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AGREEMENT OF LEASE

BETWEEN

UTAH STATE BUILDING OWNERSHIP AUTHORITY

AND

THE STATE OF UTAH  
DEPARTMENT OF AGRICULTURE

Agriculture Building Project

Dated as of January 1, 1981

BOOK 5199 PAGE 793

KATIE L. DIXON  
RECORDER  
SALT LAKE COUNTY  
UTAH

JAN 9 11 37 AM '81

REQ OF Scott Duckworth  
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444  
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AGREEMENT OF LEASE

THIS LEASE AGREEMENT is made by and between the UTAH STATE BUILDING OWNERSHIP AUTHORITY (hereinafter the "Landlord" or the "Authority") and THE STATE OF UTAH, DEPARTMENT OF AGRICULTURE (hereinafter the "Tenant").

WITNESSETH:

WHEREAS, the Authority is a duly organized and existing body corporate and politic under the laws of the State of Utah with full authority to enter into this Lease for the public purpose of securing, developing and providing office space and other facilities for the use and occupancy of departments, boards, commissions and agencies, except universities or colleges, of the State of Utah ("State Bodies") pursuant to the provisions of the State Building Ownership Act, Utah Code Annotated Sections 63-9a-1 through 63-9a-20 (1979) (the "Act"); and

WHEREAS, the Tenant is a duly organized and existing state body (as defined in the Act) under the laws of the State of Utah with full authority to enter into this Lease; and

WHEREAS, the Act authorizes the Authority to issue its limited obligation bonds for the purpose of carrying out any of its powers, and as security for the payment of the principal of, premium if any, and interest on any such bonds so issued and any agreements made in connection therewith, to mortgage its facilities, to pledge and assign the revenues from its facilities out of which such bonds shall be made payable, to pledge and assign the lease or leases of any such facilities, and to provide such other security as it may deem advisable; and

WHEREAS, in accordance with the provisions of the Act and Section 63-9a-22, Utah Code Annotated, 1953, as amended (which Section and the Act are hereinafter collectively referred to as the ("Act"), the Authority has passed a resolution to undertake the construction of an office building facility in Salt Lake City to house the administrative offices and laboratories of the Tenant, including appropriate parking and support facilities (the "Improvements"), to be financed by the issuance of the Authority's revenue bonds designated as "Utah State Building Ownership Authority Revenue Bonds (Agriculture Building Project), Series A" (herein referred to as the "Series A Bonds", which, together with any "additional bonds", as defined in the Indenture hereafter referred to, which may be issued pursuant to said Indenture are herein referred to as the "Bonds"); and

WHEREAS, the land more particularly described in Exhibit "A" attached hereto and by reference made a part hereof, (herein referred to as the "Project Property") on which the Improvements are to be constructed has been conveyed to the Landlord by the State of Utah, Department of Agriculture, as grantor, subject to a Covenant (the "Covenant") in the deed of conveyance in favor of said grantor pursuant to which the Landlord has agreed that so long as any of the principal of, premium, if any, and interest on any of the Bonds remains outstanding and unpaid, the Bonds will be paid according to their terms and if not so paid and should the lien of the hereinafter-described Indenture on the Project Property and the said Improvements (the Project Property and the said Improvements being herein collectively referred to as the "Facility") be foreclosed and

the Facility sold, there shall first be paid to the said grantor an amount equal to the "Priority Amount," as defined in the said deed and the said Indenture, before any proceeds of such sale are paid to any of the holders of the Bonds; provided, that if the Facility is purchased at such foreclosure sale by the Trustee under said Indenture for the benefit of the holders of the Bonds, the Priority Amount shall be payable to said grantor in ten equal annual installments, commencing one year from the date of purchase, together with interest as provided the said deed and the said Indenture, provided, further, that if the Facility is re-sold after such foreclosure sale by said holder or by the Trustee for their benefit, the Priority Amount and all accrued interest thereon shall become immediately due and payable and provided further, that, the Trustee may pay all or any portion of the Priority Amount at any time prior to the expiration of said ten year installment period at such times and in such amounts as the Trustee deems desirable; and

