

LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") is entered into this ____ day of _____, 2018, by and between SALT LAKE COUNTY, a body corporate and politic of the State of Utah, hereafter referred to as LESSOR, and COMMUNITY HEALTH CENTERS, INC., a Utah non-profit corporation, hereafter referred to as LESSEE. LESSOR and LESSEE are sometimes jointly referred to hereinafter as the "Parties".

WITNESSETH:

That, for and in consideration of the payments to be made hereunder, and the mutual promises, covenants and conditions hereinafter set forth to be kept and performed, the Parties hereby agree as follows:

1. GRANT OF LEASE.

LESSOR does hereby lease to LESSEE 7,103 square feet of its Downtown Clinic located at 610 South 200 East, Salt Lake City, Utah 84111 (the "Premises"). The Premises consists of clinic and office space and is specifically identified on the map attached hereto as Exhibit A. In addition to the use of the Premises, LESSEE shall have a non-exclusive right to use up to 35 stalls in the parking lot for employee and patron parking.

2. TERM OF LEASE.

The term of this Lease shall be for ten (10) years commencing November 1, 2018 ("Effective Date"), and expiring October 31, 2028 ("Term"), unless terminated as hereinafter provided. Upon mutual written consent of the Parties, this Lease may be extended for one additional five (5)-year term (the "Extension Term") upon the same conditions of this Lease, except as provided herein. LESSEE shall notify LESSOR in writing of LESSEE'S request to renew the lease at least sixty (60) days prior to the expiration of the then current Term or Extension Term.

3. RENT.

LESSEE shall pay to LESSOR as rent for the Premises the sum of One Hundred Thirty-Five Thousand Dollars (\$135,000.00) annually or Eleven Thousand Two Hundred Fifty Dollars (\$11,250.00) per month (approximately \$19.00 per square foot per year). LESSEE shall make monthly lease payments payable in advance on the first day of each month. During the initial ten-year term and during each Extension Term, the Lease rate may be increased annually by an amount not to exceed 3% per year, based upon the CPI for Salt Lake County. The adjusted rate will take effect on the first day of each succeeding year after the anniversary of the Effective Date. LESSOR shall provide LESSEE with at least sixty (60) days' prior written notice of any rate adjustment.

4. SURRENDER OF PREMISES AT TERMINATION.

At the expiration of the Term, unless extended as provided herein, or any Extension Term of this Lease, or upon any surrender of the Premises according to the terms and conditions herein, LESSEE will yield the Premises to LESSOR in as good order and condition as when entered upon by LESSEE, subject to reasonable use and wear, damage by fire or casualty not the fault of LESSEE, and damage by the elements.

5. MAINTENANCE.

LESSOR shall be responsible for the following items of maintenance, unless such maintenance is required as a result of the willful or negligent action or inaction of LESSEE or its employees or agents: roof, exterior walls, interior walls, structural repair, exterior painting, yard maintenance, plumbing equipment, heating and air conditioning equipment, electrical equipment, light globes and tubes, janitor & supplies, glass breakage, trash removal, snow removal, and parking lot maintenance.

6. UTILITIES, TAXES AND INSURANCE.

LESSOR shall be responsible for the following utilities and insurance: Power, heat, water, sewer, fire and casualty insurance on the building. LESSEE shall be responsible for the following: Telephone, internet and data connections, taxes which may be imposed upon LESSEE's personal property or business operations, privilege taxes which may be assessed on the Premises, and insurance upon LESSEE's personal property.

7. RIGHT TO LEASE PREMISES.

LESSOR hereby warrants that it has the legal right to lease the Premises.

8. SUBLETTING OR ASSIGNMENT.

LESSEE will not sublet the Premises or any portion thereof or assign this lease without the prior written consent of LESSOR.

9. QUIET ENJOYMENT OF PREMISES.

LESSOR covenants with LESSEE that upon fully complying with and properly performing all of the terms, conditions and covenants hereof to be performed by LESSEE, LESSEE shall have the use of the Premises for the lease term set forth herein unless terminated as provided in paragraph 21 herein.

