

FOR, EDWARD GARDNER  
ANTHONY PLAZA II  
67 WEST 200 SOUTH  
SALT LAKE CITY, UTAH 84111

BOOK 1395 PAGE 504

17<sup>th</sup> JON FREELSON  
WEBER COUNTY CLERK  
DEPUTY *Leann Hickey*  
DEC 23 1981  
FILED FOR UTAH TITLE

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12-29-81

PLATTED  VERIFIED   
ENTERED  MICROFILMED

REPLACEMENT LEASE  
"PHASE II PROPERTY"

THIS REPLACEMENT LEASE ENTERED INTO AS of this 14<sup>TH</sup> day of *DECEMBER*, 1981 by and between ST. BENEDICT'S HOSPITAL, a Utah nonprofit corporation ("Lessor") and ST. BENEDICT DEVELOPMENT COMPANY, a Utah general partnership ("Lessee").

WHEREAS, on or about July 6, 1977 Lessor and GFI, LTD., a Utah limited partnership, and KAREN and LEON PETERSON (the "Original Lessee") entered into a lease covering certain property situated in Weber County, State of Utah (the "Original Lease"); and

WHEREAS, said Original Lease has been duly amended by amendments dated August 24, 1977, December 19, 1978 and by a Third Amendment to Lease of even date herewith and said Original Lease is now in good standing and in full force and effect, as amended; and

WHEREAS, the Original Lessees have duly transferred all of their right, title and interest in and to the Original Lease, as amended to Lessee; and

WHEREAS, the property described on Exhibit A hereto as Phase II (the "Phase II Property") was released from the premises devised by said Original Lease by Third Amendment to Lease of even date herewith; and

WHEREAS, the remainder of the premises covered by said Original Lease now consists only of the property described in Exhibit A hereto as Phase I Property (the "Phase I Property");

WHEREAS, Lessor owns certain parcels of real property upon which is located a hospital (hereinafter referred to as the "Hospital Property"), which Hospital Property is contiguous to the various borders of the property covered by this Lease as shown generally on the Plot Plan reproduced on Exhibit B hereto (the "Plot Plan"); and

WHEREAS, there is presently an enclosed walkway between the medical office building on the Phase I Property and the said Hospital Property (hereinafter referred to as the "Walkway") which Walkway extends across the boundary line between the Hospital Property and the Phase I Property as shown on the Plot Plan; and

WHEREAS, the Walkway is presently unobstructed except for a set of doors located near the south end thereof; and

WHEREAS, there is presently parking on the Phase I Property and on the Phase II Property as generally shown on the Plot Plan; and

WHEREAS, ingress and egress to the parking on the Phase I Property and on the Phase II Property can only be had over and across presently marked driveways as shown on the Plot Plan (said marked driveways hereinafter referred to as the "Driveways"); and

WHEREAS, Lessor has previously granted rights to use said Walkway and Driveways as well as rights with respect to utilities on the Hospital Property to the Tenant of the Phase I Property under the Original Lease; and

WHEREAS, Lessor hereby desires to lease the Phase II Property to the Lessee hereunder and to grant the Lessee hereunder the right to use the Driveways and Walkway as well as rights with respect to utilities on the Hospital Property in common with the tenant of Phase I; and

WHEREAS, Lessee hereunder desires to lease the Phase II Property from Lessor and to undertake 50% of the obligations of the tenant under the Original Lease with respect to said Walkway and Driveways and utilities.

NOW, THEREFORE, Lessor and Lessee hereby enter into the following lease affecting the Phase II Property and Lessor hereby grants Lessee certain easements across the Hospital Property.

[Article I Intentionally Deleted]

## ARTICLE II

### TERM OF LEASE

2.1 This Lease shall commence as of July 6, 1977 and shall run for a term of Fifty-one (51) years. In addition to the initial term of this Lease, the Lessee shall have the option to renew this Lease on the same terms and conditions as set forth herein, for two additional ten (10) year periods. At the conclusion of said Lease term, or terms 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 or its Subtenants in the operation of the improvements constructed upon the leased property and easily removed without damage to the remaining structures.

