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06 SEPTEMBER 89 03:44 PM  
KATIE L. DIXON  
RECORDER, SALT LAKE COUNTY, UTAH  
WESTERN STATES TITLE  
REC BY: D DANGERFIELD, DEPUTY

**Lease**  
(Short Form)

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4820054

SMART LAND INVESTMENTS of Murray, Salt Lake County, State of Utah, hereinafter referred to as Landlord, hereby remise, release and let to SMART DESIGN, INC. of Murray, Salt Lake County, State of Utah, hereinafter referred to as Tenant, all those premises situate, lying and being in the County of Salt Lake, State of Utah, commonly known as 6178 Stratler Drive, Murray, Utah and more particularly described in Exhibit "A" which is attached hereto and incorporated herein by this reference.

TO HAVE AND TO HOLD the said premises, together with the appurtenances, unto the Tenant, from the 1st day of September, 1989, for and during and until the 31st day of August, 2009 a term of twenty years.

And Tenant covenants and agrees to pay Landlord as rental for said premises \$ 2,350.00 on the first day of each month during the term of this lease.

And Tenant further agrees to deliver up said premises to Landlord at the expiration of said term in as good order and condition as when the same were entered upon by Tenant, reasonable use and wear thereof and damage by the elements excepted, and the Tenant will not let or underlet said premises, or any part thereof without the written consent of Landlord first had and obtained, which consent will not be unreasonably withheld.

And Tenant further covenants and agrees that if said rent above reserved or any part thereof shall be unpaid for 20 days after the same shall become due; or if default in any of the covenants herein contained to be kept by Tenant is not cured within 20 days from written notice, or if Tenant shall vacate such premises, Landlord may elect, without notice or legal process, to re-enter and take possession of said premises and every and any part thereof and re-let the same and apply the net proceeds so received upon the amount due or to become due under this lease, and Tenant agrees to pay any deficiency.

Responsibility for utilities, taxes and insurance shall be as indicated: Tenant responsible for (T), Landlord responsible for (L):

Power T, Heat T, Water T, Sewer T, Telephone T, Real Property Tax T,  
Personal Property Tax T, Fire Insurance on Personal Property T, Glass  
Insurance T, Others:

Responsibility for the maintenance shall be as indicated: Tenant responsible for (T), Landlord responsible for (L):

Roof L, Exterior Walls L, Interior Walls L, Structural Repair L, Interior  
Decorating T, Exterior Painting L, Yard Surfacing L, Plumbing Equipment  
L, Heating and Air Conditioning Equipment L, Electrical Equipment L,  
Light Globes and Tubes T, Glass Breakage T, Trash Removal T, Snow  
Removal T, Janitorial T, Others:

Each party shall be responsible for losses resulting from negligence or misconduct of himself, his employees or invitees. Furniture, fixtures and personal property of Tenant may not be removed from the premises until rent and other charges are fully paid.

In case of failure to faithfully perform the terms and covenants herein set forth, the defaulting party shall pay all costs, expenses, and reasonable attorneys' fees resulting from the enforcement of this agreement or any right arising out of such breach.

In consideration of SBA Loan No. CDC-L-343164-3009-UT, Landlord and Tenant agree as follows, anything to the contrary notwithstanding:

- (a) The term of this Lease shall be equal to or longer than the term of the said SBA Loan;

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- (b) Landlord and Tenant hereby assign, set over, and transfer to the Small Business Administration and Certified Development Company all of their right, title, and interest in and to this Lease, as collateral for said SBA Loan; and
- (c) Landlord and Tenant hereby agree to maintain exactly the present ownership (both identity of owners and percent of ownership) during the entire term of said SBA Loan.
- (d) This agreement supercedes and replaces any and all previous lease agreements between the parties; and said previous lease agreements are hereby cancelled by the mutual consent of the parties.

Witness the hands and reals of said Landlord and said Tenant at this 17th day of August, 1989.

LANDLORD:  
SMART LAND INVESTMENTS

By: [Signature]  
Steven T. Smart, Partner

By: [Signature]  
Gordon I. Smart, Partner

TENANT:  
SMART DESIGN, INC.

By: [Signature]  
Steven T. Smart, President

Attest: [Signature]  
Gordon I. Smart, Secretary

**PARTNERSHIP ACKNOWLEDGEMENT**

STATE OF UTAH )  
                          ) ss.  
County of Salt Lake )

On the 17th day of August, 1989, personally appeared before me Steven T. Smart and Gordon I. Smart, who being by me duly sworn or affirmed, did say that they are general partners of Smart Land Investments, a Utah partnership, and that the foregoing instrument was signed in behalf of said partnership by authority, and said Steven T. Smart and Gordon I. Smart acknowledged to me that they, as general partners, executed the same in the name of the partnership.

Notary Public  
Residing at Salt Lake City, Utah

[Signature]

JAMES R. CLARKELEY  
2400 So. Highland Dr. #301  
Salt Lake City, Utah 84106  
My Commission Expires  
May 4, 1993  
State of Utah

My Commission Expires:  
5-4-93

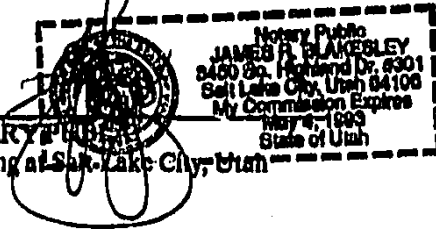
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**CORPORATE ACKNOWLEDGEMENT**

STATE OF UTAH        )  
                              : ss.  
County of Salt Lake    )

On the 17th day of August, 1989, personally appeared before me Steven T. Smart and Gordon I. Smart who being by me duly sworn, did say that they are the President and Secretary of Smart Design, Inc., a Utah corporation and that the foregoing, attached instrument was signed in behalf of said corporation by authority of a resolution of its board of directors, and the said Steven T. Smart and Gordon I. Smart acknowledged to me that said corporation executed the same.

NOTARY PUBLIC  
Residing at Salt Lake City, Utah



Notary Public  
JAMES A. BLAKELEY  
3450 So. Highland Dr. #301  
Salt Lake City, Utah 84100  
My Commission Expires  
May 4, 1993  
State of Utah

My Commission Expires:

5-4-93

**EXHIBIT "A"**

The Land referred to is located in Salt Lake County and more particularly described as follows:

**PARCEL NO. 1:**

All of Lot 17, INTERLAKE INDUSTRIAL PARK, according to the official plat thereof, filed in Book "82-06" of Plats at Page 53 of the Official Records of the Salt Lake County Recorder.

**PARCEL NO. 2:**

Beginning at the Northeast corner of Lot 4 of Interlake Industrial Park, a subdivision located in Section 13 and 24, Township 2 South, Range 1 West, Salt Lake Base and Meridian and running thence North 75°26'10" West 141.90 feet to the point of beginning of a 683.94 foot radius curve to the left (bearing to center is North 80°23'52" East) thence along the arc of said curve 166.604 feet (Delta = 13°57'25"); thence North 63°51'13" East 126.538 feet to the point of beginning of a 557.51 foot radius curve to the right (bearing to center is North 67°01'42" East) thence along the arc of said curve 71.891 feet (Delta = 07°23'18") to the point of beginning.

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