WHEREAS, the Series A Bonds will mature, bear interest, be redeemable and have such other terms and provisions as set forth in that certain Trust Deed and Indenture of Trust dated as of January 1, 1981, (the "Indenture", receipt of a copy of which is hereby acknowledged by Tenant and which is incorporated herein by reference and is made a part hereof) between the Authority and Zions First National Bank, as Trustee for the bondholders (the "Trustee") pursuant to which the interest of the Landlord in this Lease will be assigned, the rents, revenues and receipts derived from this Lease will be assigned and pledged, and the Facility will be encumbered and

secured, subject to certain "Permitted Encumbrances" as described in the Indenture (including the aforesaid Covenant) to the Trustee as security for the payment of the principal, premium if any, and interest on the Bonds;

NOW, THEREFORE, in consideration of the promises and the mutual covenants hereinafter contained, the parties hereto covenant, agree and bind themselves as follows:

1. ISSUANCE OF BONDS.

The above recitals are incorporated herein by reference. The Authority, pursuant to the Act and with reasonable promptness upon the execution of this Lease, shall authorize and use its best efforts to issue and sell a sufficient amount of Series A Bonds to provide funds for the construction of the aforesaid Improvements, including the actual cost of improving the real estate, constructing, reconstructing, enlarging, improving, equipping and furnishing all or any part thereof and for legal, financing, administrative and other costs incidental thereto.

2. CONSTRUCTION OF THE FACILITY.

The Utah State Building Board (hereinafter the "Board"), pursuant to the Act and an agreement between it and the Authority dated as of November 1, 1980, and a "Schedule II" thereto dated as of January 1, 1981 (hereinafter referred to as the "Building Board Agreement"), and with the proceeds derived from the sale of the Series A Bonds, shall as soon as practicable enter into and execute such contracts as may be necessary for the construction of the Facility for the use and occupancy of the Tenant, with the use and occupancy by the Tenant to be pursuant to the terms hereof.

3. DEMISE OF PREMISES.

Landlord does hereby rent, lease and demise to Tenant, and Tenant does hereby take, accept and lease from Landlord, subject to the "permitted encumbrances" set forth in the Indenture, including, without limitation, the trust deed created by the Indenture and the Covenant that portion or portions of the Facility as is designated from time to time by the Board to be used and occupied by Tenant, which portion or portions shall be set forth in a schedule or schedules to be attached to this Agreement of Lease from time to time as determined by the Board. The real property on which the Facility is to be located is situated in Salt Lake County, Utah and is particularly described in Exhibit A attached hereto and by reference made a part hereof.

4. LEASE TERM.

The Lease Term of the leasehold estate created herein shall begin as of the Date of Occupancy by the Tenant and shall expire at midnight on November 1, 2002, or if the principal of, premium, if any, and interest on all of the Bonds and all fees and charges of the Trustee and any paying agent have not been fully paid and retired (or provision for such payment has not been made as provided in the Indenture) on such expiration date, the term of the leasehold estate shall expire on such date as such payment or provision shall have been made.

The Date of Occupancy shall be a date certain upon which the Facility will be completed and available for occupation and use by the Tenant (estimated to be July 1, 1982), as set forth in a certificate signed by the Director of the Board delivered to the Tenant and the Authority at least 30

days prior to the Date of Occupancy. The Date of Occupancy must occur prior to February 1, 2000, or this Lease will thereupon terminate and be of no further force or effect.

5. RENTS PAYABLE.

During the term of this Lease the Tenant agrees, subject to the availability of appropriations of funds to it therefor, to pay to the Trustee for the account of the Landlord, as advance rent on the Date of Occupancy and on the Annual Rental Payment Date (being November 2 of each year during the Lease Term), for the portion of the Facility occupied by Tenant (herein referred to as the "Tenant's Proportionate Share") and which shall be computed by taking the total space in the Facility occupied by Tenant (as shown on Schedule A attached hereto) divided by the total rentable space in the Facility with the rental to be paid by Tenant to be the sum of the resulting percentage figure multiplied by the following amounts:

(a) On the Date of Occupancy, an amount which will equal the Tenant's Proportionate Share of the sum of the following during the period between the Date of Occupancy and the first Annual Rental Payment Date:

(1) the cost of maintenance and upkeep of the Facility (including, without limitation, payment of utility costs not directly payable by the Tenant hereunder, operation and maintenance of elevators and other equipment and necessary cleaning and painting, all taxes and assessments and all premiums for insurance covering the Facility and the Landlord as owner thereof and

the fees and charges of any insurance consultant hired to review such insurance coverage) projected by the Board to be needed during the period between the Date of Occupancy and the first Annual Rental Payment Date, provided, that in the event that the payment made for the projected cost of maintenance and upkeep referred to in this subparagraph 5(a)(1) is insufficient to pay the full actual cost of maintenance and upkeep for such period, Tenant shall promptly pay to the Trustee, for the account of the Landlord, Tenant's Proportionate Share of the entire sum of such deficiency and Tenant specifically agrees that its rentals payable hereunder shall cover Tenant's Proportionate Share of the cost of any insurance covering the Facility;

(2) the amount needed, together with all monies then available therefore in the Debt Service Account and the Capitalized Interest Account created and maintained under Article V of the Indenture, to pay the principal of, premium, if any, and interest coming due on the Bonds on any Bond Principal Payment Date and Bond Interest Payment Date (as hereinafter defined) between the Date of Occupancy and the first Annual Rental Payment Date;

(3) one fifth of such amount as is necessary, together with any other monies deposited in the Debt Reserve Account created and maintained

under Article V of the Indenture (herein referred to as the "Debt Reserve Account"), to fully accumulate, in five installments as nearly equal as is practicable, the Debt Reserve Account Amount, as defined in the Indenture (which definition is incorporated herein by reference and made a part hereof, and is herein referred to as the "Debt Reserve Account Amount"), within four years from the first Annual Rental Payment Date;

(4) one fifth of such amount as is necessary, together with any other monies deposited in the Reserve and Contingency Fund created and maintained under Article V of the Indenture (herein referred to as the "Reserve and Contingency Fund"), to fully accumulate, in five installments as nearly equal as is practicable, the Reserve and Contingency Fund Amount, as defined in the Indenture (which definition is incorporated herein by reference and made a part hereof and is herein referred to as the "Reserve and Contingency Fund Amount"), within four years from the first Annual Rental Payment Date;

(5) the amount projected and certified by the Trustee as necessary to pay the Trustee's and any paying agents' fees and charges under the Indenture during the period between the Date of Occupancy and the first Annual Rental Payment Date; and

(6) the amount projected by the Landlord to be necessary to pay the Landlord's expenses of administering the Act and the requirements of the Indenture during the period between the Date of Occupancy and the first Annual Rental Payment Date.

(b) On each Annual Rental Payment Date, an amount which will equal the Tenant's Proportionate Share of the sum of the following:

(1) an amount equal to the amount payable on the Bonds on the Bond Principal Payment Date and Bond Interest Payment Dates (as hereinafter defined) during the twelve months next following the Annual Rental Payment Date (that is, from November 2 to and including November 1 of the following year, herein referred to as the "Annual Rental Period"), as principal, premium if any, and interest on the Bonds as provided in the Indenture; plus

(2) an amount equal to the cost of maintenance and upkeep of the Facility (including, without limitation, payment of utility costs not directly payable by the Tenant hereunder, operation and maintenance of elevators and other equipment and necessary cleaning and painting, all taxes, assessments, insurance premiums and insurance consultant's fees, as stated in paragraph 5(a)(1) hereof), projected by the Board to be needed during the next succeeding Annual

Rental Period, provided, that, in the event that the payment made for the projected cost of maintenance and upkeep referred to in subparagraph 5(b)(2) hereof is insufficient to pay the full actual cost of maintenance and upkeep for such period, Tenant shall promptly pay to the Trustee, for the account of the Landlord, Tenant's Proportionate Share of the entire sum of such deficiency and Tenant specifically agrees that its rentals payable hereunder shall cover Tenant's Proportionate Share of the cost of any insurance covering the Facility;

(3) one fifth of such amount as is necessary, together with any other monies deposited in the Debt Reserve Account, to fully accumulate, in five installments as nearly equal as is practicable, the Debt Reserve Account Amount within four years from the first Annual Rental Payment Date, and thereafter an amount, if any, sufficient to the Minimum Debt Reserve Account Amount as provided in the Indenture, provided that, the rental payable hereunder shall include the Tenant's Proportionate Share of the amount needed, together with other monies deposited in the Debt Reserve Account, to replenish any monies withdrawn from the Debt Reserve Account to fully re-accumulate, in five installments as nearly equal as is practicable, the Debt Reserve Account Amount within five years from the Annual Rental