## ARTICLE III

### RENTAL

3.1 Lessee shall pay to Lessor as rental of the property described in Article IV the amount of one (\$1.00) Dollar per year. The first years payment to be paid at the time of the execution of this Lease and receipt of which is hereby acknowledged.

3.2 Lessee shall have the right to prepay any lease payments at any time and may prepay all lease payments due under the initial term of this Lease.

ARTICLE IV

THE PROPERTY

4.1 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 more specifically described in Exhibit "A" attached hereto as the "Phase II Property."

ARTICLE V

USE OF PREMISES

5.1 Lessee will use the leased property for the construction, maintenance and operation of a medical professional building, including medical and dental suites, pharmacy, and other facilities related thereto. No other type of facility shall be permitted unless approved by Lessor.

5.2 In the event Lessor should, for any reason, terminate its hospital operation on the property adjoining Lessee's medical center then Lessee shall be released of any and all restrictions on use as set forth in this Article V.

ARTICLE VI

CONSTRUCTION OF BUILDING

6.1 Lessee has completed construction of a medical professional building on the Phase II Property, and Lessor hereby acknowledges and agrees that said construction is in accordance with the terms and conditions of the Original Lease and this Replacement Lease.

6.2 It is further understood that the term "completed" as used in paragraph 6.1 above refers to the building shell. The actual completion of interior suites will depend upon tenant demand, but Lessee agrees to complete interior suites without undue delay, as subleases are executed.

6.3 All construction on the leased premises will be solely at the cost of Lessee, and without cost or expense to Lessor. In common with the Tenant of the Phase I Property under the Original Lease and in accordance with the terms of that certain Declaration of Restrictions, Easements and Common Area Maintenance dated December 14<sup>th</sup>, 1981 and entered into by the parties hereto (the "Declaration"), Lessor will allow Lessee the right to connect to Lessor's sewer line and Lessor, Lessee, and the Tenant of the Phase I Property (both hereunder and under the Original Lease) will share maintenance cost of said sewer line from the point of connection to the point where said line connects to the city sewer systems. In common with the Tenant of the Phase I Property under the Original Lease and in accordance with the terms of the Declaration, Lessor will further grant Lessee all necessary easements for utility lines and traffic flow including easements for the use of the Driveways and Walkway. In common with the Tenant of the Phase

I Property under the Original Lease, Lessee may connect to other utility lines existing or installed for service to the hospital building, but only when approved in writing by Lessor's architect, such approval shall not be unreasonably withheld.

6.4 In the construction, maintenance and operation of the medical professional building, Lessee will comply with all applicable laws, rules and regulations of all governmental bodies having jurisdiction.

6.5 In the construction and in the maintenance and operation of the medical professional building 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 of Lessee, its officers, employees, contractors, subcontractors and others working upon, visiting, attending or visiting the professional building or otherwise, from Lessee's use and occupancy of the leased premises and the improvements placed thereon.

6.6 Except 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 arrangements will be the subject of a separate written agreement between them.

6.7 In its construction of the medical professional building and related facilities, Lessee will permit no liens or other encumbrances to accrue and remain undischarged or unreleased when 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 and the rights of Lessor hereunder will be subject and subordinated to a building mortgage to be obtained by Lessee.

6.8 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 VII

#### PAYMENT OF TAXES

7.1 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 status of Lessor with respect to its hospital grounds or the operation of its hospital thereon.

ARTICLE VIII

TERMINATION OF LEASE

8.1 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.

8.2 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 violation exists. Lessee shall have thirty (30) days after receipt of such written notice to purge itself of such violation, and should it fail to do so, Lessor may terminate forthwith.

8.3 In the event of termination of this Lease under the provisions of paragraph 8.1, the leased premises may revert to the Lessor at Lessor's option, subject however, to the Lease rights of any subtenant or any lender, any mortgage or assignment or other security interest. The Lessee would remain liable on all obligations against said property and would hold Lessor harmless thereon.

