

RESOLUTION NO. _____

ADOPTED: _____, 2019

A RESOLUTION OF THE SALT LAKE COUNTY COUNCIL APPROVING
THE LEASE AGREEMENT BETWEEN SALT LAKE COUNTY AND
FULLMER LEGACY FOUNDATION

RECITALS

- A. The Salt Lake County owns certain real property in South Jordan, Utah near Redwood Road that is currently undeveloped (the “Redwood Road Property”).
- B. Fullmer Legacy Foundation (“Fullmer”), a Utah non-profit corporation, has been leasing space from the County at the Equestrian Park for boxing and other activities that it provides for the benefit of the community.
- C. Fullmer would like to lease the Redwood Road Property from the County so that it can construct, operate and maintain a new building during the term of the lease.
- D. The lease will be for fifty years, with a possible ten year extension, and at the end of the lease, the building will become owned by the County. During the term of the lease, the County may hold up to twelve county events per year in the building free of charge.
- E. Pursuant to Section 17-50-303(3)(a) of the Utah Code, it has been determined that CHC contributes to the safety, health, comfort and convenience of county residents.
- F. The County wishes to lease the Redwood Road Property to Fullmer pursuant to the terms of the Lease Agreement, attached hereto as Exhibit A.
- G. It has been determined that the best interests of Salt Lake County will be served by leasing the Redwood Road Property to Fullmer as provided in the Lease Agreement.

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

APPROVED and ADOPTED this _____ day of _____, 2019.

SALT LAKE COUNTY COUNCIL

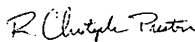
By _____
Richard Snelgrove, Chair

ATTEST:

Sherrie Swensen
Salt Lake County Clerk

Council Member Bradley voting	_____
Council Member Bradshaw voting	_____
Council Member Burdick voting	_____
Council Member DeBry voting	_____
Council Member Granato voting	_____
Council Member Jensen voting	_____
Council Member Newton voting	_____
Council Member Snelgrove voting	_____
Council Member Wilson voting	_____

APPROVED AS TO FORM:

 Digitally signed by Robert Preston
Date: 2019.07.02 10:00:39 -06'00'

R. Christopher Preston
Deputy District Attorney

Exhibit A
Lease Agreement

GROUND LEASE

by and between

Salt Lake County
as Landlord

and

Fullmer Legacy Foundation
as Tenant

GROUND LEASE

This **GROUND LEASE** ("Lease") is made and entered into as of the 13 day of June, 2019 (the "Commencement Date"), between Salt Lake County, a body corporate and politic of the State of Utah ("Landlord"), and Fullmer Legacy Foundation, a Utah nonprofit corporation ("Tenant").

WITNESSETH:

WHEREAS, Landlord owns certain real property located at approximately 10878 South Redwood Road in South Jordan, Utah (as more particularly described and depicted in **Exhibit A** attached hereto, the "Premises");;

WHEREAS, Tenant desires to lease the Premises and construct a new building on the Premises (as more particularly defined below, the "Building");

WHEREAS, Tenant has arranged for favorable financing for the cost of such construction;

WHEREAS, Landlord desires to lease the Premises to Tenant, and Tenant desires to lease the Premises from Landlord, to enable Tenant to cause the Building to be constructed and to be operated as provided herein;

WHEREAS, the parties desire to enter into this Lease to set forth their rights and obligations to each other relating to the construction and the operation of the Building; and

NOW, THEREFORE, for good and valuable consideration, Landlord leases and demises the Premises to Tenant, and Tenant takes and hires the Premises from Landlord, subject only to Permitted Exceptions, for the Term, upon the terms and conditions of this Lease.

1. DEFINITIONS

The following definitions apply in this Lease.

"Additional Rent" means all sums that this Lease requires Tenant to pay Landlord or a third party, whether or not expressly called Additional Rent, except Fixed Rent.

"Affiliate" of any specified Person means any other Person Controlling or Controlled by or under common Control with such specified Person.

"Affiliated" shall have the correlative meaning.

"Approvals" means any and all licenses, permits (including building, demolition, alteration, use, and special permits), approvals, consents, certificates (including certificate(s) of occupancy), rulings, variances, authorizations, or amendments to any of the foregoing as shall be necessary or appropriate under any Law to commence, perform, or complete any Construction, or for the zoning, rezoning (to the extent this Lease allows), use, occupancy, maintenance, or operation of the Premises

“Approved Plans and Specifications” means those certain Drawings, Specifications and Addenda prepared by Tenant’s Architect for the Project.

“Bankruptcy Law” means Title 11, United States Code, and any other or successor state or federal statute relating to assignment for the benefit of creditors, appointment of a receiver or trustee, bankruptcy, composition, insolvency, moratorium, reorganization, or similar matters.

“Bankruptcy Proceeding” means any proceeding, whether voluntary or involuntary, under any Bankruptcy Law.

“Building Equipment” means all fixtures incorporated in the Buildings owned by Tenant and used, useful, or necessary to operate the Building as such (including boilers; compactors; compressors; conduits; ducts; elevators; engines; equipment; escalators; fittings; heating, ventilating and air conditioning systems; machinery; and pipes) as opposed to operating any business in the Building.

“Building” means the building containing up to 15,000 square feet to be constructed in accordance with the provisions relating to the Initial Development pursuant to Section 7.7 below.

“Business Day” means any weekday on which State-chartered banks are open to conduct regular banking business with bank personnel.

“Casualty” means any damage or destruction of any kind or nature, ordinary or extraordinary, foreseen or unforeseen, affecting any or all Improvements, whether or not insured or insurable.

“Casualty Termination” means a termination of this Lease because of a Substantial Casualty, when and as this Lease expressly allows such a termination. Tenant’s election of a Casualty Termination shall not be effective without Leasehold Mortgagee’s Consent.

“Condemnation” means (a) any temporary or permanent taking of (or of the right to use or occupy) any Premises by condemnation, eminent domain, or any similar proceeding; or (b) any action by any Government not resulting in an actual transfer of an interest in (or of the right to use or occupy) any Premises but creating a right to compensation, such as a change in grade of any street upon which the Premises abut.

“Condemnation Award” means any award(s) paid or payable (whether or not in a separate award) to either party or its Mortgagee after the Commencement Date because of or as compensation for any Condemnation, including: (1) any award made for any improvements that are the subject of the Condemnation; (2) the full amount paid or payable by the condemning authority for the estate that is the subject of the Condemnation, as determined in Condemnation; (3) any interest on such award; and (4) any other sums payable on account of such Condemnation, including for any prepayment premium under any Mortgage.

“Condemnation Effective Date” means, for any Condemnation, the first date when the condemning authority has acquired title to or possession of any Premises subject to the Condemnation.

“Construction” means any alteration, construction, demolition, development, expansion, reconstruction, redevelopment, repair, Restoration, or other work affecting any Improvements, including new construction. Construction consists of Minor Construction and Major Construction.

“Control” means possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether by ownership of Equity Interests, by contract, or otherwise.

“County” means the county where the Premises are located.

“County Event” means a one-day event sponsored by the County.

“CPI” means the United States Department of Labor, Bureau of Labor Statistics “Consumer Price Index” for Urban Wage Earners and Clerical Workers (CPI-W) published for the United States, with a base of 1982-1984 = 100. If the CPI ceases to be published, with no successor index, then the parties shall reasonably agree upon a reasonable substitute index. The CPI for any date means the CPI last published before the calendar month that includes such date.

“CPI Adjustment Factor” means, as of any date, the greater of (a) 1.00 or (b) the CPI for such date divided by the CPI for the Commencement Date.

“Database” has the meaning specified in Section 7(k) below.

“Default” means any Monetary Default or Nonmonetary Default. Every covenant of Tenant under this Lease, if not performed or complied with by Tenant, shall give rise to a Default for which Tenant and (except for Tenant-Specific Defaults) each Leasehold Mortgagee shall have rights to notice and opportunity to cure as this Lease provides.

“Default Interest” means interest at an annual rate equal to the Prime Rate plus four percent (4%) per annum.

“Depository” means an Institutional Lender designated by a Leasehold Mortgagee (or, if no Leasehold Mortgagee exists, then by Tenant). A Leasehold Mortgagee that is an Institutional Lender may designate itself or its Leasehold Mortgagee’s Representative as Depository.

“Environmental Law” means any Law regarding the following at, in, under, above, or upon the Premises: (a) air, environmental, ground water, or soil conditions; or (b) clean-up, control, disposal, generation, storage, release, transportation, or use of, or liability or standards of conduct concerning, Hazardous Substances.

“Equity Interest” means all or any part of any direct or indirect equity or ownership interest(s) (whether stock, partnership interest, beneficial interest in a trust, membership interest, or other interest of an ownership or equity nature) in any entity at any tier of ownership that directly or indirectly owns or holds any ownership or equity interest in a Person.

“Expiration Date” means the date when this Lease terminates or expires in accordance with its terms, whether on the Scheduled Expiration Date, by Landlord’s exercise of remedies for an Event of Default, or otherwise.

“Fee Estate” means Landlord’s fee estate in the Premises, including Landlord’s reversionary interest in the Premises after the Expiration Date.

“FF&E” means all movable furniture, furnishings, equipment, and personal property of Tenant or anyone claiming through Tenant (excluding Building Equipment) that may be removed without material damage to the Premises and without adversely affecting: (a) the structural integrity of the Premises; (b) any electrical, plumbing, mechanical, or other system in the Premises; (c) the present or future operation of any such system; or (d) the present or future provision of any utility service to the Premises. FF&E includes items such as factory equipment, furniture, movable equipment, telephone, telecommunications and facsimile transmission equipment, point of sale equipment, televisions, radios, network racks, and computer systems and peripherals.

“Fixed Rent” has the meaning specified in Section 3.1 below.

“Government” means each and every governmental agency, authority, bureau, department, quasi-governmental body, or other entity or instrumentality having or claiming jurisdiction over the Premises (or any activity this Lease allows), including the United States government, the State and County governments and their subdivisions and municipalities, and all other applicable governmental agencies, authorities, and subdivisions thereof. “Government” shall also include any planning commission, board of standards and appeals, department of buildings, city council, zoning board of appeals, or similar body having or claiming jurisdiction over the Premises or any activities on or at the Premises.

“Hazardous Substances” includes flammable substances, explosives, radioactive materials, asbestos, asbestos-containing materials, polychlorinated biphenyls, chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, medical wastes, toxic substances or related materials, explosives, petroleum and petroleum products, and any “hazardous” or “toxic” material, substance or waste that is defined by those or similar terms or is regulated as such under any Law, including any material, substance or waste that is: (i) defined as a “hazardous substance” under Section 311 of the Water Pollution Control Act (33 U.S.C. § 1317), as amended; (ii) defined as a “hazardous waste” under Section 1004 of the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901, et seq., as amended; (iii) defined as a “hazardous substance” or “hazardous waste” under Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Reauthorization Act of 1986, 42 U.S.C. § 9601 et seq. or any so-called “superfund” or “superlien” law; (iv) defined as a “pollutant” or “contaminant” under 42 U.S.C.A. § 9601(33); (v) defined as “hazardous waste” under 40 C.F.R. Part 260; (vi) defined as a “hazardous chemical” under 29 C.F.R. Part 1910; or (vii) subject to any other Law regulating, relating to or imposing obligations, liability or standards of conduct concerning protection of human health, plant life, animal life, natural resources, property or the enjoyment of life or property free from the presence in the environment of any solid, liquid, gas, odor or any form of energy from whatever source.

“Hazardous Substances Discharge” means any deposit, discharge, generation, release, or spill of Hazardous Substances that occurs at or from the Premises, or into the Premises, or that arises at any time from the use, occupancy, or operation of the Premises or any activities conducted therein or any adjacent or nearby real property, or resulting from seepage, leakage, or other transmission of Hazardous Substances from other real property to the Premises, whether or not caused by a party to this Lease and whether occurring before or after the Commencement Date.

“Immaterial Loss” means a Casualty or Condemnation that involves a loss of less than \$10,000.

“Improvements” means the Buildings and all other buildings, structures, and other improvements and appurtenances constructed on the Premises.

“Indemnify” means, where this Lease states that any Indemnitor shall “Indemnify” any Indemnitee from, against, or for a particular matter (the “Indemnified Risk”), that the Indemnitor shall indemnify the Indemnitee and defend and hold the Indemnitee harmless from and against any and all loss, cost, claims, liability, penalties, judgments, damages, and other injury, detriment, or expense (including Legal Costs, interest and penalties) that the Indemnitee suffers or incurs: (a) from, as a result of, or on account of the Indemnified Risk; or (b) in enforcing the Indemnitor’s indemnity. Indemnitor’s counsel shall be subject to Indemnitee’s approval, not to be unreasonably withheld. Any counsel satisfactory to Indemnitor’s insurance carrier shall be automatically deemed satisfactory.

“Indemnitee” means any party entitled to be Indemnified under this Lease and its agents, directors, employees, Equity Interest holders, mortgagees, and officers.

“Indemnitor” means a party that agrees to Indemnify any other Person.

“Initial Development” has the meaning specified in Section 7.7 below.

“Insubstantial Condemnation” means any Condemnation except a Substantial Condemnation, a Temporary Condemnation, or an Immaterial Loss.

“Laws” means all laws, ordinances, requirements, orders, proclamations, directives, rules, and regulations of any Government affecting the Premises, this Lease, or any Construction in any way, including any use, maintenance, taxation, operation, or occupancy of, or environmental conditions affecting, the Premises, or relating to any Real Estate Taxes, or otherwise relating to this Lease or any party’s rights and remedies under this Lease, or any Transfer of any of the foregoing, whether in force at the Commencement Date or passed, enacted, or imposed at some later time, subject in all cases, however, to any applicable waiver, variance, or exemption.

“Lease Year” means: (a) the twelve calendar months starting on the first day of the first full calendar month after the Commencement Date; and (b) every subsequent period of twelve calendar months during the Term.

“Leasehold Estate” means Tenant’s leasehold estate, and all of Tenant’s rights, privileges, and obligations under this Lease, upon and subject to all the terms and conditions of this Lease, and any direct or indirect interest in such leasehold estate.