10. CONDEMNATION.

If the whole of the Premises shall be taken by any public or governmental authority under the power of eminent domain, then the term of this Lease shall cease as of the date possession is taken by such authority and the lease payments required hereunder shall be paid through the date

of possession and not thereafter. If only a part of the Premises shall be taken and the remainder not so taken remains tenantable for the purposes for which LESSEE has been using the Premises, then this lease shall continue in full force and effect as to said remainder and all of the provisions hereof shall continue except that LESSOR agrees that it will reduce the rent based on the actual square footage of the Premises lost to condemnation. If the remaining Premises are untenable for LESSEE's purposes, as determined in LESSEE's reasonable discretion, then LESSEE may terminate this lease by giving written notice to LESSOR. The term "eminent domain" as used in this paragraph shall include the exercise of any similar governmental power and any purchase or other acquisition in lieu thereof by a governmental entity. LESSOR reserves all rights to compensation for damages to the Premises, the building, the land and the leasehold accruing by reason of the exercise of eminent domain.

11. DAMAGE BY FIRE AND OTHER CASUALTY.

In the event that the Premises should be substantially damaged or destroyed by fire or other casualty, then, and in such event, LESSOR shall have the right to terminate this lease by giving written notice to LESSEE within thirty (30) days after such damage or destruction. If this Lease is not terminated, then LESSOR shall restore the Premises to substantially the same condition they were in immediately preceding the damage or destruction, excluding therefrom any obligation to restore any leasehold improvements made by LESSEE or any change in the Premises made by LESSEE. If the damage or destruction and/or restoration shall substantially interfere with LESSEE's use of the Premises, as provided herein, for a continuous period of forty-five (45) days or more (commencing on the date of the fire or other casualty), then LESSEE may elect to terminate this lease by giving written notice to LESSOR within five (5) days after the end of such forty-five (45) day period.

If the Premises are damaged and LESSEE retains possession, rents from the date the damage was sustained to the completion of repairs and restorations shall be reduced on a prorata basis to the extent that the Premises were untenable.

LESSOR and LESSEE hereby waive all causes and rights of recovery against each other or their respective agents, officers and employees for any loss sustained to the Premises or personal property brought and kept therein regardless of cause or origin, to the extent of any recovery by either party from any policy of insurance.

12. USE OF PREMISES.

The Premises shall be used by LESSEE only as community-based medical clinic. Services may include, but are not limited to: providing primary medical care services to qualifying community members.

13. SECURITY OF MONEYS.

LESSEE shall be solely responsible for the security of its money while on the Premises and while transporting its money to and from the Premises. The Parties agree that LESSOR shall have no responsibility for the security of LESSEE's money.

14. INDEMNIFICATION.

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

15. CONDITION OF PROPERTY.

LESSEE has examined the Premises and is satisfied with the physical condition, and taking possession is conclusive evidence of receipt of them in good order and repair.

16. INSURANCE.

A. General Insurance Requirements For All Policies. LESSEE shall, at its sole cost and expense, secure and maintain during the term of this Agreement, including all renewal or additional terms, the following minimum insurance coverage:

1. Any insurance coverage required herein that is written on a "claims made" form rather than on an "occurrence" form shall (i) provide full prior acts coverage or have a retroactive date effective before the date of this Agreement, and (ii) be maintained for a period of at least 3 (three) years following the end of the term of this Agreement or contain a comparable "extended discovery" clause. Evidence of current extended discovery coverage and the purchase options available upon policy termination shall be provided to the County.

2. All policies of insurance shall be issued by insurance companies licensed to do business in the State of Utah and either:

(a) Currently rated A- or better by A.M. Best Company;

—OR—

(b) Listed in the United States Treasury Department's current *Listing of Approved Sureties (Department Circular 570)*, as amended.

3. Lessee shall furnish certificates of insurance, acceptable to the County, verifying the foregoing matters concurrent with the execution hereof and thereafter as required.

4. In the event any work is subcontracted, LESSEE shall require its subcontractor, at no cost to the County, to secure and maintain all minimum insurance coverages required of LESSEE hereunder.

5. LESSEE's insurance policies shall be primary and non-contributory to any other coverage available to LESSOR. The workers' compensation, general liability and auto liability policies shall be endorsed with a waiver of subrogation in favor of LESSOR.

