

Copy Same as Above
63 S. Main

1161 333 687840

FILED AND RECORDED FOR
American Savings
JAN 11 1950

Plated Indexed
Photostatic Card File LEASE
Microfilmed Abstracted

RUTH EMMETT OLSEN
WEBER COUNTY RECORDER
DEPUTY *Carlson*

WHEREAS, St. Benedict's Hospital, a Utah Non-Profit Corporation,

with offices in Weber County, State of Utah, hereinafter referred to as Lessor,
is the owner of certain real property in said Weber County and the holder of a
Certificate of Need issued by the State of Utah for certain nursing home beds,
and desires to lease said property and to assign said Certificate of Need to
the Mount Ogden Convalescent Center, Inc., of Salt Lake City, State of Utah,
for the construction and operation of a nursing home; and

WHEREAS, Mount Ogden Convalescent Center, Inc., hereinafter
referred to as Lessee, desires to lease said property and to sub-lease said
nursing home, thereby utilizing said Certificate of Need, on the terms and
conditions set forth hereinafter;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

ARTICLE I
TERM

1.1 This lease shall commence on the 25th day of January,
~~1970~~, and shall run for an initial term of fifty-one (51) years; provided that if
during the life of this lease the Lessee, with Lessor's approval, constructs
permanent new additions or makes substantial capital improvements, the term
of this lease shall run for fifty-one (51) years from the completion thereof. At
the conclusion of said lease term, the leased property shall revert to Lessor along with
all improvements of a permanent nature, specifically including any structures
constructed on said property and all appurtenances and fixtures; excluded from
this reversion are any furniture and furnishings used by Lessee in the operation
of the nursing home and easily removed without damage to the remaining structures.
The assignment of the Certificate of Need shall run concurrent with the lease of
said property and shall be evidenced by the signatures hereon.

ARTICLE II
RENTAL

2.1 As consideration for the lease of the property and the assignment of the Certificate of Need, Lessee shall pay to the Lessor the amount of Five Thousand Dollars (\$5,000.00) per year, to fall due on the first business day of each calendar year.

2.2 Lessee shall have the right to prepay any lease payment at any time and may prepay any and all payments due under this lease.

ARTICLE III
THE PROPERTY

3.1 The property which is the subject matter of this lease is located in the City of Washington Terrace, County of Weber, State of Utah, and is more completely described as follows:

Part of 07-053-0028

A part of the Southeast quarter of Section 17, Township 5 North, Range 1 West, Salt Lake Base and Meridian, U. S. Survey: Beginning at a point which is North 0° 26' East 1624.33 feet along the section line, North 89° 34' West 501.00 feet and North 81° 44' West 149.66 feet from the Southeast corner of said Section 17; running thence South 16° 06' West 122.71 feet; thence South 72° 26' West 89.93 feet; thence South 0° 26' West 145.10 feet; thence 72° 26' West 305.00 feet; thence North 0° 26' East 386.94 feet; thence North 72° 26' East 253.09 feet; thence Easterly along the arc of a 549.06 foot radius curve to the left 186.95 feet (L C bears South 65° 08' 45" East 186.04 feet), to the point of beginning. Contains 2.91 acres, more or less.

ARTICLE IV
USE OF PREMISES

4.1 Lessee will use the leased property for the construction, maintenance and operation of a nursing home. No other type of facility shall be allowed unless approved by Lessor; however, Lessor shall not unreasonably withhold such approval.

4.2 In the event Lessor should, for any reason, terminate its hospital operation on the property adjoining Lessee's nursing home, then Lessee shall be

1161 340

released of any and all restrictions on use as set forth in this Article IV. Furthermore, in such event, the Lessee may, at its option, terminate this Lease.

ARTICLE V
CONSTRUCTION OF BUILDING

5.1 Lessee agrees to commence construction of a nursing home on the leased premises on or before the 3RD day of MARCH, 1977. Lessee further agrees that construction of said building will be pursued to completion with all diligence, subject, however, to delays caused by fire, flood, earthquake, or other acts of God, and including labor strikes and other events beyond the control of the Lessee. Said building is to be completed and ready for occupancy on or before the _____ day of _____, 1977. In the event of delays not covered by the above circumstances, Lessee may be subject to delay penalties.

5.2 The design of the building and of surrounding grounds will be compatible with the buildings and grounds of Lessor's hospital. Lessor will have final approval on the design of the building; however, such approval will not be unreasonably withheld.

5.3 All construction on the leased premises will be solely at the cost of Lessee, and without cost of expense to Lessor. Lessor will allow Lessee the right to connect to Lessor's sewer line from the point of connection to the point where said line connects to the City Sewer System. Lessor will further grant Lessee all necessary easements for utility lines and traffic flow. Lessee may connect to other utility lines existing or installed for service to the hospital building, but only when approved in writing by Lessor; however, such approval shall not be unreasonably withheld.

5.4 In the construction, maintenance and operation of nursing home, Lessee will:

(a) Comply with all applicable laws, rules and regulations of all governmental bodies having jurisdiction.

(b) Perform and complete the construction in a manner so as not to unreasonably interfere with contractors, subcontractors and others engaged in the construction or operation of the adjacent hospital building and facilities. In this connection, however, Lessor agrees not to unreasonably interfere with contractors, subcontractors and others engaged in the construction of the nursing home.

