Easement Agreement

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This Easement Agreement (the "Agreement") is made as of this 23 day of Oct., 2009 between West Jordan Gateway Office Park Association, Inc., ("Association") and DC Medical Properties, LLC ("DC").

RECITALS

- A. A Declaration of Condominium was recorded on April 30, 1999, Entry No. 7338875, in Book 8272, Page 8945 of the official records of the Salt Lake County Recorder, State of Utah for West Jordan Gateway Office Condominium, a Commercial Condominium Development ("Declaration") that relates to certain property described therein (Gateway Project) and on Exhibit A attached hereto. Since that date buildings have been built on the real property making up the Gateway Project and common areas have been created for the mutual benefit, use and enjoyment of the Condominium Building Units (as defined in the Declaration) in the Gateway Project ("Units").
- B. Pursuant to the Declaration certain real and personal property, including easements, were determined to be the Common Area for the use and enjoyment of the owners and users of the Units. The Common Area includes the Common Facilities and Common Parking Area (as defined in the Declaration).
- C. Pursuant to the Declaration there was established The West Jordan Gateway Office Park Association, Inc. ("Association"). The Association is the entity charged with maintaining the Common Area as described in the Declaration. Pursuant to Section 5.2 of the Declaration, the Association has been granted the right, in its sole discretion, to grant easements over, across and through the Common Areas as reasonably necessary for maintenance and operation of the Gateway Project.
- D. The Common Area, among other things, contains common roadways, common parking areas, common traffic lanes and common pedestrian walkways (hereinafter referred to as "Access Areas") for the benefit of the Units. The Access Areas are identified on the drawing set forth on Exhibit "B" attached hereto and made a part hereof.
- E. CMN Investment, L.L.C. ("CMN") owns a parcel in the Gateway Project with the Tax Id. of 27-02-301-078 (the "Parcel"). Concurrent with execution and recording of this Easement Agreement, CMN is selling and deeding the Parcel to DC. The Parcel is currently subject to the easement rights of all owners and any users of the Units, which include the Common Areas and the Access Areas. The legal description for the Parcel is attached hereto as Exhibit "C".

- F. DC desires that the Parcel be disassociated from West Jordan Gateway Office Condominium. However, DC desires to have access and rights to the Common Area and the Access Areas.
- G. The members of the Association have unanimously agreed to allow the Parcel to be disassociated from the Association, the Gateway Project and the obligation under the Declaration and have agreed to amend the Declaration to do so in exchange for DC granting a reciprocal easement in the Common Area currently located on the Parcel to which the Units have easement rights.

NOW, THEREFORE, in consideration of the foregoing and for the mutual benefit of the property subject hereto, the Association and DC make and impose the following grants, agreements, covenants and restrictions with regard to the Units contained in the Gateway Project and with regard to the Parcel:

- 1. Ingress and Egress Easement over the Property. Upon the recording of the Deed from CMN to DC relating to the Parcel, the Association grants and imposes, as an easement appurtenant to the Gateway Property and each Unit therein for the benefit of DC, a non-exclusive irrevocable and reciprocal perpetual easement and non-exclusive right of entry and free and unencumbered use and enjoyment on all Access Areas for the benefit of the Parcel Owner, its employees, tenants, customers, invitees and associates; and for ingress and egress for motor vehicles and pedestrians to and from the Gateway Project and the parking of motor vehicles, all in accordance with the designation of the Access Areas on Exhibit "B" attached hereto. Except for those times when required by maintenance and repair of the Access Areas no barrier, curb or other obstruction or improvement shall be erected on the Access Areas which would permanently prohibit or prevent ingress or egress to and from the Parcel by motor vehicles, pedestrians or parking on the designated Access Areas.
- 2. Ingress and Egress Easement over the Parcel. DC hereby grants and imposes, as an easement appurtenant to the Parcel for the benefit of all Units in the Gateway Project and the Association a non-exclusive irrevocable and reciprocal perpetual easement and non-exclusive right of entry and free and unencumbered use and enjoyment on the Parcel for pedestrian walkways, for ingress and egress for motor vehicles and pedestrians to and from each Unit in the Gateway Project and to and from any public roadway for the benefit of Unit owners, their employees, tenants, customers, invitees and associates and for the parking of motor vehicles, all in accordance with the designation set forth on Exhibit "B" hereto ("Parcel Common Area"). DC agrees that it will not create any barrier, curb or other obstruction or improvement on the Parcel Common Area which would prohibit or prevent ingress or egress to, from and over the Parcel Common Area by motor vehicles or pedestrians for the benefit of the Units, their employees, tenants, customers, invitees and associates or the parking of motor vehicles.
- 3. <u>Right to Modify.</u> The Association for itself and for the benefit of the Units, hereby reserves the right to temporarily modify, change, re-route, interfere with, or obstruct access to any of the Common Area, the Access Areas, and the Parcel Common Area for ingress and egress for motor vehicles and pedestrian traffic over such areas as reasonably