ARTICLE IX

PROPOSED SALE

9.1 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 that Lessor takes no action or rejects the offer within the time allowed, the Lessee shall be free to carry out its 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 X

TENANCIES

10.1 The predominant contemplated use of the medical professional building to be constructed by Lessee on the leased premises will be to house medical practitioners using Lessor's hospital facilities for their patients. The parties mutually

recognize that a building and operation as herein contemplated, located in close proximity to a hospital is essential to the success of the hospital. The recognition of this principle is reflected in the nominal rental required of Lessee hereunder. It is further acknowledged that Lessor's hospital is sponsored by an Order of Roman Catholic Sisters, and in all its activities their religious convictions must be respected. In its operation of the medical-professional building Lessee agrees:

A. Its sublease agreements will contain restrictive covenants prohibiting by tenants abortion, euthanasia and any and all illegal practices.

B. Tenancy will be limited to medical practitioners, as defined by the laws of the State of Utah; except for dentists and pharmacists, which are herein specifically permitted and such other exceptions as may be agreed upon in writing by Lessor and Lessee.

C. So far as practicable, in view of tenancy demand, tenancies will be limited to members of the professional staff of Lessor's hospital. There cannot be a disproportionate tenancy by any specialized group of practicing physicians, since such disproportionate tenancy will have the effect of limiting the hospital census anticipated from the medical professional building. For this reason, tenancy will not be granted to osteopaths, without prior approval of Lessor, such approval will not be unreasonably withheld.

D. Medical services available at the hospital will not be duplicated at the medical professional building, unless approved by Lessor. Thus, space will not be allocated for laboratory services, radiological facilities, and such facilities will not be permitted, so long as the hospital provides adequate and competitive services. In the event it becomes necessary by reason of the inability of Lessor to provide a laboratory or radiology department in this building the Lessor is hereby granted a right of first refusal to lease such space and provide said service.

#### ARTICLE XI

##### WALKWAY AND DRIVEWAYS EASEMENT

11.1 In common with the Tenant of the Phase I Property under the Original Lease and in accordance with the terms of the Declaration, Lessor grants to the Lessee and said Lessee's permitted successors, assigns, patients, invitees and licensees, an easement and right-of-way over and across the Walkway and Driveways; said easement and right-of-way to be appurtenant to and part of the Phase I and Phase II Properties.

11.2 Lessor agrees to keep the Driveways, the portion of the Walkway south of the doors located therein, and the said doors in good repair and condition and free from obstruction.

11.3 Lessee, and Lessee's permitted successors and assigns, in cooperation with the Tenant of the Phase I Property



under the Original Lease agree to keep the portion of the Walkway north of said doors in good repair and condition and free from obstruction.

ARTICLE XII

ASSIGNMENT

12.1 Except as provided herein Lessee agrees that it will not assign this Lease or any rights hereunder, without written permission of the Lessor, but such permission will not be unreasonably refused, except Lessee may assign the same to successor entity composed primarily of same principals.

ARTICLE XIII

MISCELLANEOUS

13.1 This Replacement Lease Phase II Property is in substitution and replacement for that certain Replacement Lease Phase II Property dated as of October 1, 1981 between the parties hereto, which although exercised, was never delivered, and had no force or effect.

13.2 This Lease is and shall always be subject and subordinate to any first mortgage which is now or shall at any time be placed upon the Phase II Property by Lessor and/or Lessee including particularly any first Mortgage Lien held by UNION MUTUAL STOCK LIFE INSURANCE CO. OF AMERICA. Lessor and Lessee agree to execute and deliver any instrument deemed necessary to further effect subordination of this lease to any such first mortgage.

ARTICLE XIV

BINDING EFFECT

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

EXECUTED as of the day and year first above written.

"Lessor"

ST. BENEDICT'S HOSPITAL

By Robert K. [Signature]

Its [Signature]

"Lessee"

ST. BENEDICT DEVELOPMENT COMPANY

By [Signature]

Leon Peterson

By Katie F. Gasser  
Katie F. Gasser, Trustee of  
the G. Walter Gasser Family  
Trust

By GFI, LTD.

By G. Walter Gasser  
G. Walter Gasser

CONSENT

The undersigned hereby jointly and severally consent  
to the foregoing Replacement Lease.