Payment Date next following the date of each such withdrawal;

(4) one fifth of such amount as is necessary, together with any other monies deposited in the Reserve and Contingency Fund, to fully accumulate, in five installments as nearly equal as is practicable, the Reserve and Contingency Fund Amount within four years from the first Annual Rental Payment Date, and thereafter an amount, if any, sufficient to maintain the Reserve and Contingency Fund Amount, provided, that, the rental payable hereunder shall include the Tenant's Proportionate Share of (i) the amount needed to replenish any monies withdrawn from the Reserve and Contingency Fund to fully re-accumulate, in five installments as nearly equal as is practicable, the Reserve and Contingency Fund amount within five years from the Annual Rental Payment Date next following the date of each such withdrawal, and (ii) the amount needed to accumulate the amount of any increase in the Reserve and Contingency Fund Amount in three installments as nearly equal as is practicable within three years from the Annual Rental Payment Date next succeeding the date such increase is established pursuant to the terms of the Indenture;

(5) an amount sufficient to pay the fees and charges of the Trustee and any paying agent

under the Indenture during the next succeeding Annual Rental Period, as projected and certified to by the Trustee; and

(6) an amount projected by the Landlord to be necessary to pay the expenses of the Landlord in administering the Act and the requirements of the Indenture during the next succeeding Annual Rental Period.

The term "Bond Principal Payment Date" shall mean each November 1 during the Lease Term and until the principal of, premium, if any, and interest on the Bonds shall have been duly paid (or provision for payment shall have been made in accordance with the Indenture). The term "Bond Interest Payment Dates" shall mean each May 1 and November 1 during the Lease Term and until the principal of, premium if any, and interest on the Bonds shall have been duly paid (or provision for payment shall have been made in accordance with the Indenture). The term "business day" means any day other than a day on which banking institutions are authorized or obligated to remain closed in the city in which the principal corporate trust office of the Trustee is located.

Tenant shall be entitled to reductions and abatement in the rentals payable by it hereunder in the manner and to the extent provided in Section 409 of the Indenture, which is by this reference incorporated herein and made a part hereof.

Except as provided herein, all rentals shall be payable without any set off, reduction or abatement whatsoever.

All rent payments provided for herein shall be paid directly to the Trustee in immediately available funds for the

account of the Landlord for deposit in the appropriate funds, accounts or sub-accounts as provided in the Indenture. Upon request of the Landlord an advice in respect of each such payment shall be sent by the Tenant to the Landlord.

The Tenant acknowledges that all rent payable under this Section has been assigned to the Trustee in accordance with the Indenture, and consents to such assignment.

6. COVENANT TO REQUEST LEASE RENTAL APPROPRIATIONS; NOTIFICATION TO LANDLORD.

The Tenant covenants and agrees to include in its annual appropriation request to the Utah State Legislature, a request or requests for the amount necessary to pay its yearly rental for the portion of the Facility occupied by the Tenant. The first such request shall be made by Tenant to the Legislative session preceding the anticipated Date of Occupancy so that the rentals to be paid by Tenant on the Date of Occupancy, as provided in Paragraph 5(a) hereof, and on the first annual Rental Payment Date, as provided in Paragraph 5(b) hereof, will have been appropriated for such purpose, and subsequent requests shall be made in each calendar year thereafter so that the rentals to be paid on November 2 of the succeeding calendar year will be available for such purpose. For example, if the estimated Date of Occupancy is July 1, 1982, the Tenant shall request from the Legislature convening in January 1982, an appropriation for fiscal year 1983, to cover the rental to be payable on the Date of Occupancy for the period July 1, 1982 to and including November 1, 1982, and the rental to be payable on November 2, 1982, and the Tenant will then request from the Legislature convening in January 1983, an appropriation for

fiscal year 1984, to cover the rental to be payable on November 2, 1983. Tenant further covenants to notify Landlord and Trustee on or before March 31 of each year as to the amount appropriated to it for such rental by the most recent Legislature and stating, if such is the case, the amount of any deficiency in such appropriation and whether or not Tenant believes such deficiency will cause it to be unable to pay rentals coming due hereunder on the next Annual Rental Payment Date.