necessary for the alteration, reconstruction, or rebuilding of the Common Area, the Access Area and the Parcel Common Area.

4. Utility Easements and Common Facilities. The Association hereby reserves and imposes, and DC grants to the Association a perpetual, alienable and releasable easement over the Common Area, the Access Areas and the Parcel Common Area for the installation and maintenance of utilities (including water, electric, telephone, gas, cable TV, drainage and sewer lines and sewer related equipment such as pumps and lift stations), and for maintenance and operation of the Common Facilities (as defined in the Declaration) including access to the Parcel for installation and maintenance of the same (the "Utility Easement"). The Association shall have the unrestricted and sole rights and power of alienating, conveying and releasing the easements reserved under the terms of this paragraph to utility providers and other appropriate recipients. All such easements shall remain private easements and the sole and exclusive property of the Association, its successors and assigns, unless conveyed and/or alienated to third parties for the purpose of providing utility services. Further, in this regard, the Association, for itself and its successors and assigns, shall have a perpetual, alienable and releasable easement over the Parcel for access and installation and maintenance of the above referred to utilities and Common Facilities to adjacent properties which the Association may currently own, acquire in the future or which hereafter become part of the Gateway Project.

5. Maintenance of the Common Area, Common Facilities and the Parcel Common Area.

- a. The Association shall repair and maintain the Common Area, the Common Facilities, the Access Areas and the Parcel Common Area, such as landscaping, lighting and signage, stripe and re-stripe directional markers, provide snow and ice removal when necessary, and maintain and repair the Common Areas, Common Facilities, the Access Areas and the Parcel Common Area to keep the same in a clean, sightly, safe, unobstructed, good and usable condition. b. DC agrees that the cost for maintaining the Common Area, the Common Facilities, the Access Areas, the Parcel Common Area and the Utility Easement shall be borne by DC, and each subsequent owner of the Parcel (the "Parcel Owner"), pursuant to the following formula:
 - i. The total gross square feet of the buildings situated on the Parcel divided by the total gross square footage of all buildings now existing, or in the future exist, on the Units and the Parcel. For example, the building on the Parcel contains 8185 gross square feet. The buildings on the Units and the Parcel currently contain 79,790 gross square feet. Thus, the obligation of the Parcel would be 8185 divided by 79,790 or 10.2581% of the total expense for maintenance of the Common Area, Common Facilities, Access Areas, Common Parking Area and the Parcel Common Area.
 - ii. Notwithstanding the above, the Common Facilities maintenance costs proportionately chargeable to the Parcel shall include the cost of the maintenance of the main water and sewer lines but shall not include the

cost of repairing or maintaining lateral water lines and lateral sewer lines that are not necessary for the functioning of the Parcel.