6. In the event that governmental immunity limits are subsequently altered by legislation or judicial opinion, LESSEE shall provide a new certificate of insurance within 30 (thirty) days after being notified thereof in writing by the County, certifying coverage in compliance with the modified limits or, if no new limits are specified, in an amount acceptable to LESSOR.

7. All required certificates and policies shall provide that coverage thereunder shall

not be canceled or modified without providing 30 (thirty) days prior written notice to LESSOR in a manner approved by the County District Attorney.

8. In the event LESSEE fails to maintain and keep in force any insurance policies as required herein, LESSOR shall have the right at its sole discretion to obtain such coverage and reduce payments to LESSEE for the costs of said insurance.

B. Required Insurance Policies. LESSEE, at its own cost, agrees to secure and maintain during the Term and any Extension Term the following required policies of insurance in accordance with the general insurance requirements set forth in the preceding subsection:

1. Workers' compensation and employer's liability insurance as required by the State of Utah, unless a waiver of coverage is allowed and acquired pursuant to Utah law. This requirement includes contractors who are doing business as an individual and/or as a sole proprietor as well as corporations and partnerships. In the event any work is subcontracted, LESSEE shall require its subcontractor(s) similarly to provide workers' compensation insurance for all of the latter's employees, unless a waiver of coverage is allowed and acquired pursuant to Utah law.

2. Commercial general liability insurance on an occurrence form with LESSOR as an additional insured, in the minimum amount of \$1,000,000 per occurrence with a \$2,000,000 general policy aggregate and \$2,000,000 products completed operations policy aggregate. The policy shall protect LESSOR, LESSEE, and any subcontractor from claims for damages for personal injury, including accidental death, and from claims for property damage that may arise from LESSEE's operations under this Agreement, whether performed by LESSEE itself, any subcontractor, or anyone directly or indirectly employed by either of them. Such insurance shall provide coverage for premises operations, acts of independent contractors, and completed operations. The policy shall be primary and not contributing to any other policy or coverage available to LESSOR whether such coverage be primary, contributing or excess.

17. WAIVER.

It is agreed that the waiving of any of the covenants of this lease by either party shall be limited to the particular instance and shall not be deemed to waive any other breaches of such covenant or any provision herein contained.

18. SUCCESSORS AND ASSIGNS.

The covenants and agreements contained in this lease shall apply to, inure to the benefit of, and be binding upon the Parties, their heirs, distributees, executors, administrators, legal representatives, assigns and upon their respective successors in interest, except as otherwise expressly herein provided.

19. ENTRY AND INSPECTION.

LESSEE hereby grants a continuing right of access to the Premises or any part hereof to LESSOR and its employees, agents, and representatives. Said access shall be afforded at all reasonable times for the purpose of inspecting the Premises, for necessary repairs and maintenance,

for enforcement of the provisions hereof or for any other necessary or reasonable purpose of LESSOR. LESSOR shall give reasonable advance notice to LESSEE of any such entry or inspection.

20. IMPROVEMENTS.

No alterations, additions, or improvements, including changes in furnishings or decor, may be made by LESSEE to the Premises without first obtaining prior written approval of LESSOR in consultation with the Salt Lake County Health Department Facilities Managers or designees, which approval will not be unreasonably withheld. LESSOR desires that the furniture, furnishings and décor coordinate with the building and areas surrounding the Premises. LESSEE shall not construct or place any sign on the Premises without first obtaining the prior written approval of LESSOR. With the exception of LESSOR's personal property and trade fixtures, the ownership of any and all improvements and repairs which LESSEE shall make or install in or on the Premises shall remain with the Premises at the expiration of this Lease or any renewal or extension.

21. TERMINATION.

Either party may terminate this agreement in advance of its expiration date upon giving the other party at least ninety (90) days written notice of the date of such termination. Upon such termination LESSEE agrees to vacate the Premises on the termination date and return possession thereof to LESSOR.

22. HAZARDOUS SUBSTANCES AND MEDICAL WASTE.

A. Hazardous Substances.

1. Restrictions. LESSEE 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.

2. Compliance; Clean-Up. LESSEE shall, at LESSEE'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 LESSOR against any Hazardous Substances Discharge or violation of Environmental Law. Any party's obligations under this Section shall not limit such party's rights against third parties.

