

## ROAD ACCESS LEASE AGREEMENT

This LEASE AGREEMENT ("Agreement") made this 2nd day of NOVEMBER 2015 by and between Duane Johnson, ("LANDLORD") and Mountain Green Sewer Improvement District ("TENANT").

### SECTION I – DESCRIPTION OF PROPERTY

- 1.1 In consideration of promises and covenants set forth below, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Landlord hereby Leases to Tenant access across private roads to a certain portion of the real property located at approximately 5275 West Old Highway Road, Mountain Green, UT otherwise known as Parcel Numbers 00-004-8031, 00-0003-4163, 00-0003-3892 registered to Soderby LLC and Soderby Ltd, and more particularly described in Exhibit "A" attached to this Agreement.

### SECTION II – TERM OF LEASE

- 2.1 The term of this Lease will be for a period of twenty (20) years commencing on the day this contract is executed.
- 2.2 This Agreement will automatically renew for an additional five (5) years, unless either party gives 6 months' notice otherwise.
- 2.3 This Agreement will automatically expire should permanent asphalt or concrete roads be installed in conjunction with the development of the Property which provide public, or private access to the point where Tenant may access the sewer main.

### SECTION III – LEASE PAYMENTS

- 3.1 As additional consideration Tenant will pay to Landlord an annual Lease payment of \$500.00. Such payment will be made on the day of execution of this Agreement and on or before the same day of each year.

### SECTION IV – PURPOSE OF LEASE

- 4.1 The purpose of this Agreement is to allow Tenant access to the sewer main identified on Exhibit A. This Agreement allows Tenant to bring any vehicles or equipment which is necessary to repair and maintain the sewer main as well as the service road that runs above the sewer main.

### SECTION V – DUTIES OF PARTIES

- 5.1 Tenant agrees:
- (1) To repair damage to the private roads directly caused by access of Tenant apart from regular wear and tear with typical use of the road.

- (2) To only use the roads identified on Exhibit A for access.
- (3) To not install any improvements upon the private roads unless previously authorized, in writing, by the landlord.
- (4) To only use the access between 7 am and 11 pm, except for emergency situations where immediate access is required.

5.2 Landlord agrees:

- (1) To allow Tenant full time access on to and off from the Property to install, repair, upgrade, add, operate and maintain the sewer main and the service road that runs above the sewer main.
- (2) To maintain the private roads in a manner which allows for continual access to the sewer main. This does not include the requirement to keep the roads plowed during the winter months.
- (3) To not use or to permit the use of the Property in a manner which interferes with the access of the Tenant.
- (4) To provide a key to any locked gates.
- (5) To provide 24 hour access to the property for emergency situations.

SECTION VI - ACCESS AND EASEMENT

- 6.1 Landlord grants Tenant and its agents access and passage, over and across Landlord's Property, along designated roads, including any easements owned by the Landlord, to install, maintain, construct, inspect, repair, etc., the sewer main on the Property.
- 6.2 Ingress, egress, access and passage across the Property will be in compliance, and all do care, to the needs and respects of the Landlord.

SECTION VII – TRANSFER OF INTEREST

- 7.1 Tenant may assign this Agreement upon written notice to the Landlord to any entity, public or private, who takes ownership of the main sewer treatment plant located directly west of the Property.
- 7.2 This Agreement does not prevent sale or exchange of the Property by the Landlord. However, any transferee of Landlord's interest in the Property takes such interest subject to this Agreement.
- 7.3 So long as the Tenant is not in default in payment of rent or additional rent or in the performance of any of the terms, covenants or conditions of the Lease on the Tenant's part to be performed, the Tenant's possession of the Leased premises and the Tenant's rights and privileges under the Lease, or any extensions or renewals thereof, which may be effected in accordance with any option therefor in the Lease, shall not be diminished or interfered with by any subsequent mortgagee, lender or Acquiring party and the Tenant's occupancy of the Leased premises shall not be disturbed by any subsequent mortgagee, lender or Acquiring party for

any reason whatsoever during the term of the Lease or any extensions or renewals thereof.