7. LIMITATIONS ON LIABILITY.

Nothing herein shall be construed as requiring the Legislature of the State of Utah to appropriate any money to pay any rental hereunder. If the Tenant fails to pay any portion of the rentals due hereunder, the Tenant will immediately quit and vacate the Facility, and the rental and other obligations of the Tenant hereunder shall thereupon cease, it being understood between the parties that neither the State of Utah nor any department, board, commission, agency or political subdivision thereof, except Tenant, as provided herein, is obligated to pay any rental due to Landlord hereunder. Should Tenant fail to pay any portion of the required rentals and then neglect to quit and vacate the Facility, as required by the Act, the Landlord may immediately bring legal action to evict the Tenant from the Facility (but not for money damages). No judgment may be entered against the Tenant, the State of Utah, or any of its political subdivisions or any other State Body for failure to pay any rentals hereunder.

No obligation assumed by or imposed upon the Landlord hereunder shall require the performance of any act by the

Landlord except to the extent, if any, that the cost and expense of such performance may be provided for from the proceeds of Bonds or from other funds legally available to the Landlord to meet the cost and expense of such performance, and no obligation assumed by or imposed upon the Tenant hereunder shall require the payment of rents, except from appropriations then legally available therfor. Neither the State of Utah nor any department, board, commission, agency or political subdivision thereof, except the Tenant, is obligated to pay any rents hereunder.

8. TENANT ENTITLED TO CERTAIN ABATEMENTS IF BONDS PAID PRIOR TO MATURITY.

If at any time the aggregate monies available under the Indenture for payment of the principal of, interest on and premium, if any, on the Bonds and all other expenses to be paid by lease rentals under the Indenture, shall be sufficient to retire in accordance with the provisions of the Indenture all of the Bonds at the time outstanding and to pay all such expenses (including the fees and charges of the Trustee and any paying agent and the expenses of the Landlord due or to become due through the date on which the last of the Bonds is to be retired), and to pay any other monetary obligations of the Tenant hereunder, and if the Tenant is not at the time otherwise in default hereunder, the Tenant shall be entitled to use and occupy the Facility from the date on which such aggregate monies are in the hands of the Trustee during the remainder of the term of this Lease without further payment of rent during that interval (but otherwise on the terms and conditions hereof), and the Tenant's Proportionate Share of any funds in

the funds, accounts and subaccounts created by the Indenture which are in excess of the amounts required to retire the Bonds in accordance with the provisions of the Indenture and to pay all such costs, fees, charges and expenses shall be refunded to the Tenant upon payment in full of the Bonds as provided in the Indenture. If Bonds are to be retired prior to maturity, this section is subject to the condition that said Bonds shall have been properly called for redemption on a date upon which they may be called for redemption under the Indenture and the required notice of redemption shall have been given or provision for the giving of such notice shall have been made to the satisfaction of the Trustee, and the necessary funds properly deposited, all as required by the Indenture.

9. TENANT RESPONSIBLE TO PAY UTILITY, TELEPHONE AND OTHER OPERATION EXPENSES.

In addition to the rentals payable pursuant to Paragraph 5 hereof, Tenant shall also pay all charges for utilities (including, without limitation, heat, air conditioning, electricity, water and sewer) and telephones attributable to and/or installed in the space occupied by Tenant and all other expenses of Tenant's operations at the Facility. Such payments shall be made directly by Tenant to the entity providing such services or which is otherwise entitled to receive such payments. Tenant shall at all times keep the Facility free of any liens or encumbrances with respect to such charges and expenses.

10. MAINTENANCE OF THE FACILITY.

The Board shall maintain the Facility and shall do all things necessary, in accordance with the Act and the Building

Board Agreement, to keep the Facility in good order and repair, which shall include but not be limited to providing janitorial and cleaning service, security service, grounds maintenance and snow removal.

It is understood that Landlord does not warrant that any of the services referred to above, or any other maintenance or services which the Board may supply, will be free from interruption; Tenant acknowledging that any such maintenance or services may be suspended by reason of accident or of repairs, alterations or improvements necessary to be made, or by strikes or lockouts, or by reason of operation of law, or causes beyond the reasonable control of Landlord. It is further understood and agreed that Landlord shall not be charged with or be liable for any claims for or on account of any such breakdown or interruption of such maintenance or services nor shall such breakdown or interruption render Landlord liable in any respect for damages to either person or property, nor be construed as an actual or constructive eviction of Tenant or result in Tenant having a right to an abatement of the rent payable hereunder, nor relieve Tenant from its obligation to fulfill any covenant or agreement herein.