- c. <u>Conduct and Coordination of Maintenance, Repair and Replacement</u>. All maintenance and repair of the Common Area, the Common Facilities, the Access Areas, and Parcel Common Area shall be made so as to interfere as little as practicable with normal operations related to the Parcel. The Association shall use every effort to coordinate maintenance, repairs and replacement so that all such areas shall not be obstructed at the same time.
- d. The Parcel Owner shall pay the Association for its projected share of the maintenance expense and anticipated future replacement cost related to the Common Areas, the Common Facilities, the Access Areas and the Parcel Common Area as budgeted by the Association, which Assessment (the "Assessment") shall be paid monthly in advance by Parcel Owner to the Association. The budget will be reconciled annually against actual maintenance costs. The Parcel Owner will pay any shortage determined by the reconciliation. In the event the budgeted Assessment exceeds the actual expenses then the over-payment made by the Parcel Owner will be applied to the following year's assessment.

In the event the Parcel Owner does not pay any assessment within ten (10) days notice, the Association shall be entitled to recover from the Parcel Owner the assessment amount, plus reasonable attorneys' fees, collection costs and costs of court incurred in connection with recovery of the assessment amount, plus interest at 18% per annum from the date of default. In addition, if the Parcel Owner does not pay the assessment amount demanded by the Association the Association shall be entitled to place and record a lien against the Parcel which will be a continuing lien on the Parcel until the amount demanded and due is paid in full. The lien may be enforced by suit, judgment and judicial or non-judicial foreclosure. The sale or transfer of the Parcel shall not affect any assessment lien.

e. Performance of Association's Obligations. In the event of an emergency requiring maintenance or repair of the Access Area on the Parcel Common Area, if the Association does not undertake the same within a period of time which is reasonable under the circumstances or it does not appear that it will, or will be able to, undertake such maintenance or repair, the Parcel Owner, at its option, may perform such maintenance or repair, including the right, after reasonable notice, to pay any and all costs and charges associated therewith. Subject to the provisions of this sub-section (e) hereof, in the event the Association fails to maintain and repair the Common Areas which results in a material interference with the rights of the Parcel Owner, but does not result in an emergency, the Parcel Owner may notify the Association of such failure in writing. In the event the Association fails to remedy such default within ten (10) days after receipt of such notice or, if such failure cannot be cured within ten (10) days, or in the event the Association fails to commence the cure of such repair within such ten (10)-day period and to diligently pursue such cure to completion, the Parcel Owner, at its option, may perform the obligation which the Association has failed to perform properly hereunder

and pay any and all costs and charges associated therewith, including the right, after reasonable notice, to enter on any part of the Common Areas as necessary to make the repair on Common Area that materially effects the Parcel.

If the Parcel Owner makes the necessary repair it shall be entitled to recover from the Association the charges, fees, costs and expenses incurred by the Parcel Owner (including reasonable attorneys' fees and costs of court) in connection therewith if the obligation is one which was to have been performed pursuant to this Agreement by the Association at its sole cost and expense, including in each case interest at 18% per annum from the date of payment. Such charges, fees, costs, expenses and interest shall be paid by the Association within ten (10) days after receipt of a statement thereof from the Parcel Owner. If the Parcel Owner performs any maintenance or repair on the Common Area or the Parcel Common Area, it shall restore the area affected by such maintenance or repair to the condition existing prior thereto or prior to any damage or disrepair necessitating such maintenance or repair.