"Original Lessees"

GFI LIMITED,  
a Utah limited partnership

By G. Walter Gasser  
Its General Partner

Leon Peterson  
Leon Peterson

Karen Peterson      Karen F. Peterson  
Karen Peterson

"Tenant of the Phase I Property"

ST. BENEDICTS DEVELOPMENT COMPANY

By Leon Peterson  
Leon Peterson

By Katie F. Gasser  
Katie F. Gasser, Trustee of  
the G. Walter Gasser Family  
Trust

By GFI, LTD.

By G. Walter Gasser  
G. Walter Gasser

[Attach Exhibit A (Description of Phase I and Phase II Proper-  
ties) and Exhibit B (Plot Plan)]



The following described property in Weber County, State of Utah, being a part of the SE Quarter of Section 17, T5N, R1W, SLB&M, U.S. Survey:

PHASE I

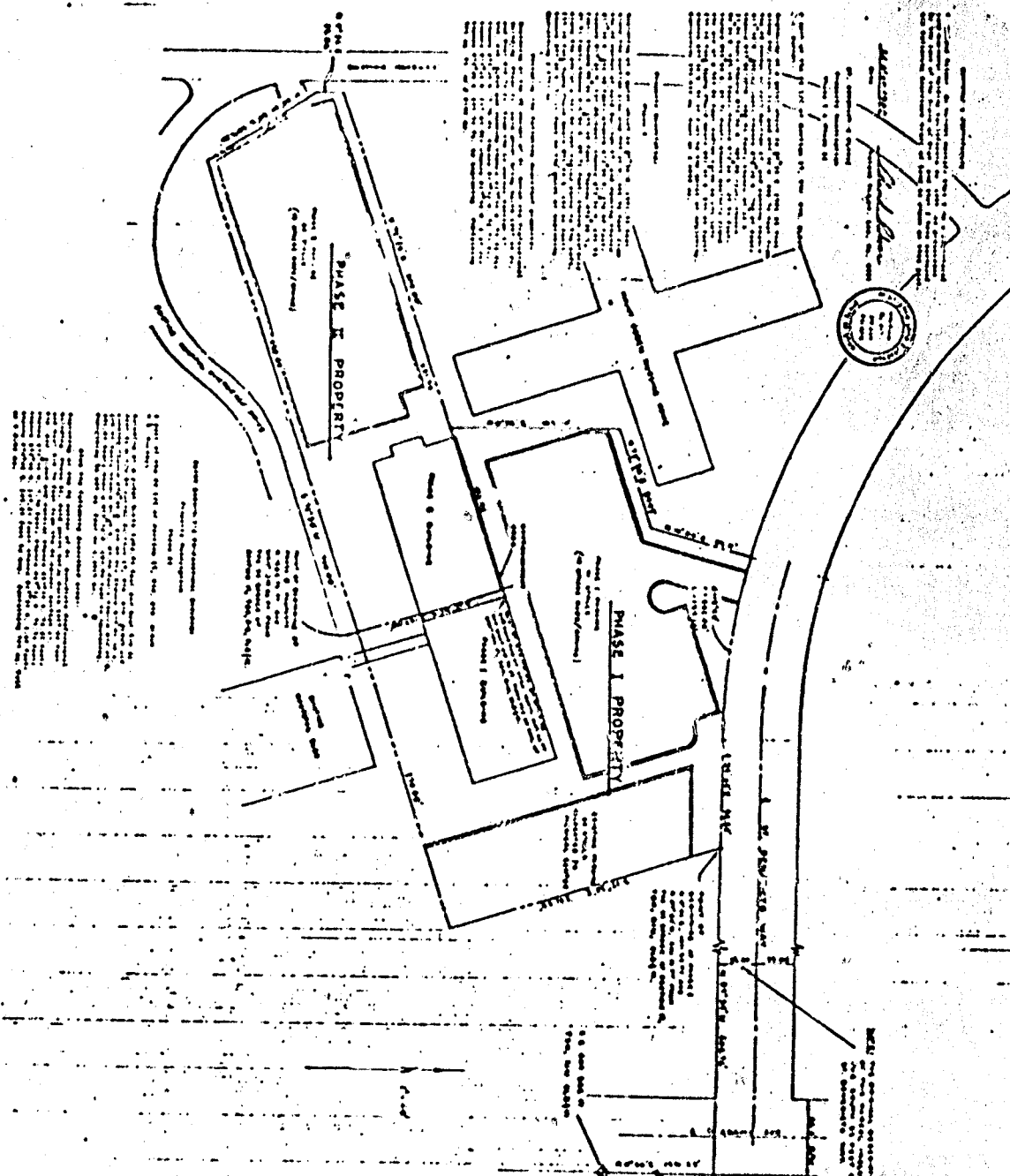
Beginning at a point which is N 0°26'E, 1591.33 feet along the section line and N 89°34'W, 406.76 feet from the SE corner of said Section 17, and running thence S 17°34'E, 241.40 feet; thence S 72°26'W, 270.00 feet; thence N 17°34'W, 127.00 feet; thence S 72°26'W, 146.93 feet; thence N 0°26'E, 145.10 feet; thence N 72°26'E, 89.93 feet; thence N 16°06'E, 89.71 feet; thence easterly along the arc of a 582.06 foot radius curve to the left, 159.16 feet (Long Chord bears S 81°44'E, 158.66 feet), thence S 89°34'E, 94.24 feet to the point of beginning. Containing 2.19 acres more or less. Excluding the following described property: Beginning at the NE Cor of St. Benedict's Professional Building, Phase II, said point being North 1407.66 ft and West 610.74 ft from the SE Cor Sec 17, T5N, R1W, SLB&M and running thence S 17°34'E, 73.33 ft; thence S 72°26'W, 7.77 ft; thence N 17°34'W, 71.73 ft; thence S 72°26'W, 137.63 ft; thence N 17°34'W, 1.60 ft; thence N 72°26'E, 145.33 ft to beg. Containing 785 sq ft or 0.0180 Ac.