“Leasehold Mortgage” means any mortgage, deed of trust, collateral assignment, or other lien (as modified from time to time) encumbering this Lease and the Leasehold Estate. A Leasehold Mortgage shall not attach to the Fee Estate.

“Leasehold Mortgagee” means the holder of a Leasehold Mortgage.

“Legal Costs” of any Person means all reasonable costs and expenses such Person incurs (a) in any legal proceeding (or other matter for which such Person is entitled to be reimbursed for its Legal Costs), including reasonable attorneys’ fees, court costs, and expenses, and (b) in or as a result of any Bankruptcy Proceeding.

“Liability Insurance” means general comprehensive public liability insurance against claims for personal injury, death, or property damage occurring upon, in, or about the Premises or adjoining streets and passageways, providing coverage for a combined single limit of \$2 million for any one occurrence with a \$3 million aggregate. Landlord may increase such limit up to once every three years, upon at least 180 days’ Notice to Tenant, provided that any increased limit: (a) does not exceed the limit initially set forth times the CPI Adjustment Factor, rounded to the nearer multiple of \$1,000,000; and (b) generally conforms to the limits customarily required by prudent landlords or institutional lenders for similar properties in the County.

“Loss” means a casualty or condemnation affecting the Premises.

“Loss Proceeds” means any insurance proceeds or condemnation award paid or payable for a Loss.

“Major Construction” means any Construction whose estimated cost exceeds \$100,000 times the CPI Adjustment Factor, including the Initial Development.

“Memorandum of Lease” means a memorandum of this Lease, in recordable form, setting forth such provisions of the Lease, except the amount or means of determining Rent, as either party reasonably desires.

“Minor Construction” means any Construction that Tenant elects in its discretion, or this Lease requires Tenant, to undertake from time to time, except Major Construction.

“Modification” means any abandonment, amendment, cancellation, discharge, extension, modification, rejection, renewal, replacement, restatement, substitution, supplement, surrender, termination, or waiver of a specified agreement or document, or of any of its terms or provisions, or the acceptance of any cancellation, rejection, surrender, or termination of such agreement, document, or terms.

“Modify” means agree to, cause, make, or permit any Modification.

“Monetary Default” means Tenant’s failure to pay any Rent or other money (including Real Estate Taxes and insurance premiums) when and as this Lease requires.

“Nonmonetary Default” means Tenant’s: (a) failure to comply with any affirmative or negative covenant or obligation in this Lease, except a Monetary Default; or (b) breach of any representation or warranty (as of the date made or deemed made).

“Notice” means any consent, demand, designation, election, notice, or request relating to this Lease, including any Notice of Default. Notices shall be delivered, and shall become effective, only in accordance with the “Notices” Article of this Lease.

“Notify” means give a Notice.

“Notice of Default” means any Notice claiming or giving Notice of a Default or alleged Default.

“Permitted Exceptions” means only: (1) the recorded title exceptions affecting the Fee Estate and, prior to this Lease as of the Commencement Date, listed as exceptions in Tenant’s leasehold policy of title insurance for this Lease; (2) any title exceptions (including Subleases) caused by Tenant’s acts or

omissions, consented to or requested by Tenant, or resulting from Tenant's Default; (3) this Lease and its terms and provisions; and (4) any state of facts an accurate survey would show.

"Permitted Uses" means any lawful use, including without limitation a boxing training facility and related practice and administrative facilities or any other uses that benefit the citizens of Salt Lake County that is approved by the Landlord. Such approval may not to be unreasonably withheld, conditioned or delayed.

"Person" means any association, corporation, Government, individual, joint venture, joint-stock company, limited liability company, partnership, trust, unincorporated organization, or other entity of any kind. (This does not limit any Transfer restriction.)

"Premises" is defined in the recitals as more particularly described in Exhibit A.

"Prime Rate" means the prime rate or equivalent "base" or "reference" rate for corporate loans that, at Tenant's election, by Notice to Landlord, is from time to time: (a) published in the Wall Street Journal; (b) announced by any large United States "money center" commercial bank Tenant designates; or (c) if such rate is no longer so published or announced, then the parties shall reasonably agree upon a reasonably equivalent rate published by an authoritative third party.

"Prohibited Lien" means any mechanic's, vendor's, laborer's, or material supplier's statutory lien or other similar lien arising from work, labor, services, equipment, or materials supplied, or claimed to have been supplied, to Tenant (or anyone claiming through Tenant), but only if such lien attaches (or may attach upon termination of this Lease) to the Fee Estate.

"Property Insurance" means insurance providing coverage for the Premises, the Improvements, and Building Equipment, against loss, damage, or destruction by fire and other hazards encompassed under the broadest form of property insurance coverage then customarily used for like properties in the County (except earthquake or war risk) from time to time during the Term, in an amount equal to 100% of the replacement value (without deduction for depreciation) of the Improvements and Building Equipment (excluding excavations and foundations) and in any event sufficient to avoid co-insurance, with "ordinance or law" coverage. Such insurance may contain a deductible clause not exceeding \$100,000 times the CPI Adjustment Factor. To the extent customary for like properties in the County at the time, such insurance shall include coverage for explosion of steam and pressure boilers and similar apparatus located on the Premises.

"Property Insurance Proceeds" means net proceeds (after reasonable costs of adjustment and collection, including Legal Costs) of Property Insurance, when and as received by Landlord, Tenant, Depository, or any Mortgagee, excluding proceeds of Tenant's business interruption insurance in excess of Rent.

"Real Estate Taxes" means all general and special real estate taxes and assessments on the Premises.

"Rent" means Fixed Rent and Additional Rent.

"Restoration" means, after a Loss, the alteration, clearing, rebuilding, reconstruction, repair, replacement, restoration, and safeguarding of the damaged or remaining Improvements, substantially

consistent with their condition before the Loss, subject to such Construction as Tenant shall perform in conformity with this Lease, subject to any changes in Law that would limit the foregoing.

“Restoration Funds” means any Loss Proceeds (and deposits by Tenant) to be applied to Restoration.

“Restore” means accomplish a Restoration.

“Scheduled Expiration Date” has the meaning specified in Section 2.2 below.

“SNDA” means a subordination, nondisturbance, and attornment agreement, in recordable form, in the form reasonably requested by any Leasehold Mortgagee.

“State” means the state where the Premises are located.

“Structure” of the Building means only the concrete floors, footings, foundation, load-bearing walls, roof, roof support system, and structural steel or other structural support system of the Building.

“Sublease” means, for the Premises, any: (a) sublease; (b) agreement or arrangement (including a concession, license, management, or occupancy agreement) allowing any Person to occupy, use or possess; (c) subsublease or any further level of subletting; or (d) modification or assignment of “(a)” through “(c).” (Any reference to Subleases does not diminish, impair, limit, or waive any limit on Subleases.)

“Subrent” means all money due and payable by Subtenants under Subleases.

“Substantial Casualty” means a Casualty that: (a) renders twenty-five percent (25%) or more of the Premises not capable of being used or occupied; (b) occurs less than one (1) year before the end of the Term and renders ten percent (10%) or more of the Premises not capable of being used or occupied; (c) requires Restoration which cost Tenant reasonably estimates in writing would exceed \$250,000; or (d) pursuant to Law, prevents the Premises from being Restored to the same bulk, and for the same use(s), as before the Casualty.

“Substantial Condemnation” means any Condemnation that (a) takes the entire Premises; (b) in Tenant’s reasonable determination (with Leasehold Mortgagee’s Consent) renders the remaining Premises Uneconomic; or (c) occurs less than five years before the end of the Term.

“Subtenant” means any Person entitled to occupy, use, or possess any Premises under a Sublease.

“Temporary Condemnation” means a Condemnation of the temporary right to use or occupy all or part of the Premises.

“Term” has the meaning set forth in Section 2.2 below.

“Transfer” of any property means any of the following, whether by operation of law or otherwise, whether voluntary or involuntary, and whether direct or indirect: (a) any assignment, conveyance, grant, hypothecation, mortgage, pledge, sale, or other transfer, whether direct or indirect, of all or any part of such property, or of any legal, beneficial, or equitable interest or estate in such property or any part of it

(including the grant of any easement, lien, or other encumbrance); (b) any conversion, exchange, issuance, modification, reallocation, sale, or other transfer of any direct or indirect Equity Interest(s) in the owner of such property by the holders of such Equity Interest(s); (c) any transaction described in “(b)” affecting any Equity Interest(s) or any other interest in such property or in any such owner (or in any other direct or indirect owner at any higher tier of ownership) through any manner or means whatsoever; or (d) any transaction that is in substance equivalent to any of the foregoing. A transaction affecting Equity Interests, as referred to in clauses “(b)” through “(d),” shall be deemed a Transfer by Tenant even though Tenant is not technically the transferor.

“Trust Funds” means any funds that this Lease requires or allows Landlord (or anyone acting for Landlord) to hold, and in which Tenant has an interest.

“Unavoidable Delay” means delay in performing any obligation under this Lease (except payment of money) arising from or on account of any cause whatsoever beyond the obligor’s reasonable control, despite such obligor’s reasonable diligent efforts, including industry-wide strikes, labor troubles or other union activities (but only to the extent such actions affect similar premises at that time and do not result from an act or omission of the obligor), the obligor’s inability to obtain required labor or materials after commercially reasonable efforts to do so, litigation (unless caused by the obligor), Loss, accidents, Laws, governmental preemption, war, or riots. Unavoidable Delay shall exclude delay caused by the obligor’s financial condition, illiquidity, or insolvency. Any obligor claiming Unavoidable Delay shall Notify the obligee: (a) within 30 days after such obligor knows of any such Unavoidable Delay; and (b) within 10 days after such Unavoidable Delay ceases to exist. To be effective, any such Notice must describe the Unavoidable Delay in reasonable detail. Where this Lease states that performance of any obligation is subject to Unavoidable Delay(s) or words of similar import, such Unavoidable Delay(s) shall extend the time for such performance only by the number of days by which such Unavoidable Delay(s) actually delayed such performance.

“Waiver of Subrogation” means a provision in, or endorsement to, any property insurance policy, by which the carrier agrees to waive rights of recovery by way of subrogation against either party to this Lease for any loss such policy covers.

2. DEMISE OF THE PREMISES; TERM

2.1 *Demise of the Premises.* Landlord hereby leases and demises to the Tenant, and the Tenant hereby leases from Landlord, subject to and with the benefit of the terms, covenants, conditions and provisions of this Lease, the Premises.

2.2 *Term.* The term of this Lease (the “Term”) shall: (a) commence on the Commencement Date; and (b) continue until 11:59 p.m. on the date that is the last day of the full month following the fiftieth (50th) anniversary of the Commencement Date (the “Scheduled Expiration Date”), unless terminated sooner. If the Commencement Date is not the first (or the Scheduled Expiration Date is not the last) day of a Lease Year, then from the Commencement Date through the day before the first Lease Year (or from the day after the last Lease Year through the Scheduled Expiration Date), the parties shall have all the same rights and obligations under this Lease (including regarding Rent) that they do during the first (or the last, as applicable) full Lease Year, all prorated daily. Prior to the Scheduled Expiration Date, Tenant shall have the option to renew this Lease for an additional ten (10) years on the same terms

and conditions as contained in this Lease, except as otherwise provided herein, by giving Landlord written notice at least one hundred eighty (180) days prior to the Scheduled Expiration Date.

3. RENT

3.1 *Fixed Rent.* Tenant shall pay Landlord, without notice or demand, in lawful money of the United States of America, a net annual rental for each Lease Year in an amount specified in **Exhibit B** attached hereto (the "Fixed Rent").

3.2 *Payment.* Tenant shall pay Fixed Rent in advance on the first day of each Lease Year, or, at its option, prepay up to ten (10) years' Fixed Rent from time to time. Tenant shall pay all Rent payable to Landlord by good and sufficient check payable to Landlord or by wire transfer, at such address as Landlord shall designate from time to time.

3.3 *Additional Rent.* In addition to Fixed Rent, Tenant shall pay Landlord (or the appropriate third party, as applicable), as additional rent under this Lease, all Additional Rent. Except where this Lease provides otherwise, Tenant shall pay all Additional Rent within thirty (30) days after receipt of an invoice and reasonable backup documentation.

3.4 *No Offsets.* Tenant shall pay all Rent without offset, defense, claim, counterclaim, reduction, or deduction of any kind whatsoever.

4. ADDITIONAL OBLIGATIONS OF TENANT

4.1 *Landlord's Net Return.* This Lease shall constitute an absolutely "net" lease. The Rent shall give Landlord an absolutely "net" return for the Term, free of any expenses or charges for the Premises, except as this Lease expressly provides. Tenant shall pay as Additional Rent and discharge (subject to Tenant's right of Contest as this Lease expressly provides), before failure to pay creates a material risk of forfeiture or penalty, each and every item of expense, of every kind and nature whatsoever, related to or arising from the Premises, or by reason of or in any manner connected with or arising from the leasing, operation, management, maintenance, repair, use, or occupancy of, or Construction affecting, the Premises.

4.2 *Real Estate Taxes.* Tenant shall pay and discharge all Real Estate Taxes payable or accruing for all period(s) within the Term, before failure to pay creates a material risk to Landlord of forfeiture or penalty, subject however to Tenant's right of Contest as this Lease expressly provides. Tenant shall also pay all interest and penalties any Government assesses for late payment of any Real Estate Taxes, except late payment because Landlord failed to remit any payment for Real Estate Taxes (paid to Landlord by Tenant) in accordance with Tenant's reasonable instructions (provided they involve only ministerial functions) or failed to promptly forward Tenant a copy of any applicable bill that Landlord receives. In the latter case Landlord shall pay such interest and penalties. Tenant shall within a reasonable time after Notice from Landlord give Landlord reasonable proof that Tenant has paid any Real Estate Taxes that this Lease requires Tenant to pay. Tenant shall have the sole right and authority to contest Real Estate Taxes, in compliance with the Contest Conditions (defined below).

4.3 *Assessments in Installments.* To the extent Law allows, Tenant may apply to have any assessment payable in installments. Upon approval of such application, Tenant shall pay and discharge only such installments as become due and payable during the Term.

