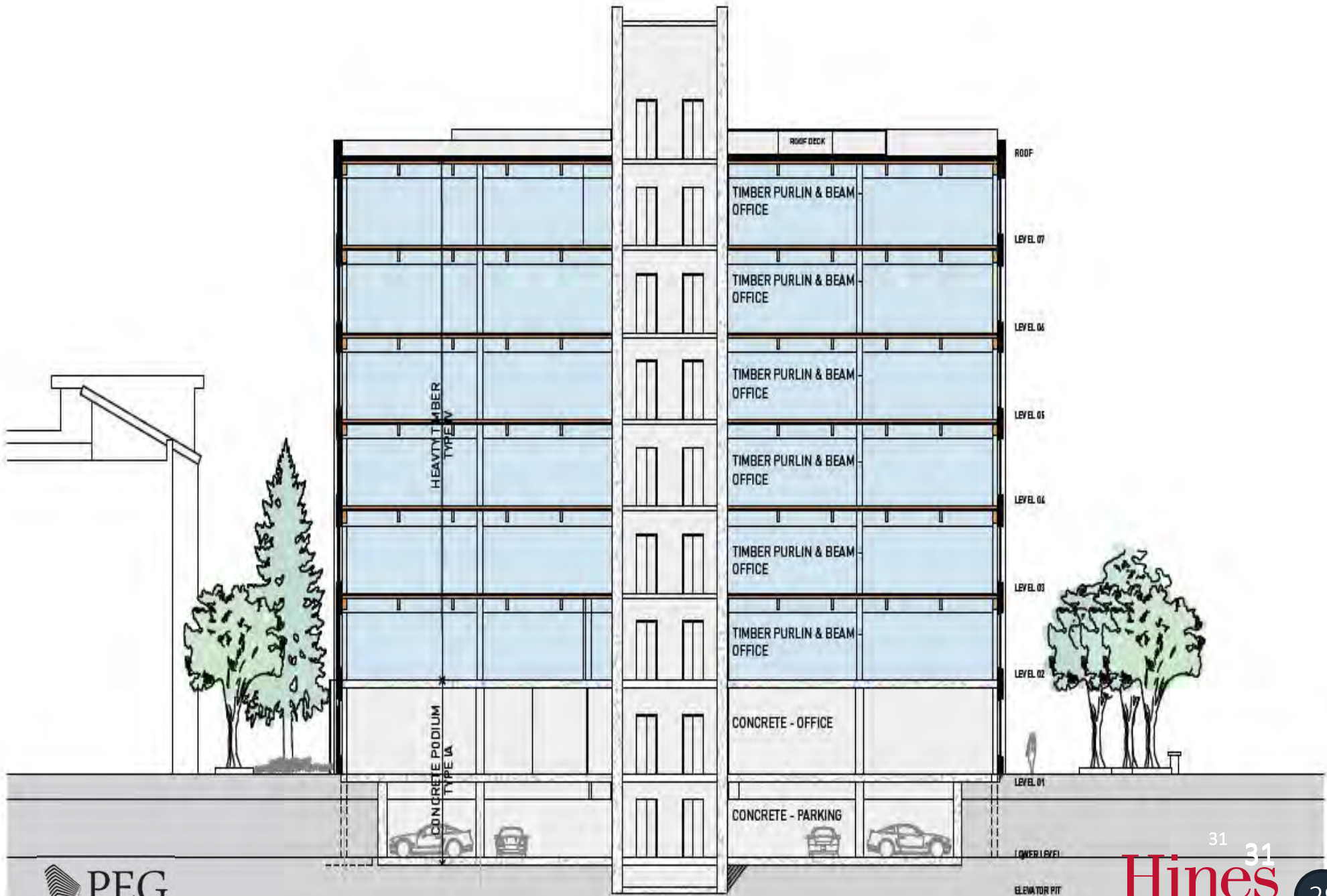




T3
Hines

29
Hines 27





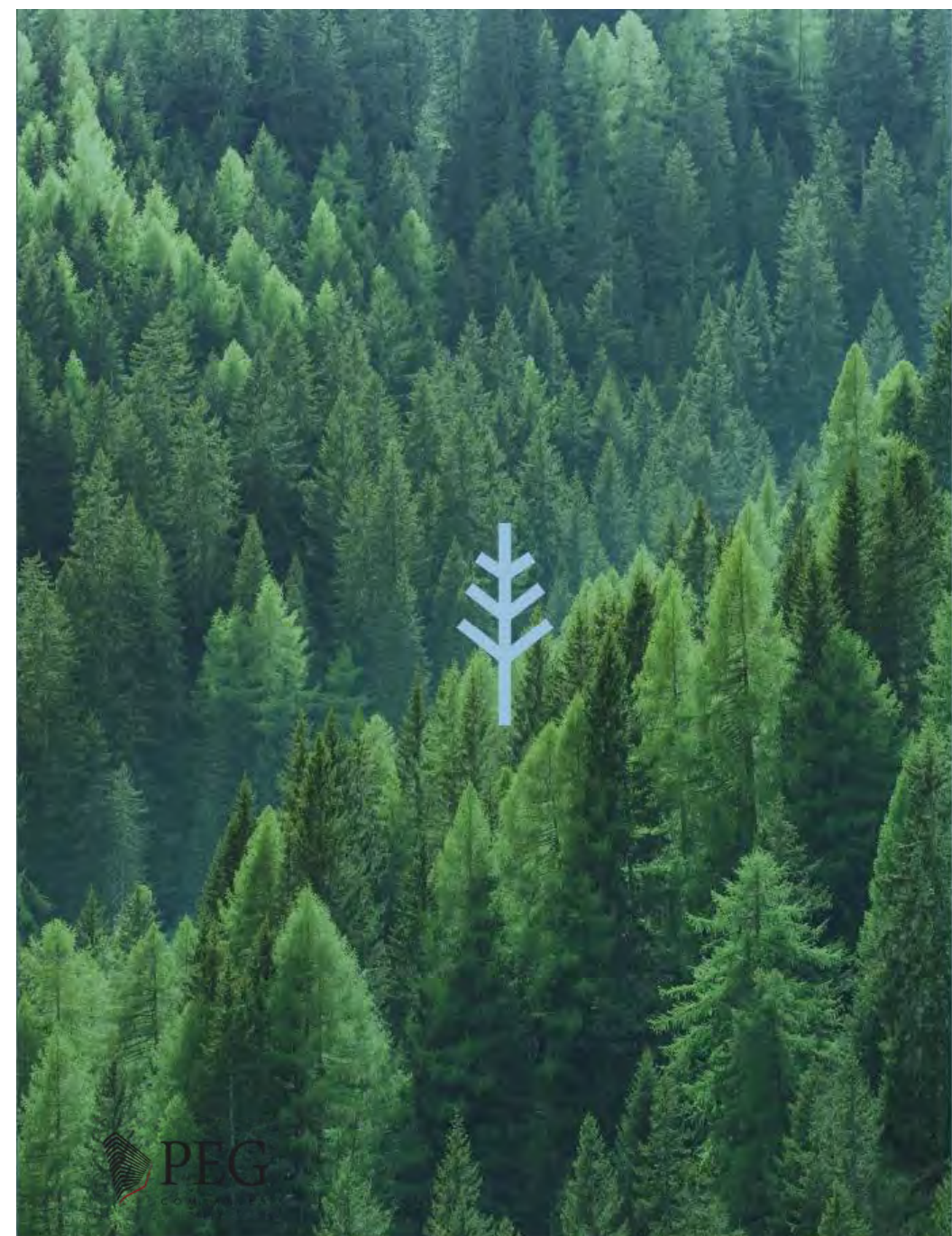
T3

SUSTAINABILITY AND SAFETY

- T3's timber is composed of young trees instead of old growth, preserving our forest-land for future generations
- T3's wooden structure will store an estimated 3,646 metric tons of carbon dioxide
- T3's energy savings and carbon dioxide sequestration are equivalent to taking 996 cars off of the road
- By using wood instead of steel or concrete, T3 avoids 1,411 metric tons of carbon dioxide emissions
- With a sacrificial "char" layer that insulates the inner core of the heavy timber, T3's structure maintains its structural integrity while exposed to fire



Hines



SUSTAINABILITY AT HINES

At Hines, sustainability is at the core of every project we build. We believe that future innovation is linked to the health of our environment which is why we are dedicated to building LEED®-certified projects. With a structural system made from rapidly-renewable timber, T3 represents a new step forward in Hines' efforts to create a more sustainable built environment in Atlanta and around the world.