Landlord shall also have the right at any time without the same constituting an actual or constructive eviction of Tenant and without incurring any liability to Tenant therefor, to change the layout and/or location of entrances or passageways, doors and doorways, corridors, stairs, toilets, elevators, or other public areas of the Facility.

11. ALTERATIONS, ADDITIONS AND IMPROVEMENTS.

Landlord shall have the right, to the extent legally permissible, to make alterations, additions and improvements of any kind, structural or otherwise, as it shall deem necessary or desirable, on or to the Facility. Tenant shall have the right to make alterations, decorations, installation, additions or improvements of any kind on or to the Facility only upon first securing the written consent of Landlord and the Board. Except as provided in Paragraph 22 hereof, all such alterations, decorations, installations, additions or improvements will become the property of the Landlord as a part of the Facility and, to the extent legally permissible, shall be subject to the Indenture.

Neither the Landlord nor Tenant shall make any additions, alterations, modifications or improvements which shall materially reduce or otherwise adversely affect the value of the Facility or the rental value thereof or materially alter or change the character or use of the Facility or the Bonds to ones not then permitted by the Act or impair the exemption of interest on the Bonds from Federal income taxation.

12. CARE OF FACILITY.

Tenant shall take good care of the Facility, fixtures and appurtenances, and suffer no waste or injury thereto. Tenant will pay for all damage to the Facility, its fixtures and appurtenances due to any waste, misuse, or neglect by the Tenant, its agents, servants, employees, independent contractors, licensees or invitees.

Tenant shall not place a load upon any floor of the Facility exceeding the floor load per square foot area which

such floor was designed to carry and which may be allowed by law. Landlord reserves the right to prescribe the weight and position of all safes, telephone switchboards, or other heavy equipment, and to prescribe the reinforcing if any, which in the opinion of Landlord may be required under the circumstances, such reinforcing to be at Tenant's expense.

There shall be no allowance to Tenant for a diminution or abatement of rent and no liability on the part of Landlord by reason of inconvenience, annoyance or injury to business arising or resulting from Landlord, the Board, Tenant or others making any repairs, alterations, additions or improvements in or to any portion of the Facility, or in or to fixtures, appurtenances, or equipment thereof, and no liability upon Landlord or allowance for a diminution or abatement of rent for failure of Landlord, the Board or others to make any repairs, alterations, additions or improvements in or to any portion of the Facility, or in or to the fixtures, appurtenances or equipment thereof. The foregoing shall not be construed to mean that Landlord has any such obligations.

Landlord shall not be liable for, and there shall be no diminution or abatement of rent for any loss or damage to Tenant caused by vermin, rain, snow, liquids and semi-liquids or from storms that may leak into or flow from any part of the Facility through any defects in its roof, walls, windows, ceilings, plumbing or from any other source, or caused by any latent defect in the Facility or its equipment.

Tenant's taking possession of the premises or any portion thereof shall be conclusive evidence against Tenant that the premises or such portion thereof, as the case may be,

were in good order and satisfactory condition when Tenant took possession and that all work to be done on the premises pursuant to the terms hereof, if any, has been completed to Tenant's satisfaction. No promise of Landlord to alter, remove, improve, redecorate or clean the premises or the building and no representation respecting the condition of the premises or the building have been made by Landlord to Tenant, unless the same is expressly stated herein, or made a part hereof.

13. CONFORMANCE WITH LAWS, REGULATIONS, ETC.

Tenant shall comply with all applicable laws, rules, regulations, orders, directions and requirements of the Board and all other governmental departments, bodies, bureaus, agencies and officers and with all reasonable rules, directions, requirements and recommendations of the local board of fire underwriters and other fire insurance rating organizations for the area in which the Facility is situated, pertaining to the Facility or the use and occupancy thereof. Tenant shall not do or suffer to be done, or keep or suffer to be kept anything in, upon or about the Facility which will contravene any policies insuring against loss or damage by fire or other hazards, including, but not limited to, public liability, or which will prevent the Utah Department of Finance from procuring such policies in companies reasonably acceptable to it.