4.4 *Direct Payment by Landlord.* If any Additional Rent must be paid directly by Landlord, then: (a) Landlord appoints Tenant as Landlord's attorney-in-fact to make such payment; and (b) if the payee nevertheless refuses to accept payment from Tenant, then Tenant shall Notify Landlord and shall pay such amount to Landlord in a timely manner with reasonable instructions on remittance of such payment. Landlord shall with reasonable promptness comply with Tenant's reasonable instructions. Landlord shall Indemnify Tenant against Landlord's failure to do so.

4.5 *Utilities.* Tenant shall arrange and pay for all fuel, gas, light, power, water, sewage, garbage disposal, telephone, and other utility charges, and the expenses of installation, maintenance, use, and service in connection with the foregoing, for the Premises during the Term. Landlord shall have absolutely no liability or responsibility for the foregoing.

4.6 *Operating Costs.* Tenant shall timely pay and discharge all fees, costs, and expenses related to or arising from the management or operation of the Premises and the provision of services to the Premises.

5. USE

5.1 *Permitted Use.* Tenant may use the Premises only for the Permitted Uses.

5.2 *Exclusive Control.* Except as otherwise provided herein, Tenant shall have exclusive control, possession, occupancy, use, and management of the Premises, subject only to Permitted Exceptions. Tenant may enter into, terminate, or Modify any existing or future contract for management or operation of the Premises or provision of services to the Premises. Any such contracts shall automatically expire on the Expiration Date. Tenant may cancel and terminate any management contracts that exist on the Commencement Date. Landlord shall Indemnify Tenant for any such cancellation or termination.

5.3 *County Events.* Tenant shall allow Landlord to reserve the use of the Premises at no cost for up to twelve (12) Salt Lake County sponsored County Events each calendar year. Landlord shall be responsible for booking County Events with Tenant prior to the beginning of each calendar year, and County Events shall not displace any previously booked events. Each County Event shall include the use of one rentable facility space within the Premises. Upon completion of construction of the Building, this Lease shall be updated with a list identifying the rentable facility spaces within the Premises..

6. COMPLIANCE

6.1 *Generally.* Tenant shall during the Term, at Tenant's expense, in all material respects, subject to Tenant's right of Contest: (a) comply with all Laws and Permitted Exceptions; and (b) procure and comply with all Approvals required by Law.

6.2 *Copies of Notices.* Landlord shall promptly give Tenant a copy of any notice of any kind regarding the Premises or any Real Estate Taxes (including any bill or statement), and any notice of nonrenewal or threatened nonrenewal of any Approval that Landlord receives from any Government, utility company, insurance carrier, or insurance rating bureau.

7. MAINTENANCE AND CONSTRUCTION

7.1 *Obligation to Maintain.* Except to the extent that (a) this Lease otherwise expressly provides or allows or (b) Tenant is performing Construction in compliance with this Lease, Tenant shall during the Term keep and maintain the Premises in good order, condition, and repair, subject to Loss (governed by other provisions of this Lease), reasonable wear and tear, and any other condition that this Lease does not require Tenant to repair. Tenant's obligation to maintain the Premises includes an obligation to make all repairs that the Premises (including plumbing, heating, air conditioning, ventilating, electrical, lighting, fixtures, walls, Structure, building systems, ceilings, floors, windows, doors, plate glass, skylights, landscaping, driveways, site improvements, curb cuts, parking lots, fences and signs located in, on or at the Premises, together with any sidewalks and streets adjacent to the Premises) may require by Law from time to time during the Term, whether structural or nonstructural, foreseen or unforeseen, capital or operating. Tenant shall remove trash, snow, and debris from the Premises and the adjoining sidewalk, and maintain them in a reasonably clean condition.

7.2 *Construction.* Subject to the provisions of Section 7.7(a) below, at Tenant's sole cost and expense, Tenant may but need not perform any Construction, as Tenant shall consider necessary or appropriate, provided that before Tenant starts any Major Construction, Tenant shall: (a) obtain Landlord's consent, not to be unreasonably withheld (based solely on whether Tenant's proposed Major Construction would materially diminish the value of the Fee Estate); (b) give Landlord copies of all necessary Approvals; and (c) give Landlord such assurances of completion (including security, bonds, and creditworthy guaranties of completion) as Landlord shall reasonably require. To the extent that Tenant commences any Construction, Tenant shall complete it with reasonable diligence and within a reasonable time. Tenant shall pay for all Construction when and as required by the parties that perform such Construction. All Improvements that Tenant constructs on the Premises shall become part of the Premises but shall be owned by Tenant.

7.3 *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 promptly upon Landlord's request give Landlord a copy, subject to the terms of any agreement between Tenant and the applicable architect, engineer, or surveyor. Tenant shall exercise reasonable efforts to cause its agreements with such professionals to permit these deliveries, which are for Landlord's information only except to the extent, if any, this Lease otherwise expressly states.

7.4 *Applications.* Upon Tenant's request, Landlord shall, without cost to Landlord, promptly join in and execute any application as Tenant reasonably requests, provided that: (a) such application is in customary form and imposes no material obligations (beyond obligations ministerial in nature or merely requiring compliance with Law) upon Landlord; (b) no uncured Event of Default exists; and (c) Tenant reimburses Landlord's Legal Costs. Landlord grants to Tenant a power of attorney, coupled with an interest, and therefore irrevocable, to sign on Landlord's behalf any application that this Lease requires Landlord to sign. Promptly upon Tenant's request and without charge (except reimbursement of Landlord's Legal Costs), Landlord shall furnish all information in its possession that Tenant reasonably requests for any application.

7.5 *Landlord Non-Opposition.* Unless an uncured Event of Default exists, Landlord shall not appear in opposition to any application brought, sought, or defended by Tenant before any Government arising out of any application consistent with this Lease.

7.6 *Definitions for Section 7.*

“Architect’s Certificate” means a certificate of Tenant’s Architect, certifying to Landlord as follows for any Major Construction:

Consent to License. That Tenant’s Architect consents to Tenant’s granting Landlord a license to use the Plans and Specifications as this Lease allows;

Costs. Estimated cost of Tenant’s Major Construction, and of any related demolition; and

Size. Estimated net rentable area and cubic volume of the Improvements as they will exist after Tenant’s Major Construction.

“Builder” means one or more licensed construction company(ies) approved by Landlord, such approval not to be unreasonably withheld.

“Construction Commencement Conditions” means the following conditions for any Major Construction Work:

Approvals. Tenant shall have given Landlord copies of Approvals as required by Law sufficient for Tenant to start excavation and demolition;

Character of Major Construction. Such Major Construction, when completed, shall be of such a character as not to reduce the value or utility of the Premises below its value immediately before such Major Construction;

Construction Documents. Except in the case of the Initial Development, Tenant shall have entered into and given Landlord copies of the Construction Documents;

Due Diligence. Tenant may undertake the following elements at its own expense and for its own benefit after the Commencement Date and prior to the Initial Development Commencement Deadline: ordering and obtaining (a) a current title report and a current standard form policy of title insurance (b) a survey of the Premises, (c) an environmental study of the Premises, (d) a physical inspection of the Premises and a review of access and availability of utilities to the Premises, and (e) a report on compliance with all applicable federal, state, and local law, ordinances, and regulations with regard to zoning and permissible uses of the Premises.

Financing. Tenant shall have delivered to Landlord a copy of a fully executed loan commitment agreement, and in the case of Initial Development, Tenant shall have closed (or shall simultaneously close) Tenant’s Construction Loan;

Funds. Except in the case of any Lower-Risk Restoration, Tenant shall have given Landlord evidence reasonably satisfactory to Landlord of the commitment of funds to pay at least 100% of the cost of the Major Construction as set forth in the Architect's Certificate, which funds may be in the form of equity and/or debt financing or any combination thereof;

Insurance. Tenant shall have delivered to Landlord such insurance, and evidence thereof, as this Lease shall require for such Major Construction;

Performance by Tenant's Architect and Builder. Except in the case of the Initial Development, Tenant shall have furnished to Landlord agreements (subject to the rights of Leasehold Mortgagees) from Tenant's Architect and from Builder to continue to perform for Landlord all obligations of Tenant's Architect or Builder, as applicable, under its contract with Tenant if this Lease terminates or Landlord re-enters the Premises after an Event of Default (and expiration of Leasehold Mortgagee's Cure Rights and rights to obtain a New Lease), provided Tenant's Architect, or Builder, is paid for its services in accordance with such contract;

Plans and Specifications; Architect's Certificate. Tenant's Architect shall have prepared the Plans and Specifications and given them to Landlord with an Architect's Certificate; and

Surety Bond. Tenant shall have provided Landlord with a surety bond from issuers and in such amounts as Landlord shall reasonably request.

"Construction Commencement Date" means the date on which, for any Major Construction, Tenant has: (a) satisfied the Construction Commencement Conditions; and (b) started demolition of any existing improvements or excavation work.

"Construction Completion Date" for any Major Construction means the date when Tenant has given Landlord:

Architect's Certificate. A certificate from Tenant's Architect certifying that (a) such Major Construction (except tenant improvements and Punchlist Work) has been substantially completed in accordance with the Plans and Specifications; and (b) Tenant has obtained all Approvals necessary for "(a)," copies of which are attached to the certificate;

Certificates of Occupancy. A copy of the temporary certificate of occupancy for such Major Construction (except tenant improvements), to the extent Law requires; and

Survey. A survey of the Premises showing the Major Construction as built, certified to Landlord by a licensed surveyor.

"Construction Documents" means the following documents for Major Construction, as Tenant shall modify them from time to time but not in violation of this Lease:

Architectural Contract. A contract, in assignable form, between Tenant and Tenant's Architect, relating to Tenant's Architect's preparation of the Plans and Specifications;

Construction Contract. Contract(s), in assignable form, between Builder and Tenant, providing for Builder's performance of the Major Construction;

Major Subcontracts. To the extent entered into, the Major Subcontracts; and

Other Contracts and Permits. All other agreements and Approvals in place as of the Construction Commencement Date to which Tenant or anyone claiming through Tenant is a party.

"Construction Loan" means construction loan(s) from Leasehold Mortgagee(s) in an aggregate amount that, with any equity investment to be provided by Tenant, Affiliates of Tenant, or a third party, equals at least 100% of the estimated cost set forth in the Construction Documents and the Architect's Certificate for any Development upon disbursement of the equity investment and financing within a reasonable time after funding of the Construction Loan.

"Development" means Tenant's performance of any Major Construction on the Land.

"Escrow Period" means, in addition to any "Escrow Period" otherwise provided for in this Lease, any Major Construction Period, except to the extent that during such Major Construction Period a Leasehold Mortgagee maintains an escrow for Impositions.

"Event of Default" means, in addition to any other definition in this Lease, Tenant's failure to cause the following for the Initial Development: (a) the Construction Commencement Date to occur on or before the Initial Development Commencement Deadline; or (b) the Construction Completion Date to occur on or before the Initial Development Completion Deadline.

"Initial Development" means Tenant's first Major Construction undertaken under this Lease, consisting of the construction of the Buildings in accordance with the Approved Plans and Specifications.

"Initial Development Commencement Deadline" means the date that is eighteen (18) months after the Commencement Date, extended as follows. In the event of Unavoidable Delay(s), the Initial Development Commencement Deadline shall be extended by the number of days by which such Unavoidable Delay(s) delayed commencement of Initial Development.

"Initial Development Completion Deadline" means the date that is twenty-four (24) months after the Construction Commencement Date.

"Lower-Risk Restoration" means any Restoration after an Immaterial Loss or that meets the following conditions: (a) Restoration Funds equal or exceed the reasonably estimated cost of Restoration; (b) Tenant has agreed that Tenant shall not, in such Restoration, change the use of any material portion of the Development; and (c) such Restoration contemplates Restoration generally comparable (in size, structure, configuration, use, and quality) to the Development as it existed before the Loss, to the extent Law permits.

“Major Construction Period” means any period from any Construction Commencement Date for any Major Construction through the Construction Completion Date for such Major Construction.

“Major Subcontracts” means the following subcontracts entered into, or to be entered into, by Builder for any Major Construction: concrete, masonry, carpentry/drywall, plumbing, electrical, and heating/ventilation/air-conditioning, as such contracts may from time to time be modified, amended, waived, cancelled, terminated, substituted, or replaced in good faith.

“Plans and Specifications” means plans and specifications for Major Construction, prepared by Tenant’s Architect, submitted in such machine-readable format as is then customary in the architectural profession, consisting of architectural plans; elevations and sections indicating principal areas, core design and location; location, number, and capacity of elevators; basic structural system; minimum estimated electrical capacity and distribution system; general type of plumbing system; façade, placement, and orientation; gross and rentable square foot analysis; and principal types of HVAC systems. The “Plans and Specifications” shall mean the original Plans and Specifications as so modified.

“Punchlist Work” means Construction, of an insubstantial nature, the noncompletion of which will not delay issuance of a temporary certificate of occupancy for the Development or the applicable portion thereof or materially interfere with use of the Development as this Lease contemplates.

“Tenant’s Architect” means an architect that is: (a) selected by Tenant; (b) not Affiliated with any Principal; (c) licensed in the State; and (d) reasonably qualified and experienced in overseeing projects similar to the Major Construction for which such architect is engaged. Landlord has the right to approve Tenant’s Architect, which approval shall not be unreasonably withheld. Tenant may replace Tenant’s Architect at any time, subject to this definition.

7.7 Initial Development and Major Construction.

(a) *Initial Development.* Tenant shall, at Tenant’s sole expense, cause the Construction Commencement Conditions for the Initial Development to be satisfied on or before the Initial Development Commencement Deadline. Tenant shall cause the Construction Completion Date for the Initial Development to occur on or before the Initial Development Completion Deadline.

(b) *Major Construction.* Tenant shall not commence demolition of existing improvements, excavation, or any other substantial on-site physical element of any Major Construction unless Tenant has met the Construction Commencement Conditions for such Major Construction.

(c) *Plans and Specifications.* After Landlord receives any Plans and Specifications, Landlord shall have twenty Business Days in which to Notify Tenant that they do not comply with this Lease. If Landlord does not give such Notice within such period, then Landlord shall thereby have waived any right to assert such noncompliance regarding: (a) the Plans and Specifications delivered to Landlord; or (b) any Construction performed substantially in compliance with such Plans and Specifications, as amended, modified, or further developed in the ordinary course. If Tenant changes the Plans and Specifications, then Tenant shall promptly on Landlord’s request deliver copies of such changes to Landlord for its information. Neither the retention of the Plans and Specifications nor any other action Landlord takes regarding the Plans and Specifications shall constitute an opinion or representation on their sufficiency.