B. Medical Waste. LESSEE shall be responsible, at LESSEE's sole cost and expense, for the proper handling, storage, and removal of its Medical Waste from the Premises.

C. The obligations of LESSEE in this Section 22 survive the termination or expiration of this Lease.

23. HIPAA.

For purposes of this Section of this Lease, "protected health information", or PHI, shall have the meaning defined by the Standards for Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Subparts A and E of Part 164 (the "Privacy Standards"), as promulgated by the Department of Health and Human Services ("HHS") pursuant to the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"). LESSEE agrees to reasonably safeguard PHI from any intentional or unintentional disclosure in violation of the Privacy Standards by implementing appropriate administrative, technical and physical safeguards to protect the privacy of PHI. LESSEE further agrees to implement appropriate administrative, technical and physical safeguards to limit incidental disclosures of PHI, including disclosures to LESSOR, its subcontractors and agents. The parties agree that neither LESSOR nor its contractors, subcontractors or agents shall need access to, nor shall they use or disclose, any PHI of LESSEE. LESSOR also disavows any responsibility for providing any security systems to protect LESSEE's PHI. However, in the event PHI is disclosed by LESSEE or its agents to LESSOR, its, contractors, subcontractors or agents, regardless as to whether the disclosure is inadvertent or otherwise, LESSOR agrees to take reasonable steps to maintain, and to require its contractors, subcontractors and agents to maintain, the privacy and confidentiality of such PHI. The parties agree that the foregoing does not create, and is not intended to create, a "business associate" relationship between the parties as that term is defined by the Privacy Standards.

24. DEFAULT.

A. Payments: In the event lease payments are not paid on time, and such default has not been cured within ten (10) days of LESSEE receiving a notice of late payment, or the Premises is used or permitted to be used contrary to the provisions of this agreement, LESSOR may re-enter and take possession thereof and re-let the Premises and hold LESSEE liable for any damages or losses which may arise from LESSEE's default.

B. Liens: LESSEE agrees to immediately notify LESSOR of any notice of lien, claim or demand made upon it with regard to the Premises. Mechanics' liens or other claims that affect or may affect LESSOR's title which are caused by acts or omissions of LESSEE and that are not removed or corrected, or are not corrected as soon as reasonably practicable more than thirty (30) days after notice of said lien or claim is given, shall constitute a default and shall entitle LESSOR to terminate this lease upon ten (10) days notice in writing.

25. NOTICES.

Whenever any notice, approval, consent, request or election is given or made pursuant to this lease, it shall be in writing sent by certified mail, return receipt requested; or registered mail; or it shall be delivered personally. Said notices and payments shall utilize the following addresses

for LESSOR and LESSEE or such addresses as may be specified in writing by the parties from time to time.

LESSEE: Community Health Centers, Inc.
220 West 7200 South, Suite A-100
Midvale, Utah 84047

LESSOR: Salt Lake County Real Estate Section
2001 South State Street, Room S3-110
Salt Lake City, Utah 84114-4575

26. NO OFFICER OR EMPLOYEE INTEREST

It is understood and agreed that no officer or employee of the County has or shall have any pecuniary interest, direct or indirect, in this Agreement or the proceeds resulting from the performance of this Agreement. No officer or employee of LESSEE or any member of their families shall serve on any County board or committee or hold any such position which either by rule, practice, or action nominates, recommends, or supervises LESSEE's operations, or authorizes funding or payments to LESSEE.

27. ETHICAL STANDARDS

LESSEE represents that it has not: (a) provided an illegal gift to any County officer or employee, or former County officer or employee, or to any relative or business entity of a County officer or employee, or relative or business entity of a former County officer or employee; (b) retained any person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, other than bona fide employees of bona fide commercial agencies established for the purpose of securing business; (c) breached any of the ethical standards set forth in State statute or Salt Lake County Code of Ordinances § 2.07 (2010); or (d) knowingly influenced, and hereby promises that it will not knowingly influence, any County officer or employee or former County officer or employee to breach any of the ethical standards set forth in State statute or Salt Lake County ordinances.