Leadership in LEED®

Certifications	Projects	Square Feet
Platinum	22	16.5 million
Gold	45	28.5 million
Silver registered	22	3.9 million
Certified	3	0.87 million
Pre-Certified	9	8.3 million
Total	101	68.1 million



Leadership in ENERGY STAR®

Certifications	Buildings	Square Feet
ENERGY STAR	157	70.4 million
Designed to earn ENERGY STAR	6	3.5 million
Total	163	73.9 million





PARKING:

As with all urban developments, figuring out where to park the increased density will be a challenge. Building all of the required parking would be cost prohibitive and certainly jeopardize the project. The unique location of the site allows for creative solutions for parking. To best manage the parking requirements, our team will plan on combining different strategies to manage the requirements of city parking code, the market demand of residents and guests, and the construction costs of providing so much parking. These strategies will include:

1. Renting spaces from neighboring parking garages.
2. Building mechanized parking to reduce costs.
3. Incentivizing apartment residents who do not require permanent parking.

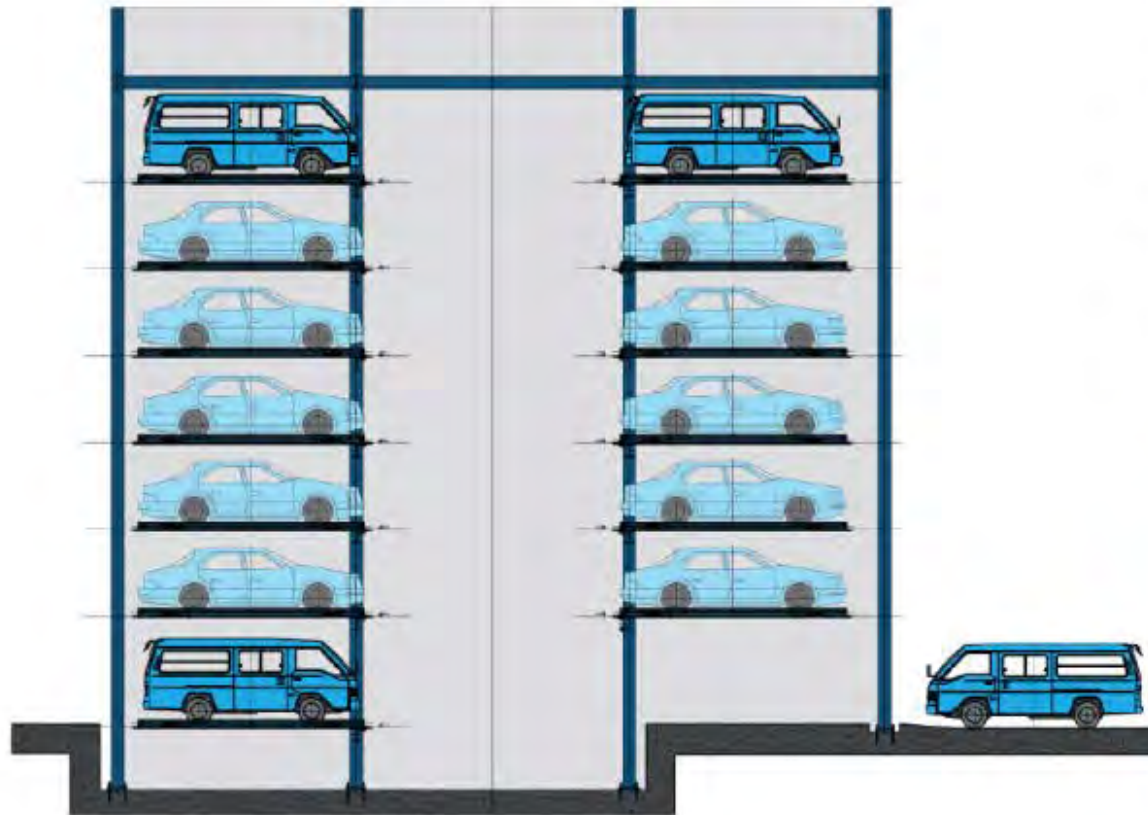


CityLift parking designs, installs, and services automated parking systems that reduce the footprint needed for parking and can typically be done at a lower cost per space than conventional parking. CityLift has installed over 60,000 spaces in 13 countries. Most recently at our Paperbox Apartments project on 200 South in Downtown Salt Lake.

Average Retrieval Time: 45 Seconds

Levels: 2

Spaces Installed: 5,000+



1. Driver pulls into a bay and exits vehicle.
2. Driver keep keys and receives a retrieval ticket or uses issued fob.
3. Bay door closes after motion detector senses bay is empty of people, animals, etc.
4. Platform is lifted and car is stored.
5. Driver returns to retrieve vehicle and hands attendant their ticket or swipes issued fob.
6. Car is retrieved and rotated to face outwards.
7. Once car is in bay and the lift is no longer in motion, bay door opens.
8. Driver enters vehicle and drives out.





Paperbox Apartments 150 South 300 West, SLC





November 14th, 2018

Mr. Trevor Ellis
PEG Development
180 North University Avenue Suite 200
Provo, UT 84601

Letter of Interest
Salt Lake City, UT

Mr. Ellis,