(d) *Prosecution and Completion.* If Tenant starts to demolish any improvements on the Premises, or starts excavation, then Tenant shall prosecute such work with reasonable diligence. When Tenant completes such work, Tenant shall with reasonable promptness and reasonable diligence commence, prosecute, and complete Tenant's Major Construction in a good and workerlike manner in compliance with Law and this Lease.

(e) *Approvals; Cooperation.* Tenant shall apply to each applicable Government for such Approvals as any Construction shall require. Landlord shall reasonably cooperate with Tenant in obtaining such Approvals. Landlord shall otherwise cooperate with Tenant's Construction as Tenant shall reasonably request, but Tenant shall reimburse Landlord's actual third-party costs and expenses of such cooperation. Landlord assumes no liability by cooperating with any Construction. Tenant shall Indemnify Landlord regarding such cooperation.

(f) *License of Construction Documents.* Tenant grants Landlord a license to use all Construction Documents, and all Plans and Specifications for purposes of any law related to intellectual property. Such license includes the right to modify or amend the Plans and Specifications and the right to grant sublicenses. Tenant represents and warrants that it has the power and authority to grant such license. Landlord shall not exercise its rights under any license of Construction Documents or Plans and Specifications granted to Landlord under this Lease unless this Lease has terminated.

(g) *Major Subcontracts.* Promptly after Builder enters into any Major Subcontract, Tenant shall direct Builder to give Landlord a copy of it. Upon Landlord's request, but no more than once every 90 days, Tenant shall direct Builder to give Landlord copies of any material Modifications of each Major Subcontract. Builder may modify Major Subcontracts, provided Builder acts in good faith.

(h) *Insurance During Major Construction.* Before Tenant commences (and at all times during) any Major Construction or any related excavation or demolition, terminating on the Construction Completion Date for such Major Construction, in addition to the other insurance this Lease requires, Tenant shall at its expense procure and maintain, or cause to be procured and maintained, the following insurance coverage (by separate policy or endorsement(s) to other policies), all in compliance with the requirements of this Lease on insurance:

(1) *Builder's Risk Insurance.* "All risk" builder's risk insurance on a completed value (nonreporting) basis, in an amount sufficient to prevent coinsurance, but in any event not less than 100% of replacement value including cost of debris removal but excluding foundation and excavations, naming Landlord and Tenant, as their interests may appear. Such insurance shall also: (a) contain a waiver of subrogation against subcontractors; (b) state that "permission is granted to complete and occupy"; (c) cover, for replacement value, all materials and equipment on or about any offsite storage location intended for use for the Premises; and (d) provide for a deductible not exceeding \$100,000 times the CPI Adjustment Factor.

(2) *Liability and Property Insurance.* Contractor's comprehensive general and automobile liability insurance for not less than \$2 million per occurrence with a \$3 million aggregate for personal injury and broad form property damage, including premises-

operations liability, contractor's protective liability for all subcontractors' operations, completed operations, contractual liability (referring to the indemnity provisions of the applicable construction contract(s)), and automobile liability (owned and non-owned), and for any foundation, excavation, or demolition work, an endorsement that such operations are covered and that the "XCU Exclusions" have been deleted, which insurance may be in the form of a single limit policy or policies.

(3) *Workers' Compensation Insurance.* Workers' compensation and employee's liability and disability benefits insurance covering all Persons employed for such Major Construction Work.

(4) *Demolition.* During any demolition or excavation, such additional liability insurance as shall be reasonably customary to cover the added risks of such demolition or excavation.

(i) *Increases in Insurance.* To the extent that the foregoing insurance provides less coverage than that normally and customarily maintained for properties similar to the Premises during similar Major Construction, Landlord may, from time to time, increase such coverage, upon at least 180 days' prior Notice to Tenant.

(j) [Intentionally left blank.]

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

(1) any original contractor retained by Tenant has timely filed a Notice of Commencement with the Utah State Construction Registry Database (the "Database") in accordance with Utah Code Ann. § 38-1b-201,

(2) any subcontractor providing Construction Work (as that term is defined in Utah Code Ann. § 38-1a-102(11)), has timely filed a Preliminary Notice with the Database in accordance with Utah Code Ann. § 38-1a-501 or Utah Code Ann. § 38-1b-202, as applicable, and

(3) any person providing any Preconstruction Service, as that term is defined in Utah Code Ann. § 38-1a-102(28), has timely filed with the Database a Notice of Preconstruction Service in accordance with Utah Code Ann. § 38-1a-401.

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.

8. PROHIBITED LIENS

8.1 *Tenant's Covenant.* If a Prohibited Lien is filed then Tenant shall, within 30 days after receiving 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

Prohibited 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. Nothing in this Lease shall be construed to: (a) limit Tenant's right of Contest; or (b) obligate Tenant regarding any lien that results from any act or omission by Landlord.

8.2 *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. 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. TENANT SHALL INDEMNIFY LANDLORD AGAINST ANY CONSTRUCTION UNDERTAKEN BY TENANT OR ANYONE CLAIMING THROUGH TENANT, AND AGAINST ALL PROHIBITED LIENS.

9. HAZARDOUS SUBSTANCES

9.1 *Restrictions.* Tenant shall not cause or permit to occur on, under or at the Premises during the Term: (a) any violation of any Environmental Law; or (b) the use, generation, release, manufacture, refining, production, processing, storage, or disposal of any Hazardous Substance, or transportation to or from the Premises of any Hazardous Substance, unless both: (i) reasonably necessary and customary to conduct any legal business in the Premises in accordance with customary standards in such business, or to operate and maintain the Premises for uses this Lease permits and (ii) in compliance with all Environmental Laws.

9.2 *Compliance; Clean-Up.* Tenant shall, at Tenant's expense: (a) comply with Environmental Law and, to the extent Environmental Law requires, clean up any Hazardous Substance Discharge; (b) make all submissions to, deliver all information required by, and otherwise fully comply with all requirements of any Government under Environmental Laws; (c) if any Government requires any clean-up plan or clean-up because of a Hazardous Substances Discharge, prepare and submit the required plans and all related bonds and other financial assurances; (d) promptly and diligently carry out all such clean-up plans; and (e) Indemnify Landlord against any Hazardous Substances Discharge or violation of Environmental Law. Any party's obligations under this paragraph shall not limit such party's rights against third parties.

10. INDEMNIFICATION; LIABILITY OF LANDLORD

10.1 *Obligations.* Landlord and Tenant shall each Indemnify the other against any: (a) wrongful act, wrongful omission, or negligence of the Indemnitor (and anyone claiming by or through the Indemnitor) or its or their partners, members, directors, officers, or employees arising out of the use, possession, ownership, condition or occupation of the Premises or any part thereof; (b) breach or default

by the Indemnitor under this Lease; or (c) breach of any representation or warranty Indemnitor makes in this Lease. Tenant shall Indemnify Landlord against the following during the Term and so long as Tenant remains in possession after the Expiration Date: (u) any Contest Tenant initiates; (v) any application made at Tenant's request; (w) use, occupancy, control, management, operation, and possession of the Premises; (x) any Construction and any agreements that Tenant (or anyone claiming through Tenant) makes for any Construction; (y) the condition of the Premises or any street, curb or sidewalk adjoining the Premises, or of any vaults, tunnels, passageways or space under, adjoining or appurtenant to the Premises; and (z) any accident, injury or damage whatsoever caused to any person in or on the Premises or upon or under the sidewalks adjoining the Premises. Notwithstanding anything to the contrary in this Lease, no Indemnitor shall be required to Indemnify any Indemnitee regarding the Indemnitee's intentional acts or omissions or negligence. This paragraph does not apply to Environmental Law and Hazardous Substances Discharges, which are covered elsewhere.

10.2 *Liability of Landlord.* During the Term: (a) Tenant is and shall be in exclusive control and possession of the Premises; and (b) Landlord shall not be liable for any injury or damage to any property (of Tenant or any other Person) or to any person occurring on or about the Premises, except to the extent caused by Landlord's intentional act, omission, or negligence. Landlord's right to enter and inspect the Premises is intended solely to allow Landlord to ascertain whether Tenant is complying with this Lease and (to the extent this Lease allows) to cure any Default. Such provisions shall not impose upon Landlord any liability to third parties. Nothing in this Lease shall be construed to exculpate, relieve, or Indemnify Landlord from or against any liability of Landlord: (y) to third parties existing at or before the Commencement Date; or (z) arising from Landlord's intentional acts or omissions or negligence.

10.1 *Limitations.* Landlord is a political subdivision of the State of Utah, and Landlord's liability and indemnification obligations under this Section 10 are subject to the limitations set forth in the Governmental Immunity Act of Utah, Utah Code Ann. §§ 630-7-101 to -904 (2018), as amended.

11. RIGHT OF CONTEST

11.1 *Tenant's Right; Contest Conditions.* Notwithstanding anything to the contrary in this Lease, Tenant shall have the exclusive right to contest, at its sole cost, by appropriate legal proceedings diligently conducted in good faith, the amount or validity of any Real Estate Taxes or Prohibited Lien; the valuation, assessment, or reassessment (whether proposed, phased, or final) of the Premises for Real Estate Taxes; the amount of any Real Estate Tax; the validity of any Law or its application to the Premises; the terms or conditions of, or requirements for, any Approval; or the validity or merit of any claim against which this Lease requires Tenant to Indemnify Landlord (any of the foregoing, a "Contest"). Tenant may defer payment or performance of the contested obligation pending outcome of the Contest, provided that Tenant causes the following conditions (collectively, the "Contest Conditions") to remain satisfied:

(a) *No Criminal Act.* Such deferral or noncompliance shall not constitute a criminal act by Landlord or subject Landlord to a material risk of any fine or penalty, except civil penalties for which Tenant has given Landlord a bond, letter of credit, or other security reasonably satisfactory to Landlord (the "Contest Security") in an amount equal to the reasonably estimated amount of such civil penalties.

(b) *No Liability.* Such deferral or noncompliance creates no material risk of a lien, charge, or other liability of any kind against the Fee Estate, unless Tenant has given Landlord Contest Security equal to the reasonably estimated amount of such lien, charge, or other liability.

(c) *No Forfeiture.* Such deferral or noncompliance will not place the Fee Estate in material danger of being forfeited or lost.

(d) *No Cost to Landlord.* Such Contest shall be without cost, liability, or expense to Landlord.

(e) *Diligence.* Tenant shall prosecute such Contest with reasonable diligence and in good faith.

(f) *Payment.* If required for such Contest, Tenant shall have paid the Contested Real Estate Taxes or other matter.

(g) *Collection of Real Estate Taxes.* If such Contest relates to any Real Estate Tax, then such Contest shall suspend its collection from Landlord and the Fee Estate.

(h) *No Tax Deed.* If, at any time, payment of any Real Estate Taxes is necessary to prevent the imminent (i.e., within 30 days) delivery of a tax deed of the Fee Estate for nonpayment, then Tenant shall pay or cause to be paid the sums in sufficient time to prevent delivery of such deed.

(i) *No Event of Default.* No Uncured Event of Default shall exist under this Lease at the time of such Contest.

(j) *Security.* Tenant shall, before proceeding with such Contest, give Landlord Contest Security equal to such excess (less any Contest Security otherwise provided for the same Contest).

(k) *Named Parties.* If Landlord has been named as a party in any action, then Tenant shall cause Landlord to be removed as such party and Tenant substituted in Landlord's place, if permissible under the circumstances.

11.2 *Landlord Obligations and Protections.* Landlord need not join in any Contest unless (a) Tenant has complied with the Contest Conditions; and (b) such Contest must be initiated or prosecuted in Landlord's name. In such case, Landlord shall cooperate, as Tenant reasonably requests, to permit the Contest to be prosecuted in Landlord's name. Landlord shall give Tenant any documents, deliveries, and information in Landlord's control and reasonably necessary for Tenant to prosecute its Contest. Landlord shall otherwise assist Tenant in such Contest as Tenant reasonably requires. Tenant shall pay all reasonable costs and expenses, including Legal Costs, of any Contest. Tenant shall, at Landlord's request, advance (when Landlord incurs them) such reasonable costs and expenses as Landlord incurs or reasonably anticipates incurring, for Tenant's Contest and Landlord's assistance with such Contest.

11.3 *Miscellaneous.* Tenant shall be entitled to any refund of any Real Estate Taxes (and penalties and interest paid by Tenant), to the extent attributable to periods within the Term, whether such refund is made during or after the Term. When Tenant concludes Tenant's Contest of any Real Estate Taxes, Tenant shall pay the amount of such Real Estate Taxes (if any) as has been finally determined in

such Contest to be due, to the extent attributable to periods within the Term, and any costs, interest, penalties, or other liabilities in connection with such Real Estate Taxes. Upon final determination of Tenant's Contest of a Law, Tenant shall comply with such final determination. So long as the Contest Conditions remain satisfied, Landlord shall enter no objection to any Contest. Landlord may contest any matter for which Tenant is entitled to (but does not) prosecute a Contest, but only if: (a) Landlord Notifies Tenant of Landlord's intention to do so; (b) Tenant fails to commence such Contest within 15 days after receipt of such Notice; and (c) Landlord's contest complies with all conditions and covenants that would apply to a Contest by Tenant, transposing references to the parties and their interests as appropriate.

11.4 *Contest Security.* Landlord shall promptly release any Contest Security to Tenant after the Contest has been resolved and Tenant has performed its obligations, if any, as determined by such resolution. Landlord shall hold any Contest Security in the same manner as the Security.

12. INSURANCE

12.1 *Tenant to Insure.* Tenant shall, at its sole expense, during the Term, maintain the following insurance (or its then reasonably available equivalent): (a) Property Insurance; and (b) Liability Insurance.

12.2 *Nature of Insurance Program.* All insurance policies this Lease requires shall be issued by carriers that: (a) have a policyholders' rating of "A-" or better and a financial size category rating by A.M. Best of VIII or higher; and (b) are lawfully doing business in the State. Tenant may provide any insurance under a "blanket" or "umbrella" insurance policy, provided that (i) such policy or a certificate of such policy shall specify the amount(s) of the total insurance allocated to the Premises, which amount(s) shall equal or exceed the amount(s) required by this Lease and shall not be reduced for claims made for other properties; and (ii) such policy otherwise complies with this Lease.