07-053-002A

PHASE II

Beginning at a point North 1282.73 feet and West 579.26 feet from the SE corner Section 17, T5N, R1W, SLB&M and running thence S 72°26'W, 430.00 ft; thence N 33°01'30" W, 109.01 feet; thence N 0°26'E, 23.06 feet; thence N 72°26'E, 451.93 feet; thence S 17°34'E, 127.00 feet to beginning. Containing 56,695 sq. feet or 1.3015 Ac. Also the following described area: Beginning at the NE Cor of St. Benedict's Professional Building, Phase II, said point being North 1407.66 ft and West 610.74 ft from the SE Cor Sec 17, T5N, R1W, SLB&M and running thence S 17°34'E, 73.33 ft; thence S 72°26'W, 7.70 ft; thence N 17°34'W, 71.73 ft; thence S 72°26'W, 137.63 ft; thence N 17°34'W, 1.60 ft; thence N 72°26'E, 145.33 ft to beg. Containing 785 sq ft or .0180 Ac.

EXHIBIT "A"  
TO  
REPLACEMENT LEASE "PHASE II PROPERTY"



PHASE I PROPERTY  
 (Formerly owned by [illegible])  
 [illegible text]

PHASE II PROPERTY  
 (Formerly owned by [illegible])  
 [illegible text]



DR. JAMES L. ALLEN  
 DR. BENEDICTA MEDICAL CENTER  
 SUITE 101  
 [illegible text]