Wasatch Commercial Management manages the Washington Federal Building located at 405 South Main Street, Salt Lake City, UT. The 136,708 SF building has ample parking for tenants and spaces available for rent.

We have been contacted by PEG Development and are interested in working together to lease parking stalls from the adjacent parking garage either on a short term, per stall, or flexible long-term lease. Although many details are yet to be finalized, we are interested in continuing the discussion and coming to an agreement.

We have collaborated with PEG Development on other projects and would be honored to do so again. One of the most recent projects we worked on together is the Milagro Apartments in downtown Salt Lake City which Wasatch Construction Builders built. Wasatch Construction Builders is also currently working together with PEG Development on a Student Housing Project in St George in which Wasatch Construction Builder is serving as the General Contractor.

We look forward to learning more about the project and your vision.

Sincerely,

A handwritten signature in blue ink, appearing to read "Nate Leishman", is written over a light blue horizontal line.

Nate Leishman, MBA, MRED, CCIM

Vice President, Principal Broker – Wasatch Commercial Management

PARKING:

A letter of interest from a neighboring property, offering the required spaces for rent for multiple uses.

Conceptual Construction Group

- **CCG team is involved in every Hines project**
- **They coordinate all aspects of design and construction**
- **The unparalleled experience for each team member includes:**
 - 27 years in the real estate industry
 - 60 million SF of career experience
 - 15 years with Hines
- **Best practices from around the world are implemented locally**



Opportunity Zones

The Tax Cuts and Jobs Act (TCJA) passed in December 2017 created a new tax-advantaged Opportunity Zone program to encourage redevelopment and investment in certain census tracts that were nominated by governors and certified by the Treasury Department.

Opportunity Zones offer three compelling tax incentives for investors:



Temporary Deferral

A temporary deferral of capital gains reinvested into a Qualified Opportunity Zone fund, recognized at sale or exchange of an investment or by December 31, 2026.



Step-Up in Basis

A step-up in cost basis for capital gains reinvested in a Qualified Opportunity Zone fund by 10% and 15%, at the 5 years and 7 year terms respectively.