12.3 *Policy Requirements and Endorsements.* All insurance policies this Lease requires shall contain (by endorsement or otherwise) the following provisions:

(a) *Insureds.* Liability Insurance policies shall name Landlord as an "additional insured" and all Mortgagees this Lease allows as "additional insureds." Property Insurance policies shall name Landlord as loss payee as its interest may appear and each Mortgagee this Lease allows under a standard noncontributing mortgagee clause. Notwithstanding anything to the contrary in this paragraph, all Property Insurance Proceeds shall be paid and applied as this Lease provides.

(b) *Primary Coverage.* All policies shall be written as primary policies not contributing to or in excess of any coverage that Landlord may carry.

(c) *Contractual Liability.* Liability Insurance policies shall contain contractual liability coverage, for Tenant's indemnity obligations under this Lease, to the extent covered by customary contractual liability insurance coverage. Tenant's failure to obtain such contractual liability coverage shall not relieve Tenant from any indemnity obligation under this Lease.

(d) *Notice to Landlord.* The insurance carrier shall undertake to give Landlord 30 days' prior Notice of cancellation or nonrenewal, except for nonpayment of premiums when ten (10) days' notice may be given, provided that failure to give such Notice shall not adversely affect the rights or increase the obligations of the insurance carrier.

12.4 *Deliveries to Landlord.* On the Commencement Date, and no later than 10 days before any Liability Insurance or Property Insurance expires or is cancelled, Tenant shall deliver to Landlord certificates of insurance evidencing Tenant's maintenance of all Liability Insurance and Property Insurance this Lease requires, in each case providing coverage for at least one year from the date delivered. In the event of any dispute regarding Tenant's compliance with the insurance requirements of this Lease, Tenant may at Tenant's option obtain a certificate from a reputable insurance broker confirming such compliance. Such certificate shall be dispositive.

12.5 *Tenant's Inability to Obtain Insurance.* So long as (a) any insurance (except Property Insurance) this Lease requires is, after diligent effort by Tenant, unobtainable at commercially reasonable rates through no act or omission by Tenant; (b) a Leasehold Mortgagee that is an Institutional Lender has waived the provision or maintenance of such insurance; and (c) Tenant obtains the maximum insurance coverage reasonably obtainable and Notifies Landlord of the extent of Tenant's inability to obtain the full insurance this Lease requires, Tenant's obligation to procure and maintain such insurance as is unobtainable shall be excused, but only so long as conditions "a" through "c" are satisfied. Notwithstanding the foregoing, if Landlord at any time can procure for Tenant such insurance at commercially reasonable rates at any time after Tenant's Notice of inability to do so (and before Tenant has withdrawn such Notice), then Tenant shall obtain and maintain such insurance at Tenant's expense and pay Landlord a one-time administrative fee equal to 5% of the annual premium for such insurance.

12.6 *Waiver of Certain Claims.* To the extent that Landlord or Tenant purchases any policy of property insurance, the party purchasing such insurance (the "Insurance Purchaser") shall attempt to cause the insurance carrier to agree to a Waiver of Subrogation, if not already in the policy. If any insurance policy cannot be obtained with a Waiver of Subrogation, or a Waiver of Subrogation is obtainable only by paying an additional premium, then the Insurance Purchaser shall so Notify the other party. The other party shall then have 10 Business Days after receipt of such Notice either to (a) direct the Insurance Purchaser to place such insurance with a company reasonably satisfactory to the other party and willing to issue the insurance with a Waiver of Subrogation at no greater or additional cost; or (b) agree to pay the additional premium if such a policy can be obtained only at additional cost. To the extent that the parties actually obtain insurance with a Waiver of Subrogation, the parties release each other, and their respective authorized representatives, from any claims for damage to any person or the Premises that are caused by or result from risks insured against under such insurance policies.

12.7 *No Representation.* Neither party makes any representation that the limits, scope, or forms of insurance coverage this Lease requires are adequate or sufficient.

12.8 *Property Insurance Option.* Notwithstanding any other provision of this Lease, with the Tenant's consent, the Landlord may procure the Property Insurance required by Section 12.1 and the Tenant will reimburse the cost of the policy to the Landlord on an annual basis. Tenant will reimburse the cost to Landlord within thirty (30) calendar days of Landlord annually providing a copy of the purchased policy to Tenant.

12.9 *Compliance with Additional Insurance Requirements.* Notwithstanding the foregoing, Tenant shall comply in all material respects with any additional insurance requirements as may be reasonably set forth by an Institutional Lender to the extent that such requirements are not already established herein.

13. LOSSES AND LOSS PROCEEDS

13.1 *Notice.* If either party becomes aware of any Casualty or any actual, threatened, or contemplated Condemnation, then such party shall promptly Notify the other.

13.2 *Effect of Casualty.* If any Casualty occurs, then: (a) no Rent shall abate; (b) this Lease shall not terminate or be impaired; and (c) Tenant shall Restore with reasonable promptness regardless of cost. If, however, the Casualty is a Substantial Casualty, then Tenant may, with the express consent of the Leasehold Mortgagee, by Notice to Landlord, given within thirty (30) Business Days after the date on which the Substantial Casualty occurs, terminate this Lease, provided that Tenant assigns to Landlord all Property Insurance Proceeds (and rights thereto) arising from the Casualty.

13.3 *Adjustment of Claims; Use of Property Insurance Proceeds.* Unless Tenant has validly elected a Casualty Termination, Tenant shall have the sole right and authority to adjust any insurance claim, subject to rights of Leasehold Mortgagee(s). Subject to any Leasehold Mortgagee's loan documents, Property Insurance Proceeds shall be disbursed: (a) in the case of an Immaterial Loss, to Tenant, to be held in trust to be applied first for Restoration; and (b) in the case of any other Casualty, to Depository, to be released in installments for Restoration provided that Restoration Funds are sufficient to Restore. To obtain each such disbursement, Tenant shall deliver to Depository:

(a) *Architect's Certificate.* A certificate of Tenant's Architect, confirming that in such architect's professional judgment: (a) the sum then being requested is then properly due and payable to contractors, subcontractors, or other Persons for Restoration; (b) Restoration is proceeding in substantial compliance with the applicable plans and specifications and otherwise satisfactorily; (c) the sum being requested does not exceed the amount then due and payable; (d) except in the case of the final disbursement of Restoration Funds, the remaining Restoration Funds after disbursement are reasonably anticipated to suffice to pay for the remaining Restoration yet to be performed; and (e) in the case of the final disbursement of Restoration Funds, Tenant has substantially completed Restoration and obtained a temporary certificate of occupancy for the Restoration to the extent Law requires and delivered (or simultaneously delivers in exchange for payment) final lien waivers from all Persons otherwise entitled to claim a Prohibited Lien because of the Restoration;

(b) *Status of Title.* For any disbursement (or group of disbursements) above \$50,000 in aggregate, evidence reasonably satisfactory to Depository that no Prohibited Lien exists, except any to be fully paid from the current disbursement;

(c) *Lien Waivers.* Progress lien waivers for Restoration completed and paid for through the date of the preceding disbursement; and

(d) *Other.* Such other documents, deliveries, certificates, and information as Depository reasonably requires.

13.4 *Substantial Condemnation.* If a Substantial Condemnation occurs after the Commencement Date, then as of the Condemnation Effective Date the Expiration Date shall occur and the parties shall apportion Rent. Landlord shall not settle or compromise any Condemnation Award without both consent by Tenant and Leasehold Mortgagee's Consent. Tenant may at its option control such proceedings (to the exclusion of Landlord, if Tenant so elects) and claim such share of the

Condemnation Award as Tenant is entitled to receive under this Lease. Any Leasehold Mortgagee shall also (to the exclusion of both Landlord and Tenant, to the extent Leasehold Mortgagee so elects subject to such Leasehold Mortgagee's loan documents) be entitled to appear and participate in any Condemnation Dispute Resolution Proceeding. Any Condemnation Award shall be paid to Depository. Landlord and Tenant (subject to the rights of Leasehold Mortgagee(s)) shall allocate the Condemnation Award as follows and in the following order of priority, without duplication, until exhausted:

(a) *Prepayment Premium.* To Leasehold Mortgagee, to the extent that both (1) because of such Condemnation, any Leasehold Mortgagee imposes any fee or charge that such Leasehold Mortgagee could not have collected but for the Condemnation and the related prepayment of such Leasehold Mortgagee's loan; and (2) the Condemnation Award was directly or indirectly increased by such fee or charge.

(b) *Costs and Expenses.* To reimburse Tenant (subject to the rights of Leasehold Mortgagees) for Tenant's actual costs and expenses, including Legal Costs, incurred in the Substantial Condemnation and determining and collecting the Condemnation Award.

(c) *Tenant's Claim.* Tenant shall, subject to the rights of Leasehold Mortgagees, receive such portion of the Condemnation Award as shall equal the greater of (1) all sums secured by all Leasehold Mortgages; or (2) the Market Value of the Leasehold Estate at the Condemnation Effective Date.

(d) *Landlord's Claim.* Landlord shall receive such portion of the Condemnation Award as shall equal the Market Value of the Fee Estate, at the Condemnation Effective Date.

(e) *Landlord's Residual Claim.* Landlord shall, subject to the rights of Leasehold Mortgagees, receive the entire remaining Condemnation Award.

13.5 *Insubstantial Condemnation.* If an Insubstantial Condemnation occurs, then (subject to Leasehold Mortgages) any Condemnation Award shall be paid to Depository to be applied first for Restoration in the same manner as Property Insurance Proceeds. Tenant shall Restore in the same manner as Restoration upon Casualty. Any Condemnation Award remaining after Restoration shall be applied in the same manner as a Condemnation Award from an Immaterial Loss, including the adjustment in Fixed Rent provided for in such case.

13.6 *Temporary Condemnation.* If a Temporary Condemnation relates to a period longer than sixty (60) days, then Tenant may, by Notice, terminate this Lease effective on the Condemnation Effective Date. If the Temporary Condemnation relates to a shorter period, or if Tenant does not terminate this Lease, then Tenant shall receive any Condemnation Award (to the extent for periods within the Term), without affecting Tenant's obligations in any way.

13.7 *Immaterial Loss.* If an Immaterial Loss occurs, then Tenant shall receive any Condemnation Award in trust to be applied first to Restoration. Tenant shall Restore in accordance with this Lease. After Restoration, Landlord shall receive any remaining Condemnation Award. From and after the effective date of the Immaterial Loss, Fixed Rent shall be adjusted as follows. New Fixed Rent shall equal the product of (a) Fixed Rent before the Immaterial Loss, times (b) a fraction whose numerator is the aggregate value of the Premises after the Immaterial Loss and whose denominator is the aggregate

value of the Premises immediately before such Immaterial Loss, without considering such Immaterial Loss or the expectation thereof. Subsequent Fixed Rent shall be adjusted proportionately.

14. REPRESENTATIONS AND WARRANTIES

Landlord represents and warrants to Tenant that the following facts and conditions exist and are true as of the Commencement Date. In addition, Tenant makes, for the benefit of Landlord, certain reciprocal representations and warranties as set forth below.

14.1 *Due Authorization and Execution.* Landlord has full right, title, authority, and capacity to execute and perform this Lease, the Memorandum of Lease, and any other agreements and documents to which Landlord is a party and referred to or required by this Lease (collectively, the “Lease-Related Documents”); the execution and delivery of the Lease-Related Documents have been duly authorized by all requisite actions of Landlord; the Lease-Related Documents constitute valid, binding, and enforceable obligations of Landlord; and neither the execution of the Lease-Related Documents nor the consummation of the transactions they contemplate violates any agreement (including Landlord’s organizational documents), contract, or other restriction to which Landlord is a party or is bound. Tenant makes to Landlord representations and warranties reciprocal to those in the preceding sentence. Both parties’ representations and warranties in this paragraph shall continue to apply in full force and effect throughout the Term as if made continuously during the Term.

14.2 *No Litigation.* To Landlord’s knowledge, no litigation in the State of Utah or federal court has been served on Landlord affecting Landlord or the Premises that would, if adversely determined, materially adversely affect Landlord, the Premises, this Lease, the Leasehold Estate, or Tenant’s ability to develop and operate the Premises for the Permitted Use.

14.3 *No Pending Condemnation.* There is no existing or, to Landlord’s knowledge, pending or threatened Condemnation affecting any portion of the Premises or any pending public improvements in, about, outside, or appurtenant to the Premises that will materially adversely affect the use and operation of the Premises for the Permitted Use, the value of the Premises, or access to the Premises or that will create additional cost to any owner or Tenant of the Premises by means of special assessments or otherwise.

15. LANDLORD’S TRANSFERS

15.1 *Landlord’s Right to Convey.* Landlord may Transfer the Fee Estate from time to time, but only if Landlord promptly Notifies Tenant of such Transfer. Unless otherwise provided for herein, Landlord shall not Transfer the Fee Estate to a non-governmental entity without Tenant’s express written consent, which shall not be unreasonably withheld. In connection with any such Transfer, Landlord shall cause the assignee to agree to assume all of the obligations of this Lease.

15.2 *Release of Landlord.* Upon any Transfer of the entire Fee Estate in compliance with this Lease, the grantor shall be automatically freed and relieved from all liability (excluding liability previously accrued) for performance of any covenants or obligations to be performed by Landlord after the Transfer, provided that: (i) Landlord delivers and turns over to the grantee all Trust Funds; and (ii) such successor Landlord acknowledges to Tenant receipt of such Trust Funds and assumes Landlord’s past, present, and future obligations under this Lease, subject to the Nonrecourse Clause. This Lease shall bind Landlord

only while Landlord owns the Fee Estate, except as to any liabilities and obligations accrued before the date of Transfer of the Fee Estate or arising from failure to turn over Trust Funds.