14. ACCESS.

Landlord, the Board, the Trustee or their agents shall have the right, without abatement of rent, to enter the Facility at all reasonable times in order to inspect same, to

clean or make such decorations, repairs, alterations, improvements or additions within or to the Facility as they may deem necessary or desirable.

15. SUBORDINATION AND ATTORNMENT.

Tenant's interest in the Facility and its interest as Tenant hereunder shall at all times be subject and subordinate to the lien of the trust deed created by the Indenture, whether now existing or hereafter created and without the need for any further act or agreement by Tenant; provided, however, that so long as Tenant continues to perform all of its obligations under this Lease, this Lease shall remain in full force and effect notwithstanding such subordination or Landlord's default in connection with the said lien or any resulting foreclosure, or sale, or transfer in lieu of such proceedings. Tenant shall not subordinate its interests hereunder or in the Facility to any other lien or encumbrance without the prior written consent of Landlord and the Trustee. Any such unauthorized subordination by Tenant shall be void and of no force or effect whatsoever.

In the event of any sale, assignment, or transfer of Landlord's interest under this Lease or in the Facility, including any such disposition resulting from Landlord's default under the said lien or any foreclosure, or sale or transfer in lieu of such proceedings, Tenant shall attorn to Landlord's successor and shall recognize such successor as Landlord under this Lease, regardless of the absence of privity of contract.

16. LOSS AND DAMAGE.

All of Tenant's personal property of any kind that may be on or about the Facility or placed in the custody of any of Tenant's employees or agents shall be held at the sole risk of Tenant, and Landlord shall have no liability to Tenant for any theft or loss thereof or damage thereto from any cause whatsoever.

17. CURING TENANT'S BREACH.

If Tenant shall default in the observance or performance of any term or covenant on Tenant's part to be observed or performed under or by virtue of any of the terms of this Lease, Landlord, the Board or the Trustee may (but shall not be obligated to do so) immediately, or at any time thereafter and without notice, and to the extent permitted by law, perform or cause to be performed the same for the account of Tenant, and any sums paid or obligations incurred in connection therewith shall be deemed to be additional rent hereunder and shall be paid by Tenant to the Trustee for appropriate disbursement within fifteen days of the rendering of any bill or statement to Tenant therefor.

18. ASSIGNMENT OR SUBLETTING.

Tenant may assign this Lease in whole or in part, and may sublease the Facility as a whole or in part, only upon the prior written direction and approval of the Board and the Authority. No such assignment or sublease may be made if the use of the Facility by the assignee or sublessee will affect the validity of this Lease, change the character or use of the Facility or the Bonds to ones not then permitted by the Act or impair the exemption of the interest on the Bonds from Federal

income taxation. Any such assignment or sublease shall require the assignee or sublessee to assume all of the terms, covenants and agreements of the Tenant hereunder to the extent of the portion of the Facility so assigned or sublet.

19. ASSIGNMENT AND MORTGAGING OF FACILITY BY LANDLORD.

The Landlord intends to mortgage the Facility subject to the aforesaid Covenant and any other "permitted encumbrances" under the Indenture and to assign its interest in and assign and pledge any monies receivable under this Lease to the Trustee pursuant to the Indenture as security for the payment of the principal, premium if any, and interest on the Bonds, and the Tenant hereby consents to such assignment, pledge and mortgage.

20. INSURANCE.

Tenant acknowledges receipt of a copy of that certain Agreement dated as of January 1, 1981, among the Landlord, the State of Utah, Department of Finance and the Utah State Building Board pursuant to which Finance agrees to procure and maintain certain insurance covering the Facility and naming the Authority as an insured and agrees that Tenant's proportionate share of the premiums for said insurance shall be payable by Tenant as rental hereunder as provided in Paragraph 5 hereof. Tenant further agrees that Landlord shall not be required to obtain or maintain any type of insurance if the Landlord is authorized and able to obtain and maintain an appropriate substitute arrangement under which it would be fully protected from general public liability arising from its ownership or interest in the Facility or under which funds will be available to repair or replace the Facility if damaged or destroyed or

under which money would be available to pay rentals for the Facility upon its damage or destruction. To the extent that any part of said insurance is carried and paid for by others for the benefit of the Issuer, the Issuer is not obligated to procure or maintain such part of said insurance.