Permanent Exclusion

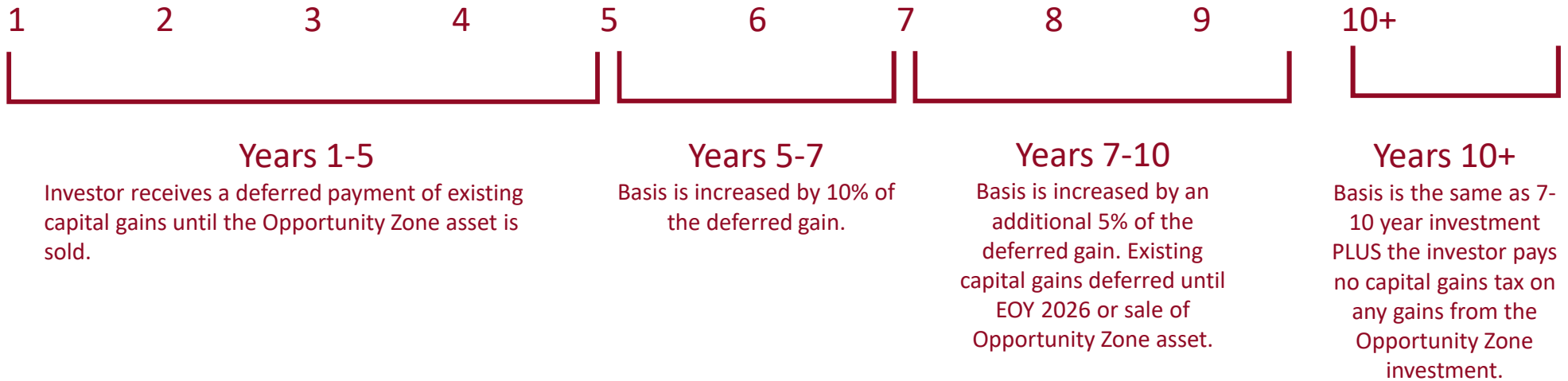
A permanent exclusion from taxable income of capital gains from the sale or exchange of an investment in a Qualified Opportunity Zone fund if the investment is held for at least 10 years.

Tax Benefit Highlights

Opportunity Zone Benefits at Different Time Frames

PROJECTED TIMELINE

Years of Investment of OZone Asset





03 | RELEVANT EXPERIENCE AND REFERENCES

Each of the following three projects demonstrate how PEG Development was able to successfully overcome complicated land-use issues to complete a successful development. These projects, all in downtown Salt Lake, show how creative thinking and choosing the right partner can improve on a project's chance of success.

Our goal is to not only develop projects which create economic return, but to focus on projects that improve the communities where we choose to live and work. We will consult closely with the Salt Lake City, Salt Lake County, neighbors, residents and other stakeholders to develop a project that will add value to everyone involved.



MILAGRO APARTMENTS & AC HOTEL

SALT LAKE MIXED-USE HOTEL/APARTMENT

Finished in mid-2018, the AC Hotel stands alongside the 183-unit upscale Milagro Apartments on 2nd South and 2nd West in downtown Salt Lake City.

A complicated land assemblage was required to secure 11 parcels of land from three different sellers. To provide enough parking for the different uses, reciprocal access agreements were negotiated with neighbors which allowed the development to operate with fewer parking spaces than current code required. This allowed the project to provide more amenities, reduce development costs, and improve overall performance.

The AC Hotel has exceeded all expectations in early performance figures and Milagro, which is setting a new standard for amenitized living Downtown, is currently being leased.

PROJECT HIGHLIGHTS

- 175 hotel rooms
- 183 high-end apartment units
- 150 parking stalls



PAPERBOX APARTMENTS

SLC AFFORDABLE HOUSING

Currently under development, the Paperbox Apartments project will be built on land previously owned by the RDA of Salt Lake City. In exchange for the land, PEG committed to develop and manage 20% of the units at 60% of the Area Median Income for 30 years.

The project will feature 195 apartments; 11 live/work spaces; and a 108-stall above grade car stacker system as part of the parking solution for this tight, urban redevelopment.

The city and PEG development worked together to soften the impact of the urban surroundings by including a large art installation; a shared-use, mid-block street that connects 200 South and 300/400 West; and a privately-owned and publicly-accessible mid-block park.

PROJECT HIGHLIGHTS

- 39 affordable apartments.
- Large-scale mechanized parking solution reduces land required for parking.
- Ground-floor retail to activate pedestrian corridor, and energize neighborhood.