16. [INTENTIONALLY LEFT BLANK]

17. TENANT'S TRANSFERS

Tenant may not Transfer this Lease or the Leasehold Estate without Landlord's prior written consent, which may be granted or withheld in Landlord's sole discretion. Any assignee of Tenant shall assume all obligations and liabilities of Tenant under this Lease. Tenant shall pay all transfer and other taxes payable on account of any Transfer by Tenant or any holder of any Equity Interest in Tenant. Tenant shall promptly Notify Landlord of any Transfer. After Tenant assigns this Lease and the assignee assumes it, the assignor shall have no obligation or liability under this Lease, except: (a) any obligation to hold and apply Restoration Funds held by the assignor at the date of the assignment (unless transferred to the assignee) and (b) any unperformed obligations that arose before the assignment (unless assumed in writing, in recordable form, by the assignee. If Tenant assigns this Lease, then as between Landlord and Tenant, Tenant shall be deemed to have assigned to the assignee or transferee all claims against Landlord then existing, and the assignee shall be deemed, by assuming this Lease, to have assumed all liabilities and obligations of Tenant then existing or thereafter arising under this Lease (except as this Lease otherwise expressly states). Notwithstanding the foregoing, Tenant shall have the unfettered right to mortgage the Leasehold Estate and to accomplish a Transfer by operation of a foreclosure sale pursuant to the Leasehold Mortgage (and subsequent Transfers) all without the need for Landlord's consent.

18. SUBLEASES

18.1 *Tenant's Right.* Tenant may not enter into or Modify any Sublease, terminate any Sublease or evict any Subtenant, and grant any consent under any Sublease, without Landlord's prior written consent, which may be granted or withheld in Landlord's sole discretion. No Sublease shall affect any obligations of Tenant or rights of Landlord under this Lease, all of which shall continue in full force and effect notwithstanding any Sublease. Any Sublease shall expire no later than one hour before the Expiration Date. The fact that any Subtenant causes any Default shall not relieve Tenant of Tenant's obligation to cure it. Tenant shall take all steps reasonable and necessary to prevent any such Default.

18.2 *Assignment of Subrents.* To secure Tenant's performance, Tenant assigns, transfers, and sets over to Landlord, subject to the conditions in this paragraph (and the rights of Leasehold Mortgagees), Tenant's right, title, and interest in and to all Subleases and Subrent. Tenant grants to Landlord, and its agents and representatives, a right to enter, and sufficient possession of, the Premises to permit and assure Landlord's collection of Subrent. Landlord's exercise of such rights shall not constitute an eviction of Tenant. Unless and until this Lease has terminated, Tenant shall have a license to exercise its right, title, and interest in and to all Subleases and Subrent. Landlord may revoke such license, at its option, if and only if this Lease has terminated. Upon any such revocation, Landlord may collect Subrent directly from Subtenants, and apply the net amount collected to the Rent. No such collection shall be, or be deemed to be, Landlord's waiver of any terms of this Lease, acceptance of any Subtenant as Tenant, or release of Tenant from any obligations under this Lease. Any sums Landlord collects in excess of the net amount Landlord applies against Rent shall (so long as this Lease has not been terminated) belong to Tenant and be promptly refunded to Tenant (subject to the rights of Leasehold Mortgagee).

18.3 *Conditions to Effectiveness of Certain Transactions.* No assignment of this Lease or Sublease of (substantially) the entire Premises shall be effective or have any validity unless and until such assignment or Sublease otherwise complies with this Lease and Landlord has received: (a) in the case of an assignment, an executed counterpart of the assignment and an assumption of this Lease by the assignee, in recordable form, effective as of the date of assignment; (b) in the case of a Sublease of all or substantially all the Premises, a copy of the executed Sublease complying with this Lease; and (c) Notice of the assignee or Subtenant.

19. NONDISTURBANCE OF SUBTENANTS

19.1 *Subleases.* Landlord shall, within five Business Days after Notice from Tenant at any time or from time to time, enter into a recordable SNDA with any Subtenant under a Sublease approved by Landlord, provided that: (a) Landlord has approved the net worth of the Subtenant, such approval not to be unreasonably withheld; (b) Tenant gives Landlord a copy of such Sublease, which Sublease shall contain all provisions required by and otherwise comply with this Lease; and (c) no uncured Monetary Default and no Event of Default shall exist.

19.2 *Sublease Negotiations.* If Tenant intends to request an SNDA for any Sublease under negotiation, then Tenant may deliver to Landlord a term sheet for such Sublease and request that Landlord promptly confirm that nothing in the economic or business terms of such Sublease, as set forth in such term sheet, would cause the Sublease not to be approved by Landlord. Landlord shall not withhold such confirmation absent a correct basis for doing so.

19.3 *Collection of Subrent.* Landlord shall not send any Subrent Payment Notice unless: (a) an SNDA to which Tenant has consented in writing gives Landlord authority to send a Subrent Payment Notice; and (b) an Event of Default has occurred and is continuing. If Landlord collects any Subrent, then Landlord shall apply it first to pay all Rent then due. Landlord shall then remit to Leasehold Mortgagee, and not to Tenant, any remaining Subrent. Tenant hereby directs Landlord accordingly. If Landlord sends a Subrent Payment Notice, Tenant cures all Events of Default, and this Lease has not been terminated, then Landlord shall, at Tenant's expense (including Landlord's Legal Costs), give each Subtenant a notice rescinding Landlord's Subrent Payment Notice

20. LEASEHOLD MORTGAGES.

20.1 *Right to Create Leasehold Mortgage.* Notwithstanding anything in this Lease to the contrary, Tenant shall have the absolute and unconditional right, without Landlord's consent, to execute and deliver Leasehold Mortgage(s) at any time and from time to time during the Term. Landlord need not join in, or "subordinate the Fee Estate to," any Leasehold Mortgage. No Leasehold Mortgage shall reduce any party's rights or obligations under this Lease. If any (prospective) Leasehold Mortgagee shall require any modification(s) of this Lease (including cure rights, rights to obtain a new lease, and other customary mortgagee protections), then Landlord shall, at Tenant's request, promptly execute and deliver to Tenant such instruments in recordable form effecting such modification(s) as such (prospective) Leasehold Mortgagee requires, provided they do not materially adversely affect Landlord's rights or materially increase Landlord's obligations.

20.2 *Rights of Leasehold Mortgagee.*

(a) In connection with any Leasehold Mortgage, the Landlord agrees with and for the benefit of each Leasehold Mortgagee as follows:

(1) When delivering any notice, demand, election or other communication (any of the same being referred below in this Article as a “notice”) to the Tenant with respect to this Lease or any exercise of any right to terminate this Lease, the Landlord will also deliver a copy of any such notice by registered or certified mail to any Leasehold Mortgagee of which it has notice;

(2) Should the Tenant default in respect of any of the provisions of this Lease, any Leasehold Mortgagee shall have the right, but not the obligation, to cure such default, and the Landlord shall accept performance by or on behalf of such Leasehold Mortgagee as though, and with the same effect as if, it had been done or performed by the Tenant. Each Leasehold Mortgagee will have a period of time after the service of such notice upon it within which to cure the default specified in such notice, or cause it to be cured, which is the same period for cure, if any, as is given to the Tenant under this Lease in respect of the specified default after the giving of such notice to the Tenant, plus an additional sixty (60) days. In the event of a default under this Lease which cannot reasonably be cured within said periods, the periods of time for cure shall be extended for so long as such Leasehold Mortgagee has initiated and is diligently proceeding to cure such default, or, in the case of a default under this Lease, if such default, by its nature, is not susceptible of being cured by such Leasehold Mortgagee until it has taken lawful possession of the Leasehold Interest, then such Leasehold Mortgagee shall have the right to obtain possession of the Leasehold Interests by itself by foreclosure or other enforcement proceedings, or by obtaining an assignment of this Lease or the Leasehold Interest in lieu of foreclosure or through settlement of or arising out of any pending or threatened foreclosure proceeding (herein collectively referred to as “Foreclosure”), without the Landlord’s consent, subject to the applicable terms and provisions of this Lease including the Landlord’s right to cure any subsequent defaults, and such Leasehold Mortgagee may assign this Lease without the Landlord’s consent to any assignee at any time thereafter, provided such assignee expressly assumes the obligations of the Tenant hereunder; and

(3) The Landlord shall not, in the event of the Bankruptcy of the Tenant or the Landlord, (x) surrender its estate, or any portion thereof, nor terminate, cancel or acquiesce in the rejection of this Lease; or (y) modify, change, supplement, alter or amend this Lease in any respect, either orally or in writing.

20.3 *Requirements for Notice.* Any notice or other communication which the Landlord shall desire or is required to give to or serve upon each Leasehold Mortgagee shall be in writing and shall be served by registered or certified mail, addressed to each Leasehold Mortgagee at its address as set forth in its Leasehold Mortgage, or at such other address as shall be designated from time to time by each Leasehold Mortgagee by notice in writing given to the Landlord by registered or certified mail. Any notice or other communication which each Leasehold Mortgagee shall desire or is required to give to or serve upon the Landlord shall be deemed to have been given or served if sent by registered or certified mail addressed to the Landlord at the Landlord’s address as set forth in **Exhibit C**, or at such other address as shall be designated from time to time by the Landlord by notice in writing given to each Leasehold

Mortgagee by registered or certified mail. Any such notice or communication shall be effective on the date such notice or communication is delivered to the party to whom it is given.

21. QUIET ENJOYMENT; TITLE TO CERTAIN PREMISES; CERTAIN AGREEMENTS

21.1 *Quiet Enjoyment.* So long as this Lease has not been terminated, Landlord covenants that Tenant shall and may peaceably and quietly have, hold, and enjoy the Premises for the Term, subject to the terms of this Lease, without molestation, hindrance, or disturbance by or from Landlord or anyone claiming by or through Landlord or having title to the Premises paramount to Landlord, and free of any encumbrance created or suffered by Landlord, except Permitted Exceptions.

21.2 *Access and Inspection.* Notwithstanding anything to the contrary in this Lease, Landlord and its agents, representatives, and designees may enter the Premises upon reasonable Notice during regular business hours, solely to: (a) ascertain whether Tenant is complying with this Lease; (b) cure Tenant's Defaults; (c) inspect the Premises and any Construction; (d) perform such tests, borings, and other analyses as Landlord determines may be necessary or appropriate relating to (non)compliance with any Law or possible Hazardous Substances Discharge; or (e) show the Premises to a prospective transferee. In entering the Premises, Landlord and its designees shall not unreasonably interfere with operations on the Premises and shall comply with Tenant's reasonable instructions. Landlord shall Indemnify Tenant against any claims arising from Landlord's entry upon the Premises (except upon termination of this Lease or an Event of Default).

21.3 *Title.* Notwithstanding anything to the contrary in this Lease, all Improvements, Building Equipment, and FF&E located in, on, or at the Premises or otherwise constituting part of the Premises shall during the Term be owned by, and belong to, Tenant. All benefits and burdens of ownership of the foregoing, including title, depreciation, tax credits, and all other tax items, shall be and remain in Tenant during the Term.

22. EVENTS OF DEFAULT; REMEDIES

22.1 *Definition of "Event of Default".* An "Event of Default" means the occurrence of any one or more of the following:

(a) *Monetary Default.* If a Monetary Default occurs and continues for 30 days after Notice from Landlord, specifying in reasonable detail the amount of money not paid and the nature and calculation of each such payment.

(b) *Prohibited Liens.* If Tenant fails to comply with any obligation regarding Prohibited Liens and does not remedy such failure within 15 days after Notice from Landlord.

(c) *Bankruptcy or Insolvency.* If Tenant ceases to do business as a going concern, ceases to pay its debts as they become due or admits in writing that it is unable to pay its debts as they become due, or becomes subject to any Bankruptcy Proceeding (except an involuntary Bankruptcy Proceeding dismissed within 180 days after commencement), or a custodian or trustee is appointed to take possession of, or an attachment, execution or other judicial seizure is made with respect to, substantially all of Tenant's or Guarantor's assets or Tenant's interest in this Lease (unless such appointment, attachment, execution, or other seizure was involuntary and is contested with diligence and continuity and vacated and discharged within 180 days).

(d) *Nonmonetary Default.* If any other Nonmonetary Default occurs and Tenant does not cure it within 60 days after Notice from Landlord describing it in reasonable detail, or, in the case of a Nonmonetary Default that cannot with due diligence be cured within 60 days from such Notice, if Tenant shall not (1) within 60 days from Landlord's Notice advise Landlord of Tenant's intention to take all reasonable steps to cure such Nonmonetary Default; (2) duly commence such cure within such period, and then diligently prosecute such cure to completion; and (3) complete such cure within a reasonable time under the circumstances (not necessarily limited to 60 days).

22.2 *Remedies.* If an Event of Default occurs, then Landlord shall, at Landlord's option, have any or all of the following remedies, all cumulative (so exercise of one remedy shall not preclude exercise of another remedy), in addition to such other remedies as may be available at law or in equity or under any other terms of this Lease. Landlord's remedies include:

(a) *Termination of Tenant's Rights.* Landlord may terminate Tenant's right to possess the Premises by any lawful means, in which case this Lease and the Term shall terminate, such date of termination shall be the Expiration Date, and Tenant shall immediately surrender possession to Landlord.

(b) *Taking Possession.* Landlord may re-enter and take possession of the Premises with process of law, whether by summary proceedings or otherwise, and remove Tenant, with or without having terminated this Lease, and without thereby being liable for damages or guilty of trespass. This is intended to constitute an express right of re-entry by Landlord. Except as expressly provided in this Lease or prohibited by Law, Tenant, for and on behalf of itself and all persons claiming by, through or under Tenant, expressly waives any right to service of notice of intention to re-enter provided in any Law and any and all right of redemption provided by any Law, or re-entry or repossession or to restore the operation of this Lease if Tenant is dispossessed by a judgment or by warrant of any court or judge or in case of re-entry or repossession by Landlord or any expiration or termination of this Lease. No re-entry by Landlord, whether had or taken under summary proceedings or otherwise, shall absolve or discharge Tenant from liability under this Lease. The terms "enter," "re-enter," "entry," and "re-entry," as used in this Lease, are not restricted to their technical legal meanings.

(c) *Suits Before Expiration Date.* Landlord may sue for damages or to recover Rent from time to time at Landlord's election.