#### SECTION VIII – TERMINATION

- 8.1 Notwithstanding anything to the contrary in the Agreement, the offer expressed between Landlord and Tenant herein shall be terminated with no further obligations by either party hereto if it is determined that the Access is no longer suitable for Tenant's purposes.

#### SECTION IX – INDEMNIFICATION

- 9.1 Each party shall indemnify, defend, and hold the other party, its affiliates, subsidiaries, directors, officers, employees and contractors, harmless from and against any claim, action damages, liability, loss, cost of expense (including reasonable attorney's fees), resulting from or arising out of the indemnifying party's and/or any of its contractor's, subcontractor's, servants', agents' or invitees' negligent use or occupancy or actions on the Site.

#### SECTION X – MISCELLANEOUS PROVISIONS

- 10.1 This Agreement and the performance thereof shall be governed, interpreted, and regulated by the laws of the state Property is located.
- 10.2 The Tenant may record this Agreement with the appropriate Recording Officer.
- 10.3 If a party files a lawsuit in a dispute arising out of this Agreement, the prevailing Party shall be entitled to recover all costs and expenses incurred in connection with any such action, including reasonable attorneys' fees and court costs.
- 10.4 In the event there is a default by the Tenant with respect to any of the provisions of the Agreement or its obligations under it, including payment of rent, Landlord shall give Tenant written notice of such default. After receipt of such written notice, Tenant shall have 30 days to cure any such default. In the event that the nature of the cure requires more than 30 days, the Landlord will not hold this Agreement in default as long as the work required is being done continuously and diligently. Tenant may not maintain any action or affect any remedies for default against Landlord unless and until Landlord has failed to cure the same with the time periods provided in this paragraph.
- 10.5 Landlord warrants that they are either the owner of the Property or trustee of the Property described in exhibit "A" with due authority to enter into this Agreement ("Landlord of Property"). Anything less than this is a breach of contract and will be subject to the provisions and terms set forth below.
- 10.6 If neither party is in Default but either party acts in a way that is contrary to the Lease and the terms and provisions in this Agreement, this constitutes a breach of contract. Either party will then be able to seek appropriate breach of contract

remedies, against the breaching party, that are available or according to the laws of the state the Property is located.

- 10.7 This Agreement constitutes an additional of the parties' nothing in this Agreement shall be construed to modify or amend any existing written agreements for easements associated with a sewer line across the Property, or any other agreements.
- 10.8 Any changes or modifications to this Agreement must be in writing and signed by both parties.

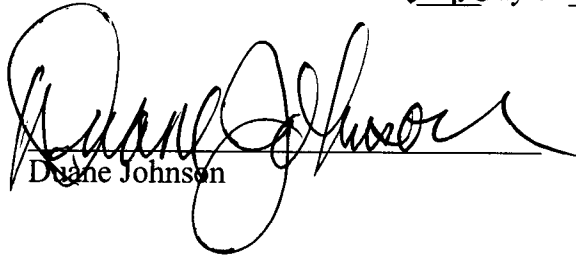
APPROVAL

All provisions and terms are subject to final approval of appropriate officers of Tenant. Once approved and signed, by both parties, the terms and provisions of this Agreement/Lease are to be held in full force and effect. Such terms and provisions not to be changed, altered, or renegotiated, in anyway, by either party, until after such time as the Lease is terminated, the term of the Lease expires or an Amendment to the Lease can be agreed to and signed by both parties.

IN WITNESS WHEREOF, the Parties hereto set their hands and affix their respective seals, the day and year first above written, that they have read, understand, and agree to uphold the terms and provisions above.

"Landlord" Duane Johnson

ACCEPTED AND APPROVED this 2nd day of NOVEMBER 2015.

  
 Duane Johnson

"Tenant" Mountain Green Sewer Improvement District

By: 

Name: ROBERT VOLK

Title: MANAGER

Date: 11/2/2015

Exhibit "A"  
Property Description