05 | SOCIAL IMPACT

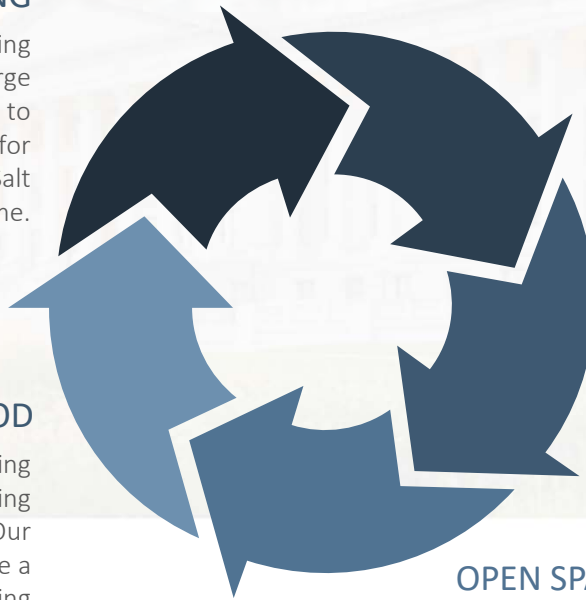
PEG Development chooses to focus on urban infill projects in large part because of the opportunity to positively affect the social infrastructure of the city. Salt Lake City, like all metropolitan areas, is faced with many pressing social challenges. Our proposed project will be designed to address at least five of these, which are summarized below and further detailed on the following slide.

ATTAINABLE HOUSING

The project will seek to offer housing options to a variety of people. A large component will be attainable housing to provide affordable and safe housing for those who want to make downtown Salt Lake their home.

HEALTHY FOOD

The downtown core has a longstanding problem of healthy, affordable food being accessible to those unable to travel. Our team will make it a high priority to secure a small-scale grocer, therefore bringing affordable, fresh food to everyone living and traveling through the downtown core.



CLEANER AIR

Reducing the traffic in Salt Lake City has the potential to drastically improve air quality, and reduce harmful emissions in the Valley. Our transit-oriented project will focus on this through design and operations.

ENERGY EFFICIENCY

Improved design, construction practices, and material innovations will ensure that the project is built with energy efficiency as a guiding factor. This may come at a slightly higher initial cost, but will yield long-term benefits to all stakeholders.

OPEN SPACE

To appeal to residents, neighbors, and the thousands of daily TRAX users, our design will feature open space that will attract and appeal to everyone as well as encourage pedestrian activity through the core of downtown.

SOCIAL IMPACT

Any development in an urban core has a rare opportunity and an obligation to strengthen the social fabric of the community. The development at 500 S. Main will impact Downtown by providing social amenities for new residents as well as the thousands of users that pass by the site each day.

HEALTHY FOOD

Many urban residents in the United States have limited or no access to affordable and healthy food such as fresh fruits, vegetables. To ensure that a “food desert” doesn’t become the reality of future residents of southern Downtown, we are actively recruiting grocery providers such as Whole Foods and Aldi to the project’s commercial space.

OPEN SPACE

This project is an exciting opportunity to add to the City’s inventory of interstitial spaces by building out a mid-block walkway that will connect Main Street to 400 and 500 South via an existing mid-block walkway on the Matheson Courthouse property. Regardless of the final design, the mid-block walkway will be privately owned and maintained yet publicly accessible, thereby providing another opportunity to connect people with place Downtown.

ATTAINABLE HOUSING

A housing shortage is creating the demand where suitable housing is out of reach for many residents in SL County. Our development will commit most of the developable land to providing truly attainable housing within a thriving community.

CLEANER AIR

The project will take advantage of the City’s favorable parking requirements and not build or lease from adjacent properties more parking than is absolutely necessary. Doing so will encourage our densely-housed residents and hotel guests to use.

ENERGY EFFICIENCY

To help futureproof the entire project for long-term energy and financial sustainability, we will pursue solar power options for the electrical systems as well as geothermal options for the heating and cooling systems. We will also use durable exterior materials, efficient exterior insulation systems, and energy efficient glass that will minimize the project’s energy consumption.