(d) *Receipt of Moneys.* No receipt of money by Landlord from Tenant after termination of this Lease, or after the giving of any notice of termination of this Lease, shall reinstate, continue, or extend this Lease or affect any notice theretofore given to Tenant, or waive Landlord's right to enforce payment of any Rent payable or later falling due, or Landlord's right to recover possession by proper remedy, except as this Lease expressly states otherwise, it being agreed that after service of notice to terminate this Lease or the commencement of suit or summary proceedings, or after final order or judgment for possession, Landlord may demand, receive, and collect any moneys due or thereafter falling due without in any manner affecting such notice, proceeding, order, suit or judgment, all such moneys collected being deemed payments on account of use and occupation or, at Landlord's election, on account of Tenant's liability.

(e) *No Waiver.* No failure by Landlord to insist upon strict performance of any covenant, agreement, term, or condition of this Lease or to exercise any right or remedy upon a Default, and no acceptance of full or partial Rent during continuance of any such Default, shall waive any such Default or such covenant, agreement, term, or condition. No covenant, agreement, term, or condition of this Lease to be performed or complied with by Tenant, and no Default, shall be Modified except by a written instrument executed by Landlord. No waiver of any Default shall Modify this Lease. Each and every covenant, agreement, term, and condition of this Lease shall continue in full force and effect with respect to any other then-existing or subsequent Default of such covenant, agreement, term or condition of this Lease.

(f) *Security Devices.* Landlord may change the locks and other security devices providing admittance to the Premises.

(g) *Damages.* Landlord may recover from Tenant all damages Landlord incurs by reason of Tenant's Default, including reasonable costs of recovering possession, reletting the Premises, and any and all other damages legally recoverable by Landlord, and reimbursement of Landlord's reasonable out of pocket costs, including Legal Costs and bank fees for dishonored checks. Such damages shall include, at Landlord's election, either (1) the present value, calculated at a discount rate equal to the then-current Prime Rate plus Five Percent (5%) per annum, of the excess of the total Fixed Rent under this Lease over the fair market rental value of the Premises for the balance of the Term; or (2) the Rent payable to Landlord provided for in this Lease, when and as due and payable under this Lease, less (in the case of this clause "(2)" only) Landlord's actual proceeds of reletting less Landlord's actual reasonable costs of reletting. Landlord may recover such damages at any time after Tenant's default, including after expiration of the Term. Notwithstanding any Law to the contrary, (i) Landlord need not commence separate actions to enforce Tenant's obligations for each month's Rent not paid, or each month's accrual of damages for Tenant's Default, but may bring and prosecute a single combined action for all such Rent and damages; and (ii) Landlord may not recover any consequential damages for Tenant's Default.

(h) *Injunction of Breaches.* Whether or not an Event of Default has occurred, Landlord may obtain a court order enjoining Tenant from continuing any Default or from committing any threatened Default. Tenant specifically and expressly acknowledges that damages would not constitute an adequate remedy for any Nonmonetary Default.

(i) *Continue Lease.* Landlord may at Landlord's option maintain Tenant's right to possession. In that case, this Lease shall continue and Landlord may continue to enforce it, including the right to collect Rent when due and any remedies for nonpayment.

(j) *Restoration Funds.* Upon any termination of this Lease, to the extent that Landlord or Depository then holds any Restoration Funds, they shall be applied solely as Landlord directs, including as a payment toward any sums then payable to Landlord.

(k) *Assignment of Plans and Specifications, Permits, and Approvals.* Upon any termination of this Lease, Tenant shall assign to Landlord all of Tenant's rights, titles and interests in and to all of the Plans and Specifications. Tenant shall also assign to Landlord any Approvals obtained from any Government for the Construction, use and occupancy of the Building.

22.3 *Proceeds of Reletting.* Landlord shall apply any proceeds of any reletting as follows, without duplication, but including Default Interest on all such sums:

(a) *Landlord's Costs.* First, to pay to itself the cost and expense of terminating this Lease, re-entering, retaking, repossessing, repairing, performing any Construction, and the cost and expense of removing all persons and property therefrom, including in such costs reasonable and customary brokerage commissions and Legal Costs;

(b) *Preparation for Reletting.* Second, to pay to itself the cost and expense reasonably sustained in securing any new tenants and other occupants, including in such costs all brokerage commissions, Legal Costs, and any other reasonable costs of preparing the Premises for reletting;

(c) *Costs of Maintenance and Operation.* Third, to the extent that Landlord shall maintain and operate the Premises, to pay to itself the reasonable cost and expense of doing so; and

(d) *Residue.* Fourth, to pay to itself any balance remaining on account of Tenant's liability to Landlord.

(e) *Exculpation; Landlord's Sole and Exclusive Remedy.* Notwithstanding anything to the contrary in this Lease, Landlord's right to terminate this Lease and re-enter the Premises and take possession of the Premises (and collect damages from Tenant, but only to the extent of Tenant's interest in the Premises) shall constitute Landlord's sole and exclusive remedy for any Default or Event of Default. Landlord expressly waives, releases, and relinquishes any and all right to recover damages or any other sum, or have any other remedy against Tenant, except to the extent of Tenant's interest in the Premises.

22.4 *Tenant's Late Payments; Late Charges.* If Tenant fails to make any payment to Landlord required under this Lease within two (2) Business Days after such payment is first due and payable, then in addition to any other remedies of Landlord, and without reducing or adversely affecting any of Landlord's other rights and remedies, Tenant shall pay Landlord within two (2) Business Days after demand Default Interest on such late payment, beginning on the date such payment was first due and payable and continuing until the date when Tenant actually makes such payment. In addition, and without limiting any other rights or remedies of Landlord, Tenant shall pay Landlord, as Additional Rent, and administrative charge equal to Five Percent (5%) of any payment that Tenant fails to pay within two (2) Business Days after such payment is first due and payable. Such administrative charge is intended to compensate Landlord for the inconvenience and staff time incurred by Landlord to handle the late or missed payment, shall not be deemed a penalty or compensation for use of funds, and shall not be credited against any other obligations of Tenant under this Lease.

22.5 *Landlord's Right to Cure.* If Tenant at any time fails to make any payment or take any action this Lease requires, then Landlord, after five (5) Business Days' Notice to Tenant, or in an emergency with such notice (if any) as is reasonably practicable under the circumstances, and without waiving or releasing Tenant from any obligation or Default and without waiving Landlord's right to take such action as this Lease may permit as a result of such Default, may (but need not) make such payment or take such action. Tenant shall reimburse Landlord, as Additional Rent, for an amount equal to (a) all

reasonable sums paid, and reasonable costs and expenses (including Legal Costs) incurred, by Landlord in exercising its cure rights under this paragraph; and (b) Default Interest on “(a)”.

22.6 *Holding Over.* If for any reason or no reason Tenant remains in the Premises after the Expiration Date, then Landlord will suffer injury that is substantial, difficult, or impossible to measure accurately. Therefore, if Tenant remains in the Premises after the Expiration Date, for any reason or no reason, then in addition to any other rights or remedies of Landlord, Tenant shall pay to Landlord, as liquidated damages and not as a penalty, for each month (prorated daily for partial months) during which Tenant holds over after the Expiration Date, a sum equal to: 120% (for the first month or partial month of holding over), 133% (for the second month or partial month of holding over), and 150% (for each subsequent month or partial month of holding over) times the monthly Rent, including Additional Rent, payable under this Lease during the year preceding the Expiration Date.

22.7 *Waivers.* TENANT WAIVES ANY RIGHT OF REDEMPTION PROVIDED FOR BY LAW. TENANT WAIVES ANY RIGHT TO INTERPOSE ANY COUNTERCLAIM IN ANY ACTION BY LANDLORD TO ENFORCE THIS LEASE OR LANDLORD’S RIGHTS AND REMEDIES UNDER THIS LEASE.

22.8 *Accord and Satisfaction; Partial Payments.* No payment by Tenant or receipt by Landlord of a lesser amount than the amount owed under this Lease shall be deemed to be other than a part payment on account by Tenant. Any endorsement or statement on any check or letter accompanying any check or payment of Rent shall not be deemed an accord or satisfaction. Landlord may accept any such check or payment without prejudice to Landlord’s right to recover the balance of such Rent or pursue any other remedy.

22.9 *Miscellaneous.* Landlord and Tenant further agree as follows with respect to any Defaults and Landlord’s rights and remedies.

(a) *Survival.* No termination of this Lease and no taking possession of or reletting the Premises shall relieve Tenant of its liabilities and obligations hereunder, all of which shall survive such expiration, termination, repossession, or reletting, but subject to any limitations on personal liability or recourse in this Lease.

(b) *Multiple Suits.* Landlord may sue to recover damages, or sum(s) equal to any installment(s) of Rent payable by Tenant, from time to time at Landlord’s election. Nothing in this Lease requires Landlord to await the date when this Lease or the Term would have expired absent an Event of Default and a resulting termination of this Lease.

(c) *Receipt of Monies.* Unless such payment shall fully cure all Monetary Defaults, no receipt of moneys by Landlord from Tenant after the giving of a termination notice or a notice to obtain possession, or after the retaking of possession by Landlord as aforesaid, shall reinstate, continue, or extend the Term or affect any notice previously given to Tenant, waive Landlord’s right to enforcement of Rent payable by Tenant or thereafter falling due, or waive Landlord’s right to recover possession of the Premises. After the service of any such notice, or commencement of any suit or summary proceedings, or after a final order or judgment for possession of the Premises, Landlord may demand, receive, and collect any moneys due or thereafter falling due without in any manner affecting such notice, proceeding, order, suit, or judgment, unless such payments fully

cure all Monetary Defaults. Any sums so collected (without thereby curing all Monetary Defaults) shall instead be deemed payments on account of use and occupation of the Premises or, at Landlord's election, to have been made on account of Tenant's liability under this Lease.

(d) *No Double Recovery.* In no event shall Landlord be entitled, directly or indirectly, to recover twice for the same element of Landlord's damages.

22.10 *Tenant Remedies.* If Landlord fails to perform any obligations and duties provided in this Lease after the time for any cure or the expiration of any grace period specified therefor, or if no such time is specified, within sixty (60) days after the date of written demand by Tenant to the County to perform such obligation and duty, or, in the case of a default not susceptible of cure within such 60-day period, the County fails promptly to commence to cure such default and thereafter to prosecute diligently such cure to completion as soon as reasonably practicable (assuming good faith prosecution of the cure), Tenant may seek to specifically enforce this Lease and may seek injunctive relief as necessary to obtain such specific enforcement.

23. END OF TERM

Upon any Expiration Date: (a) all Improvements, FF&E, and Building Equipment shall become Landlord's property; (b) Tenant shall deliver to Landlord possession of the Premises, in the condition this Lease requires, subject to any Loss that this Lease does not require Tenant to Restore; (c) Tenant shall surrender any right, title, or interest in and to the Premises and deliver such evidence and confirmation thereof as Landlord reasonably requires; (d) Tenant shall deliver the Premises free and clear of all: (i) Subleases, and (ii) liens except (1) Permitted Exceptions and (2) liens that Landlord or any of its agents caused; (e) Tenant shall assign to Landlord, without recourse, and give Landlord copies or originals of, all assignable licenses, permits, warranties, and guarantees then in effect for the Premises, and upon written request from Landlord, Tenant shall assign to Landlord assignable contracts identified in the request; (f) the parties shall cooperate to achieve an orderly transition of operations from Tenant to Landlord without interruption, including delivery of such books and records (or copies thereof) as Landlord reasonably requires; (g) the parties shall adjust for Real Estate Taxes and all other expenses and income of the Premises and any prepaid Rent and shall make such payments as shall be appropriate on account of such adjustment in the same manner as for a sale of the Premises (but any sums otherwise payable to Tenant shall first be applied to cure any Default); (h) the parties shall terminate the Memorandum of Lease; and (i) Tenant shall assign to Landlord, and Landlord shall reimburse Tenant for, all utility and other service provider deposits for the Premises. Notwithstanding anything to the contrary in this paragraph, Tenant may remove from the Premises any FF&E and Building Equipment that (in either case) Tenant acquired after the Commencement Date, but Tenant must do so, if at all, before or within 30 days after the Expiration Date. Tenant shall repair any material damage from any such removal. During such 30-day period: (1) Tenant may enter the Premises for such purposes, without being deemed a holdover; (2) Landlord shall have no obligation to preserve or protect such FF&E or Building Equipment; and (3) when in entering the Premises, Tenant shall comply with Landlord's reasonable instructions. Tenant's FF&E and Building Equipment not removed within 30 days after the Expiration Date shall be deemed abandoned.

24. NOTICES

Any Notice from Landlord to Tenant shall have no effect unless Landlord gives a copy to Leasehold Mortgagee. If any Default occurs for which Landlord intends to exercise any remedy, Landlord shall promptly give Leasehold Mortgagee a Default Notice. All Notices shall be in writing and addressed to Landlord and Tenant (and their designated copy recipients) as set forth in **Exhibit C**. Notices shall be delivered by Federal Express or other overnight (one-night) courier service to the addresses set forth in **Exhibit C**, in which case they shall be deemed delivered on the date of delivery (or when delivery has been attempted twice, as evidenced by the written report of the courier service) to such address(es). Notwithstanding the foregoing, Notices for the regular payment of Rent under this Lease (as opposed to late payments, for example) may be sent by first class mail, in which case they shall be deemed delivered three Business Days after deposit in the United States mail, provided that no postal strike (or other event likely to disrupt postal service) is then in effect. Either party may change its address by Notice in compliance with this Lease. Notice of such a change shall be effective only upon receipt. Any party giving a Notice may request the recipient to acknowledge receipt of such Notice. The recipient shall promptly comply with any such request, but failure to do so shall not limit the effectiveness of any Notice. Any attorney may give any Notice on behalf of its client.

25. NO BROKER

Each party: (a) represents and warrants that it did not engage or deal with any broker or finder, , in connection with this Lease and no person is entitled to any commission or finder's fee on account of any agreement or arrangement made by such party; and (b) shall Indemnify the other party against any breach of such representation.