28. CAMPAIGN CONTRIBUTIONS

The Salt Lake County campaign finance disclosure ordinance limits campaign contributions by contractors to County candidates. Salt Lake County Code of Ordinances § 2.72A (2010). LESSEE acknowledges and understands those limitations on campaign contributions mean that any person, business, corporation or other entity that enters into a contract or is engaged in a contract with the County is prohibited from making campaign contributions in excess of \$100 to County candidates during the term of the contract and during a single election cycle as defined in the ordinance. LESSEE further acknowledges that violation of those provisions governing campaign contributions may result in criminal sanctions as well as termination of this Agreement.

29. MISCELLANEOUS PROVISIONS:

A. Relationship of Parties. Nothing herein contained shall be deemed or construed by the parties hereto, or by any third party as creating the relationship of principal and agent; or a partnership or a joint venture between the parties hereto it being understood and agreed that neither the method or computation of rent, nor any other provision contained herein, nor any actions of the parties hereto shall be deemed to create any relationship between the parties hereto other than the relationship of LESSOR and LESSEE.

B. Headings. The headings of the several articles and sections contained herein are for convenience only, and do not define, limit, or construe the contents of such articles and sections.

C. Void Provisions. Any provision of this Lease which shall prove to be invalid, void, or illegal shall in no way affect, impair, or invalidate any other provision hereof; and, such remaining provisions shall remain in full force and effect unless such provision shall materially affect the covenants and obligation of this Lease. In such event, this Lease and all rights created herein may be terminated at the option of LESSOR.

D. Integration. This Lease contains all of the agreements of the parties hereto, with respect to any matter covered or mentioned in this Lease; and, no prior agreement or understanding pertaining to any such matter shall be effective for any purpose.

E. Amendments. No provision of this Lease may be amended or added to, except by an agreement in writing signed by the Parties hereto, or their respective successors in interest.

F. Governing Law. The terms of this Agreement shall be governed by and construed in accordance with Utah law.

G. Nuisance. LESSEE shall not suffer, or permit the maintenance of any nuisance (including unusual noises and obnoxious odors), or any uses which will increase the fire hazards, with respect to said premises.

H. Representation Regarding Authority. The persons who have executed this Agreement represent and warrant that they are duly authorized to execute this Agreement in their individual or representative capacity as indicated.

I. Review of Documents. The parties hereto represent that they have read and understand the terms of this Lease Agreement, and that they have sought legal counsel to the extent deemed necessary in order to protect their respective interests.

J. Keys and Locks. LESSEE shall not change locks or install other locks on doors without the written consent of LESSOR who agrees not to unreasonably withhold its consent. LESSEE upon the termination of the Tenancy shall deliver to LESSOR all the keys to the offices and rooms have been furnished to LESSEE.

K. Signage: LESSOR shall provide LESSEE with (1) signs on the door to the Premises and (2) LESSEE's name on the outside monument sign, subject to all requirements of the proper municipal authorities. LESSOR will also post LESSEE's name and suite number on the building directory. LESSOR shall be responsible for the costs associated with the initial design and placement of both internal and external signage. Any subsequent changes requested by LESSEE to the initial signage provided by LESSOR must be approved in writing by LESSOR, and LESSEE shall be responsible for the costs and expenses associated with making any approved changes. Upon the expiration or termination of the Lease, LESSEE shall remove its signs at LESSEE's sole cost and expense and repair any damage caused by such removal.

IN WITNESS WHEREOF, the Parties have subscribed their names hereon and have caused this lease to be duly executed as of the date first set forth above.

LESSOR:
SALT LAKE COUNTY

By _____
Mayor or Designee

APPROVED BY:
Salt Lake County Health Department

By _____
Gary L. Edwards, M.S.
Executive Director

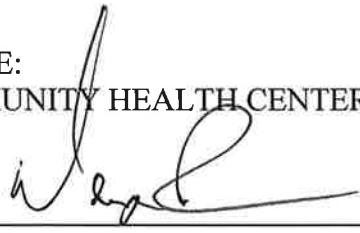
Date: _____

APPROVED AS TO FORM:

R. Christopher Preston
Deputy District Attorney

Date: _____

LESSEE:
COMMUNITY HEALTH CENTERS, INC.



Dexter Pearce, ED
Director