- f. Force Majeure; Interruption of Services. If the Association is unable to fulfill its maintenance obligation and such failure is due in whole or in part to any strike, lockout, labor trouble, civil disorder, inability to procure materials, weather, failure of power, restrictive governmental laws and regulations, riots, insurrections, war, fuel shortages, accidents, casualties, acts of God, acts caused directly or indirectly by the other parcel owner (or such other parcel owner's employees, agents, licensees, invitees or contractors) or any other cause beyond the reasonable control of the Association, then the Association shall not be deemed in default hereunder as a result of such failure. The Association shall not be liable in damages for any interruption of utility services to the Parcel which may arise out of or be occasioned by maintenance or repair of the Common Area, the Common Facilities, the Access Areas and the Parcel Common Area unless such interruption of service results from the wanton or willful misconduct by the Association.
- g. <u>Indemnity and Insurance</u>. The Parcel Owner and the Association shall indemnify and hold harmless each other, the owners of Units and their agents from and against any and all liability, loss, damage, costs and expenses (including reasonable attorneys' fees) for injury to person or death or property damage arising out of or resulting from the negligent use of the Parcel, Units and the Common Areas. The Parties shall carry at all times, commercial general public liability insurance, including contractual liability, in an amount not less than Two Million Dollars (\$2,000,000.00) combined single limit per occurrence. Such insurance shall name the each Party and the owners of Units and their respective tenants, agents and employees of each of them as additional insureds. A Party, from time to time upon the request of the other Party, shall furnish to it policies or certificates evidencing such coverage, which policies or certificates shall state that such insurance coverage may not be reduced, cancelled or allowed to expire without at least thirty (30) days' prior written notice to each parcel owner.
- 6. Covenants Running with the Land. All provisions of this Agreement, including the benefits and burdens set forth herein, shall run with the land and are binding upon and shall inure to the benefit of the successors and assigns of the parties hereto.

- 7. <u>Transfer of Ownership</u>. Any transferee shall automatically assume and be bound by the burdens and obligations hereunder running with the land to the owner of the Parcel or portion thereof being transferred.
- 8. <u>Interpretation</u>. The rule of strict construction does not apply to the grants herein. The grants herein shall be given a reasonable construction to carry out the intentions of the Association and DC to confer a commercially usable right of enjoyment on each parcel owner as it relates to the Common Areas, the Access Areas and the Parcel Common Area.
- 9. <u>Right of the Association</u>. The foregoing rights shall be subject to the right of the Association and its successors and assigns to exercise reasonable regulation and control of the use of the Common Area, the Access Areas and the Parcel Common Area. IN WITNESS WHEREOF, the Association and DC have executed this Agreement as of the day and year first above written.

WEST JORDAN GATEWAY PARK ASSOCIATION, INC.

By: Christopher Kn Its Apresingent

STATE OF UTAH

: ss.

COUNTY OF SALT LAKE)

Notary Public BECKY MURDOCK 9071 S. 1300 W. Sultis 104 West Jordan, UT 84088 My Commission Expires May 14, 2010 State of Utah NOTARY PUBLIC

Residing in Salt Lake County My Commission Expires:

DC MEDICAL PROPERTIES, LLC

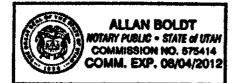
By: Tator Cruy
Its marger:

STATE OF UTAH

: ss.

COUNTY OF SALT LAKE)

On the 23 day of Och, personally appeared before me Victor Cruz, who being by me duly sworn, did say that he is the Manager of DC Medical Properties, LLC, and that said instrument was signed in behalf of said company by authority of its Operating Agreement, and said Manager acknowledged to me that said company executed the same.



NOTARY PUBLIC Residing in Salt Lake County My Commission Expires:

EXHIBIT "A"

LEGAL DESCRIPTION

Beginning at a point on the Easterly Right-of-Way line of 1300 West Street, said point being South 00 degrees 01'25" West 388.01 feet and South 89 degrees 58'35" East 40.00 feet from the West Quarter Corner of Section 2, Township 3 South, Range 1 West, Salt Lake Base and Meridian; and running thence South 00 degrees 01'25" West along said Easterly Right-of-Way line 252.17 feet; thence North 89 degrees 55'10" East 115.09 feet; thence South 00 degrees 10'25" West 23.74 feet; thence North 89 degrees 55'10" East 572.25 feet; thence North 00 degrees 10'25" East 260.07 feet; thence North 89 degrees 55'10" East 0.59 feet; thence North 00 degrees 01'25" East 139.92 feet; thence South 89 degrees 55'10" West 313.82 feet; thence South 00 degrees 05'00" West 18.51 feet; thence West 151.41 feet; thence South 00 degrees 01'25" West 105.79 feet; thence South 89 degrees 55'10" West 223.30 feet to the point of beginning. Contains 5.55 acres or 241.949 square feet.