26. NONRECOURSE

Notwithstanding anything to the contrary in this Lease, the liability under this Lease of Landlord and Tenant (including any New Tenant or Post-Foreclosure Tenant) and each of their parent(s), subsidiary(ies), or affiliated corporations or other entities, and any of their constituent partners, joint venturers, or tenants-in-common, for damages or otherwise, shall be enforceable against, and shall not extend beyond, their interests in the Premises (including the proceeds thereof). No property or assets whatsoever, except Landlord's or Tenant's (as applicable) interest in the Premises (including the proceeds thereof), shall be subject to levy, execution or any other enforcement procedure for the satisfaction of any remedies (monetary or otherwise) of the other party arising under or in connection with this Lease. No shareholder, officer, member, manager, director, agent, or employee of Tenant or Landlord shall have any liability under this Lease, but this shall not limit any liability arising under the express terms of any Supplementary Agreement. (This Lease sometimes refers to this paragraph as the "Nonrecourse Clause.")

27. ADDITIONAL DELIVERIES; THIRD PARTIES

27.1 *Estoppel Certificates*. Up to twice a year, each party to this Lease (a "Requesting Party") may require the other party (a "Certifying Party") to execute, acknowledge, and deliver to the Requesting Party (or directly to a designated third party) up to four original counterparts of a statement in writing (an "Estoppel Certificate") certifying that this Lease is unmodified and in full force and effect (or if there have been modifications that the same is in full force and effect as modified and stating the modifications), stating the dates to which Fixed Rent, Additional Rent and other charges have been paid, that the terms,

covenants and conditions required of the Requesting Party to be performed under this Lease have been so performed, that there are no existing defenses or offsets by the Requesting Party against the enforcement of this Lease by the Certifying Party, and containing such other information and certifications as may be reasonably required by the Requesting Party. It is understood and agreed that any such statement may be relied upon by the Requesting Party and any other party designated by the Requesting Party, including any actual or prospective purchaser, investor, partner, lender, ground lessor, mortgagee, or beneficiary with respect to the Premises. The Certifying Party shall sign, acknowledge, and return such Estoppel Certificate within 15 days after request, even if the Requesting Party is in Default. Any Estoppel Certificate shall bind the Certifying Party.

27.2 *Further Assurances.* Each party shall execute and deliver such further documents, and perform such further acts, as may be reasonably necessary to achieve the parties' intent in entering into this Lease.

27.3 *Memorandum of Lease.* Upon request by either, the parties shall promptly execute, acknowledge, and deliver duplicate originals of a Memorandum of Lease. Either party may record such Memorandum of Lease. If the parties amend this Lease, then the parties shall have the same rights and obligations regarding a memorandum of such amendment as they do for the Memorandum of Lease. Tenant may at any time by Notice to Landlord elect to require the Memorandum of Lease to be terminated.

27.4 *Modification.* Any modification of this Lease must be in writing signed by the party to be bound and must be expressly approved by any Leasehold Mortgagee.

27.5 *Successors and Assigns.* This Lease shall bind and benefit Landlord and Tenant and their successors and assigns, but this shall not limit or supersede any Transfer restrictions. Nothing in this Lease confers on any Person (except Landlord, Tenant, and Leasehold Mortgagees) any right to insist upon, or to enforce against Landlord or Tenant, the performance or observance by either party of its obligations under this Lease.

28. MISCELLANEOUS

28.1 *Confidentiality.* Subject to applicable law, including the Utah Government Records Access and Management Act ("GRAMA"), Utah Code Ann. §§ 63G-2-101 et seq., Landlord shall maintain the confidentiality of any information that Tenant gives Landlord about the Premises. Landlord shall require any actual or prospective transferee to maintain the confidentiality of such materials, all under a direct confidentiality agreement between Tenant and such actual or prospective transferee, in normal and customary form reasonably satisfactory to Tenant.

28.2 *No Consequential Damages.* Whenever either party may seek or claim damages against the other party (whether by reason of a breach of this Lease by such party, in enforcement of any indemnity obligation, for misrepresentation or breach of warranty, or otherwise), neither Landlord nor Tenant shall seek, nor shall there be awarded or granted by any court, arbitrator, or other adjudicator, any speculative, consequential, collateral, special, punitive, or indirect damages, whether such breach shall be willful, knowing, intentional, deliberate, or otherwise. The parties intend that any damages awarded to either party shall be limited to actual, direct damages sustained by the aggrieved party. Neither party shall be liable for any loss of profits suffered or claimed to have been suffered by the other.

28.3 *No Waiver by Silence.* Failure of either party to complain of any act or omission on the part of the other party shall not be deemed a waiver by the noncomplaining party of any of its rights under this Lease. No waiver by either party at any time, express or implied, of any breach of this Lease shall waive such breach or any other breach.

28.4 *Performance Under Protest.* If a dispute arises about performance of any obligation under this Lease, the party against which such obligation is asserted shall have the right to perform it under protest, which shall not be regarded as voluntary performance. A party that has performed under protest may institute appropriate proceedings to recover any amount paid or the reasonable cost of otherwise complying with any such obligation, with interest at the Prime Rate.

28.5 *Survival.* All rights and obligations that by their nature are to be performed after any termination of this Lease shall survive any such termination.

28.6 *Unavoidable Delay.* Each party's obligation to perform or observe any nonmonetary obligation under this Lease shall be suspended during such time as such performance or observance is prevented or delayed by Unavoidable Delay.

28.7 *Voluntary Surrender.* Landlord shall not accept a voluntary surrender of this Lease.

28.8 *No Merger.* There shall be no merger of this Lease nor of the Leasehold Estate created by this Lease with the Fee Estate in the Premises or any part thereof by reason of the fact that the same person, firm, corporation or other entity may acquire or own or hold, directly or indirectly, (a) this Lease or the leasehold estate created by this Lease or any interest in this Lease or in any such leasehold estate and (b) the Fee Estate in the Premises or any part thereof or any interest in such fee estate, and no such merger shall occur unless and until all corporations, firms and other entities, including any Leasehold Mortgagee, having any interest in (x) this Lease or the Leasehold Estate created by this Lease and (y) the Fee Estate in the Premises or any part thereof or any interest in such Fee Estate shall join in a written instrument effecting such merger and shall duly record the same.

28.9 *Non-Funding Clause.* If applicable, Landlord shall request the appropriation of funds to satisfy Landlord's obligations that may arise under this Lease. If funds are not available beyond December 31 of any effective fiscal year of this Lease, Landlord's obligation for performance under this Lease beyond that date shall be null and void. This Lease shall create no obligation on Landlord as to succeeding fiscal years and shall terminate and become null and void on the last day of the fiscal year for which funds were budgeted and appropriated, except as to those portions of payments agreed upon for which funds were appropriated and budgeted. Said termination shall not be construed as a breach of this Lease or any event of default under this Lease and said termination shall be without penalty, whatsoever, and no right of action for damages or other relief shall accrue to the benefit of Tenant, its successors, or its assigns, as to this Lease, or any portion thereof, which may terminate and become null and void.

29. INTERPRETATION, EXECUTION, AND APPLICATION OF LEASE

29.1 *Captions.* The captions of this Lease are for convenience and reference only. They in no way affect this Lease.

29.2 *Counterparts.* This Lease may be executed in counterparts.

29.3 *Delivery of Drafts.* Neither party shall be bound by this Lease unless and until such party shall have executed and delivered at least one counterpart of this Lease. The submission of draft(s) or comment(s) on drafts shall bind neither party in any way. Such draft(s) and comment(s) shall not be considered in interpreting this Lease.

29.4 *Entire Agreement.* This Lease contains all terms, covenants, and conditions about the Premises. The parties have no other understandings or agreements, oral or written, about the Premises or Tenant's use or occupancy of, or any interest of Tenant in, the Premises, as the case may be.

29.5 *Governing Law.* This Lease, its interpretation and performance, the relationship between the parties, and any disputes arising from or relating to any of the foregoing, shall be governed, construed, interpreted, and regulated under the laws of the State, without regard to principles of conflict of laws.

29.6 *Partial Invalidity.* If any term or provision of this Lease or its application to any party or circumstance shall to any extent be invalid or unenforceable, then the remainder of this Lease, or the application of such term or provision to persons or circumstances except those as to which it is invalid or unenforceable, shall not be affected by such invalidity. All remaining provisions of this Lease shall be valid and be enforced to the fullest extent Law allows.

29.7 *Principles of Interpretation.* No inference in favor of or against any party shall be drawn from the fact that such party has drafted any part of this Lease. The parties have both participated substantially in its negotiation, drafting, and revision, with advice from counsel and other advisers. A term defined in the singular may be used in the plural, and vice versa, all in accordance with ordinary principles of English grammar, which also govern all other language in this Lease. The words "include" and "including" shall be construed to be followed by the words: "without limitation." Each of these terms shall be interpreted as if followed by the words "(or any part of it)" except where the context clearly requires otherwise: Building Equipment; FF&E; Fee Estate; Improvements; Land; Leasehold Estate; Premises; Structure; and any other similar collective noun. Every reference to any document, including this Lease, refers to such document as Modified from time to time (except, at Landlord's option, any Modification that violates this Lease), and includes all exhibits, schedules, and riders to such document. The word "or" includes the word "and."

29.8 *Reasonableness.* Wherever this Lease states that a party shall not unreasonably withhold approval: (a) such approval shall not be unreasonably delayed or conditioned; (b) no withholding of approval shall be deemed reasonable unless withheld by Notice specifying reasonable grounds, in reasonable detail, for such withholding, and indicating specific reasonable changes in the proposal under consideration that would make it acceptable; and (c) if a party grants its consent (or fails to object) to any matter, this shall not waive its rights to require such consent for any further or similar matter.

29.9 *Bankruptcy.* Upon Tenant's bankruptcy, this Lease shall not terminate, but Landlord shall enter into a new lease with Leasehold Mortgagee or its designee on the same terms for the balance of the term.


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COUNTERPART SIGNATURE PAGE
GROUND LEASE

IN WITNESS WHEREOF, the undersigned has caused this Agreement to be duly executed as of the date first above written.

TENANT:

FULLMER LEGACY FOUNDATION,
a Utah nonprofit corporation,

By:  _____

its President

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

On this 14 day of June, 2019, personally appeared before me Isabelle Roehrig who being duly sworn, did say that he is the president of Fullmer Legacy Foundation, a Utah nonprofit corporation, and that the foregoing Ground Lease was signed on behalf of Fullmer Legacy Foundation, by authority of law.



NOTARY PUBLIC
Residing in Salt Lake County

[SEAL]



COUNTERPART SIGNATURE PAGE
GROUND LEASE

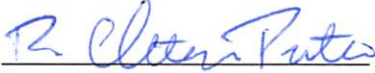
IN WITNESS WHEREOF, the undersigned has caused this Agreement to be duly executed as of the date first above written.

LANDLORD:

SALT LAKE COUNTY

By: _____
its Mayor

APPROVED AS TO FORM:


Deputy District Attorney
R. Christopher Pustan

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

On this ____ day of _____, 2019, personally appeared before me _____, who being by me duly sworn, did say that (s)he is the _____ of Salt Lake County, and that such instrument was signed on behalf of Salt Lake County, by authority of law.

NOTARY PUBLIC
Residing in Salt Lake County, Utah

[SEAL]

EXHIBIT A

LEGAL DESCRIPTION OF THE PREMISES

That certain real property located in Salt Lake County, Utah more particularly described as follows:

Part of entire tract of land located in the Southwest Quarter of Section 15, Township 3 South Range 1 West of the Salt Lake Base and Meridian, described as follows:

Beginning at a point in an adjusted boundary line established by that Quit Claim Deed recorded on February 27, 2019 as Entry No. 12941291 in Book 10756 at Page 3527 in the Office of the Salt Lake County Recorder, 533.76 feet N. 00°03'10" E. along the section line and 53.00 feet N. 89°56'50" W. and 848.90 feet S. 89°58'35" W. from the South Quarter Corner of said Section 15; thence along said adjusted boundary line the following seven (7) courses: 1) N. 00°02'28" E. 45.67 Feet to the point of tangency with a 115.00-foot radius curve to the left; 2) Northwesterly 120.13 feet along the arc of said curve (chord bears N. 29°53'08" W. 114.75 Feet); 3) N. 59°48'45" W. 179.99 Feet to the point of tangency with a 380.00-foot radius curve to the right; 4) Northwesterly 15.64 feet along the arc of said curve (chord bears N. 58°37'59" W. 15.64 feet); 5) S. 66°54'42" W. 18.09 feet; 6) S. 39°40'14" W. 124.39 feet; 7) S. 89°58'35" W. 99.47 feet to an interior corner of said entire tract; thence South 141.10 feet to a southerly boundary line of said entire tract; thence N. 89°58'35" E. 421.59 feet along said southerly boundary line, to the point of beginning.

The above-described entire tract contains 72517 square feet in area or 1.665 acres more or less.

EXHIBIT A

EXHIBIT B

FIXED RENT

\$10.00 on the first day of the term.

One Dollar (\$1.00) per Lease Year.

EXHIBIT B

GROUND LEASE

EXHIBIT C

**NOTICE ADDRESSEES
(INCLUDING REQUIRED COPY RECIPIENTS)**

Party:	Notice Address:	With a Copy to:
Landlord	Salt Lake County 2001 South State Street, S3-110 Salt Lake City, UT 84190 Attn: Salt Lake County Real Estate Manager	Salt Lake County District Attorney 35 East 500 South Salt Lake City, UT 84111 Attn: Civil Division Administrator

And

Salt Lake County Parks and Recreation
2001 South State Street, S4-700
Salt Lake City, UT 84190
Attn: Parks and Recreation Division Director

Tenant	Fullmer Legacy Foundation 360 N Culter Dr North Salt Lake, UT 84054 Attn: John C. Heath
--------	--

With a copy to:

Fullmer Legacy Foundation
198 N. Main
Logan, UT 84321
Attn: David Butterfield

And

Fullmer Legacy Foundation
837 East South Temple
Salt Lake City, UT 84102
Attn: Robert Behunin

EXHIBIT C

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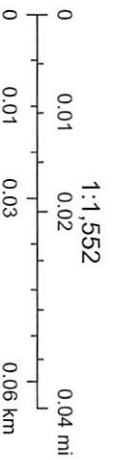
Attachments:

- Exhibit A** Legal Description of the Premises
- Exhibit B** Fixed Rent
- Exhibit C** Notice Addresses (Including Required Copy Recipients)

Fullmer Legacy Foundation Lease



May 23, 2019



Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand),

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