EXHIBIT "B"  
 TO

REPLACEMENT LEASE PHASE II PROPERTY

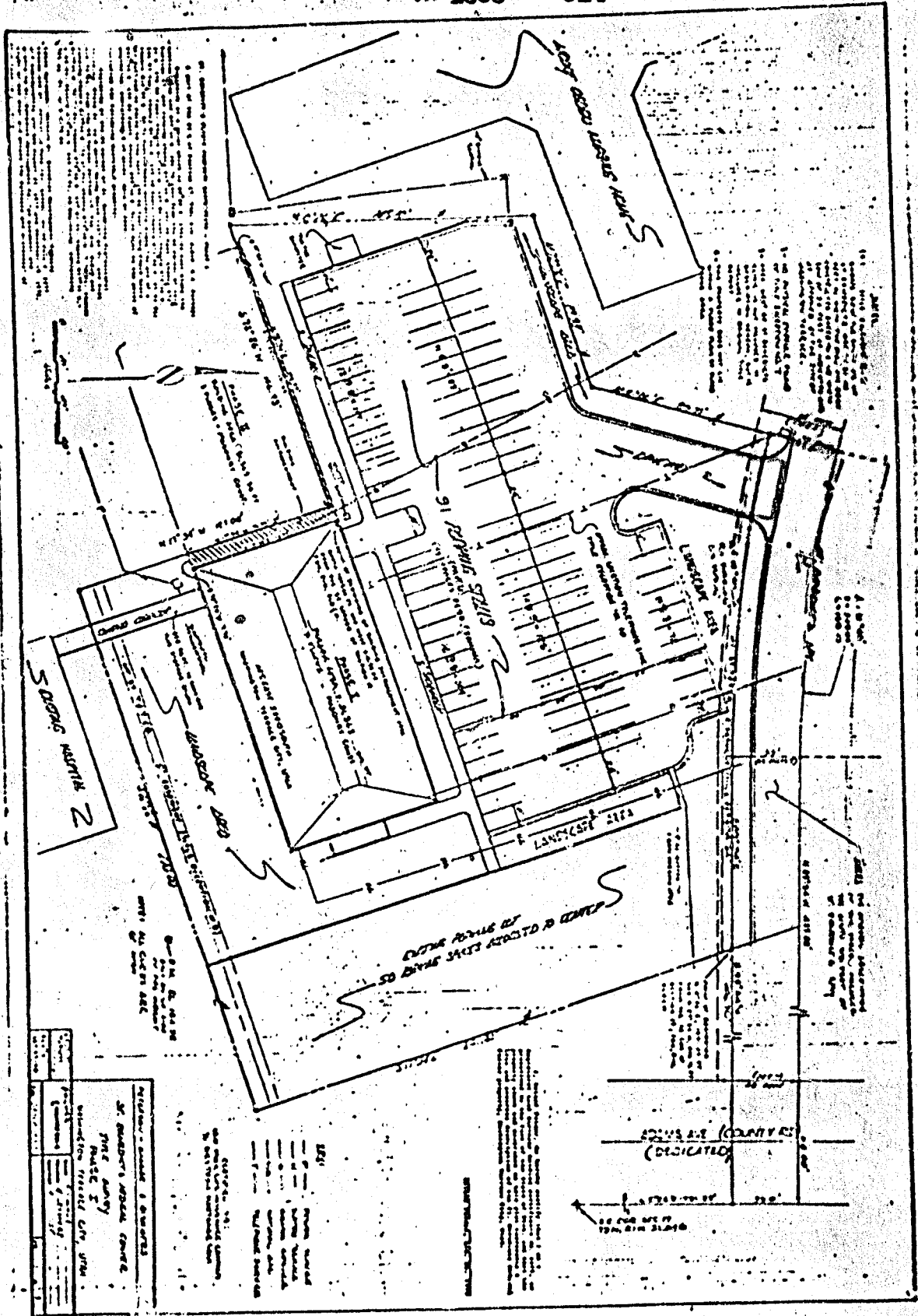
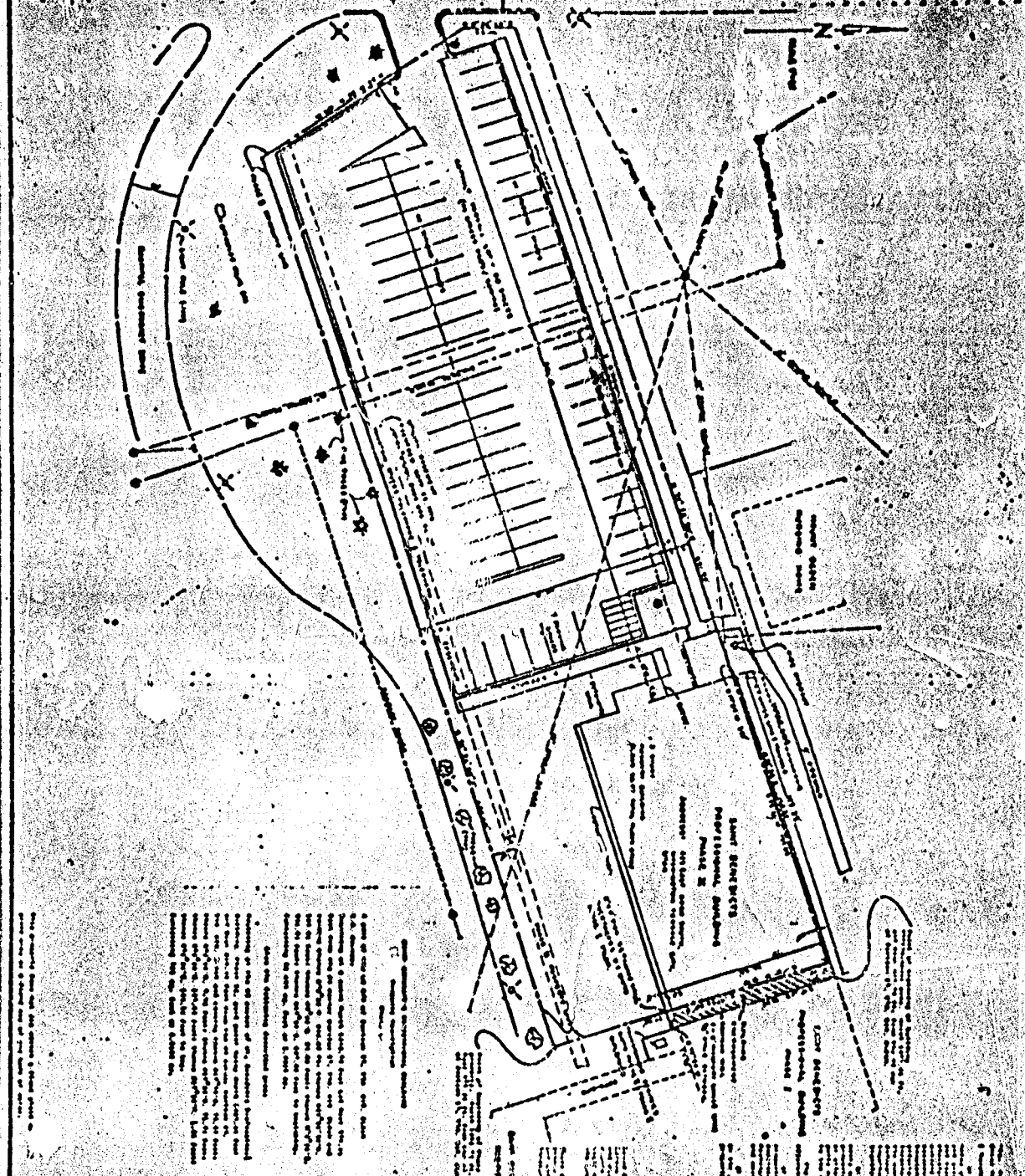