5.5 In the construction and in the maintenance and operation of the nursing home and other related facilities and grounds, Lessee will provide adequate liability and general coverage insurance, protecting it and also the Lessor as an additional insured. Lessee further agrees that in such construction, maintenance and operation it will indemnify Lessor, its agents, officers and employees, from any and all loss, damage, demands, causes of action and fees of any nature, made against Lessor and arising from any negligence or other fault by Lessee, its officers, employees, contractors, subcontractors and others working upon, visiting, attending or visiting the nursing home or otherwise, from Lessee's use and occupancy of the leased premises and the improvements placed thereon.

5.6 Except or as otherwise provided herein, should the parties to this lease determine at any time to cooperate so as to provide joint maintenance or joint services of any kind, such arrangement will be the subject of a separate written agreement between them.

5.7 In its construction of the nursing home and related facilities, Lessee will permit no liens or other encumbrances to accrue and remain undischarged or unreleased should the same impair or cloud Lessor's ownership or title to the leased premises. However, Lessee may assign the Lease and otherwise pledge or encumber its rights hereunder, and its buildings or improvements placed thereon, as security for the repayment of any loan required by it to finance the construction to be performed by it as herein contemplated. It is specifically agreed that the land will be subordinated to a building mortgage obtained by Lessee.

5.8 Both parties agree to maintain their respective buildings, parking and grounds in a clean, and proper manner and further agree to do nothing to degrade the appearance of the other party's property.

ARTICLE VI
TAXES

6.1 In addition to the rental herein reserved, Lessee will pay as required all general and special property taxes levied or assessed against the leased premises and the improvements thereon. Lessor is a tax-exempt, non-profit corporation. No action will be taken by Lessee in its use and occupancy of the leased premises which jeopardizes or tends to jeopardize the status of Lessor with respect to its hospital grounds or the operation of its hospital thereon.

ARTICLE VII
TERMINATION OF LEASE

7.1 This lease may be terminated by Lessor at any time by:

- (a) Abandonment of the facility by Lessee; or
- (b) Violation by Lessee of any of the express terms and conditions of this Lease.

7.2 Before Lessor may terminate this lease for violation of the terms of this lease as provided in the preceding subparagraph, it must give to Lessee written notice of its determination that such violations exist. If the violations are of express terms of this lease, Lessee shall have thirty (30) days after receipt of such written notice to purge itself of such violations, and should it fail to do so, Lessor may terminate forthwith.

7.3 In the event of termination of this lease under the provisions of paragraph 7.1, the leased premises shall revert to the Lessor, subject, however, to the lease rights of any subtenant or any mortgage or assignment or other security interest. The Lessee would remain liable on all obligations against said property and would hold Lessor harmless hereon. Termination of said lease shall automatically terminate the assignment of the Certificate of Need.

ARTICLE VIII
FIRST RIGHT TO PURCHASE

8.1 In the event of any proposed sale by Lessee of the premises, the Lessee shall give the Lessor thirty (30) days to meet any offer made to the Lessee. In the event the Lessor elects to meet the offer within the said thirty (30) days, the property shall be sold to the Lessor. In the event the Lessor takes no action or rejects the offer within the time allowed, the Lessee shall be free to carry out his sale.

All offers and acceptance shall be in writing. Lessor shall have the right to approve all sales of the facility and shall not unreasonably refuse approval for any sale.

ARTICLE IX
ASSIGNMENT

9.1 Lessor agrees that Lessee may assign or sublet the lease upon written notification to the Lessor, provided, however, that such assignment or subletting, without the express agreement of Lessor, does not constitute a novation relieving Lessee of its obligations hereunder.

ARTICLE X
BINDING EFFECT

10.1 This lease and assignment shall be binding upon and the benefits hereof shall, except as herein limited, inure to the successors and assigns of the respective parties.

ARTICLE XI

11.1 It is further acknowledged that Lessor's hospital is sponsored by an Order of Roman Catholic Sisters and in all its activities the Ethical and Religious Directives for Catholic Health Facilities must be respected. In its operation of the nursing home building, Lessee agrees its sublease agreement will contain restrictive covenants prohibiting by tenants abortion, euthanasia, sterilization and any and all illegal practices.

STATE OF UTAH
COUNTY OF WASHINGTON
THIS PAGE BEING AT
THE TIME OF RECORDING
RUTH EMMETT OLSON
Waper County Clerk

IN WITNESS WHEREOF, the undersigned have hereunto set their hands
this 25th day of January, 1977.

LESSOR:

LESSEE:

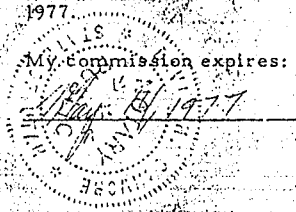
ST. BENEDICT'S HOSPITAL
A Utah Non-Profit Corporation

MOUNT OGDEN CONVALESCENT
CENTER, INC., a Utah Corporation

By Robert K. Lichten

By Wallace R. Bennett

Subscribed and sworn to before me this 25th day of January.



David H. Schube
NOTARY PUBLIC, residing in
Salt Lake City, Utah

WHE
AMERICAN
63 South
Salt Lak

TH
ar
a
ir
X
X
X
P
PLA 07-053-0826
* Delete bracketed material if not completed.