CONCLUSION

WHY PEG?

- No other firm has demonstrated more ability to execute on complicated mixed-use projects in downtown Salt Lake City in the last 5 years than PEG Development.
- PEG brings the strength of a much larger national firm to the local level. Our relationships and past accomplishments within the City will give us an advantage over any other group that may attempt to navigate the complicated challenges of this project.
- PEG's team has experience solving complicated public financing challenges and will bring that experience to the project by working with the County to develop the best solution for all project stakeholders.
- PEG has proven itself as a creative and committed partner to many municipalities on the Wasatch Front. We are local to Utah and are deeply invested in the long-term growth of Salt Lake County and the surrounding areas.



500 S. MAIN STREET:

This project site represents a rare opportunity to master plan and develop a prime infill site in Salt Lake City. It's potential is only limited by the developers willingness to be creative with its use and commit to a long-term outlook and sustainable development for the city.

PEG has proven our commitment to the strength and vibrancy of Salt Lake City. The County's obligation to the responsible development and use of the site will be of primary importance as we develop the partnership with the County and City to develop the property.

The citizens of Salt Lake City and the larger County will be watching as this site is managed in the coming years. A considerate and financially responsible development will make sure the County achieves its goal of generating maximum financial return and retaining the asset for the long-term benefit of the residents of Salt Lake County.



EXHIBIT "D"
PERMITTED EXCEPTIONS

[TO BE ATTACHED]

EXHIBIT “E”

MEMORANDUM OF GROUND LEASE

RECORDING
AND WHEN RECORDED MAIL TO:

REQUESTED

BY

MEMORANDUM OF GROUND LEASE

THIS MEMORANDUM OF GROUND LEASE (this “**Memorandum**”), is made as of _____, 2022, by and between SALT LAKE COUNTY (“**Landlord**”), and [_____] (“**Tenant**”).

1. Landlord and Tenant have entered into that certain Ground Lease dated as of _____, 2022 (the “**Lease**”), pursuant to which Landlord has leased to Tenant, and Tenant has leased from Landlord, that certain parcel of land located in Salt Lake City, Utah, as described on Exhibit “A” attached hereto, together with all rights, privileges, easements and appurtenances belonging to or in any way appertaining thereto, including, without limitation, any and all surface easements, rights, titles and privileges of Landlord now or hereafter existing in and to adjacent streets, sidewalks and alleys, and all improvements existing on the Land as of the date of the Lease, subject to the terms and covenants set forth in the Lease.

2. The term of the Lease (the “**Term**”) shall commence on the date of the Lease and shall expire on the date that is ninety-nine (99) years following the Effective Date or the earlier termination of the Lease.

3. The purpose of this Memorandum is to give notice of the existence of the Lease. To the extent that any provision of this Memorandum conflicts with any provision of the Lease, the Lease shall control. Any capitalized term used, but not defined, in this Memorandum, shall have the same meaning as is given to such capitalized term in the Lease.

4. This Memorandum may be executed in counterparts, each of which shall be an original, but all of which, together shall constitute one and the same instrument.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Memorandum of Ground Lease as of the Effective Date set forth hereinabove.

“LANDLORD”

“TENANT”

SALT LAKE COUNTY

PEG SLC 465 MAIN, LLC

By: Exhibit Only, Do Not Sign
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of _____)
County of _____)

On _____, before me, _____,
(insert name of notary)

Notary Public, personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of _____ that
the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(Seal)

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of _____)
County of _____)

On _____, before me, _____,
(insert name of notary)

Notary Public, personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of _____ that
the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(Seal)

Exhibit A to Exhibit B
LEGAL DESCRIPTION OF LAND

GROUND LEASE

By and Between

SALT LAKE COUNTY,
as

“Landlord”

And

[_____],

as

“Tenant”

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EXHIBITS

Exhibit “A” - Legal Description of Land

Exhibit “B” - Memorandum of Ground Lease

Exhibit “C” - Permitted Exceptions