EXHIBIT "B" (cont.)

TO

REPLACEMENT LEASE PHASE II PROPERTY



1. The area shown on this plan is the same as the area shown on the plan of the same name filed for record in the office of the Register of Deeds for the District of Columbia, on the 14th day of August, 1964, in Book 1395, Page 515.

2. The area shown on this plan is the same as the area shown on the plan of the same name filed for record in the office of the Register of Deeds for the District of Columbia, on the 14th day of August, 1964, in Book 1395, Page 515.

3. The area shown on this plan is the same as the area shown on the plan of the same name filed for record in the office of the Register of Deeds for the District of Columbia, on the 14th day of August, 1964, in Book 1395, Page 515.

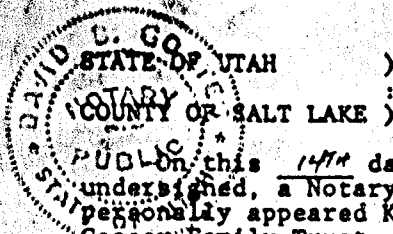
LAND TITLE SURVEY  
 JOHN P. HARRIS  
 REGISTERED PROFESSIONAL SURVEYOR  
 DISTRICT OF COLUMBIA  
 1400 K STREET, N.W.  
 WASHINGTON, D.C. 20004



EXHIBIT "B" (cont.)

REPLACEMENT LEASE PHASE II PROPERTY

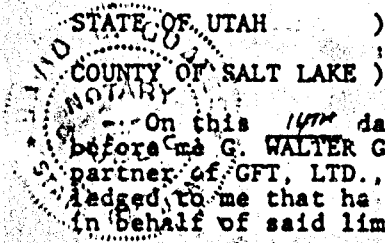




On this 14th day of December, 1981, before me, the undersigned, a Notary Public in and for said county and state, personally appeared KATIE F. GASSER, Trustee of the G. Walter Gasser Family Trust, known to me to be the signer that executed the within instrument, and acknowledged to me that she executed the same as the Trustee for the said family trust, a General Partner in ST. BENEDICT DEVELOPMENT COMPANY, a Utah general partnership.

David L. Bontz  
Notary Public in and for said  
County and State

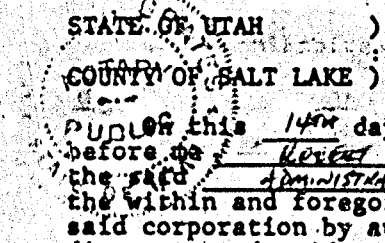
My Commission Expires:  
7-27-85



On this 14th day of December, 1981, personally appeared before me G. WALTER GASSER, who did say that he is the general partner of GFT, LTD., a Utah limited partnership, and he acknowledged to me that he executed the foregoing document for and in behalf of said limited partnership.

David L. Bontz  
Notary Public in and for said  
County and State

My Commission Expires:  
7-27-85

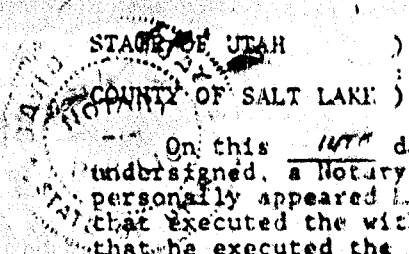


On this 14th day of December, 1981, personally appeared before me ROBERT K. FISHER, who did say that he is the said ADMINISTRATOR of ST. BENEDICT'S HOSPITAL, and that the within and foregoing instrument was signed in behalf of said corporation by authority of a resolution of its board of directors and said ROBERT K. FISHER duly acknowledged to me that said corporation executed the same and that the seal affixed is the seal of said corporation.

David L. Bontz  
Notary Public in and for said  
County and State

My Commission Expires:  
7-27-85

NOTARY PUBLIC  
STATE OF UTAH  
COUNTY OF SALT LAKE



STATE OF UTAH )  
COUNTY OF SALT LAKE ) ss.

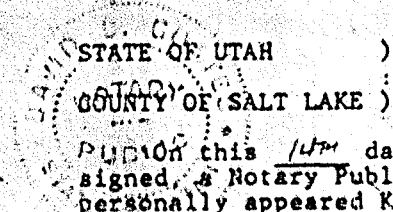
On this 14TH day of December, 1981, before me, the undersigned, a Notary Public in and for said county and state, personally appeared LEON PETERSON known to me to be the signer that executed the within instrument, and acknowledged to me that he executed the same as an individual and as a General Partner in ST. BENEDICT DEVELOPMENT COMPANY, a Utah general partnership.

*R. B. Sants*

Notary Public in and for said  
County and State

My Commission Expires:

7-27-85



STATE OF UTAH )  
COUNTY OF SALT LAKE ) ss.

On this 14TH day of December, 1981, before me, the undersigned, a Notary Public in and for said county and state, personally appeared KAREN PETERSON known to me to be the signer that executed the within instrument, and acknowledged to me that she executed the same.

*R. B. Sants*

Notary Public in and for said  
County and State

My Commission Expires:

7-27-85