21. DAMAGE OR DESTRUCTION; CONDEMNATION.

If, prior to full payment of the Bonds (or provision for payment thereof having been made in accordance with the provisions of the Indenture), the Facility is damaged or destroyed, in whole or in part, by fire or other casualty, or is condemned, in whole or in part, the Tenant shall give immediate notice thereof to the Board and the Landlord, which shall thereupon determine whether it is practicable or desirable to rebuild, repair, restore or replace such damage or destruction or part condemned and, if they determine that it is, and if funds are legally available therefor (including the net proceeds of insurance, condemnation awards or the proceeds of additional bonds) shall cause such damage or destruction or part condemned to be repaired, restored, rebuilt and replaced as nearly as practicable to the conditions existing prior to such damage or destruction or condemnation, with reasonable speed.

All net proceeds of insurance resulting from claims for such damage or destruction and all net proceeds of condemnation awards shall be paid to and held as a separate trust account by the Trustee and the Trustee, upon receipt of a certificate signed by the Director of the Board and the Chairman of the Authority that such payment is required for such purpose, shall apply so much as may be necessary of such

net proceeds to payment of the cost of such repair, rebuilding, restoration or replacement, either on completion thereof or as the work progresses; provided, that, all of the proceeds of any rents (use and occupancy) insurance shall be paid to the Trustee and deposited by it into the Bond Fund established under the Indenture and any balance of such other net proceeds remaining after payment of all of such costs shall also be deposited by the Trustee into said Bond Fund. If the Board and the Landlord determines that rebuilding, repairing, restoring or replacing of the Facility is not practicable or desirable, or in the event the net proceeds of insurance or condemnation awards, and the proceeds of any additional bonds which the Landlord may be authorized and elect to issue under the Indenture, are not sufficient therefore, the Landlord may elect not to repair, restore, rebuild or replace the Facility, in which case the Lease Term shall, at the option of the Landlord, end and all net proceeds of insurance and condemnation awards shall be deposited by the Trustee into the Bond Fund. Any of such other net proceeds shall also be deposited into the Bond Fund, as needed, to pay the principal of, premium, if any, and interest coming due on the Bonds while the Facility, or any part thereof, is non-revenue producing as a result of loss of use caused by hazards covered by the aforesaid insurance or as a result of condemnation.

There shall be no apportionment or abatement of rent in the case of any such damage or destruction, except as permitted by the Act; provided, that rent shall be apportioned as of the date of any termination of the Lease Term by the Landlord.

Any such repair, rebuilding, restoration or replacement of the Facility may be in accordance with such different design, plans and specifications and all applicable laws as will provide any facility, so long as such change shall not materially reduce or otherwise adversely affect the value of the Facility or the rental value thereof or change the character or use of the Facility or the Bonds to ones not then permitted by the Act.

As used herein, the term "net proceeds" means the gross proceeds from any insurance or condemnation award remaining after payment of all expenses (including attorney's fees and any expenses of the Trustee) reasonably incurred in the collection of such gross proceeds.

22. TENANT'S EQUIPMENT AND FIXTURES.

All Tenant's equipment installed or placed by the Tenant in or on the Facility which is not a fixture or which is not paid for with the proceeds of the Bonds shall remain the sole property of the Tenant in which neither the Landlord nor the Trustee shall have any interest, and may be modified or removed at any time by the Tenant and shall not be subject to the lien of the Indenture.

If after default in the payment of rent, or on violation of the Lease, Tenant moves out or is dispossessed and fails to remove any property of Tenant at the time of such moving out or dispossession, then and in that event, Landlord shall have the option either to regard such property as abandoned by Tenant, in which case such property shall become the property of Landlord, or shall have the right to demand that Tenant remove such property from the Facility, and in the

event of failure of Tenant to comply with said demand, Landlord shall have the right to remove, sell or destroy such property.

23. REMEDIES CUMULATIVE.

The rights and remedies given or reserved herein to Landlord, the Board and the Trustee are and shall be deemed to be cumulative, and the exercise of any shall not be deemed to be an election excluding the exercise at any other time of a different or inconsistent right or remedy or the maintenance of any action either at law or equity; provided, however, that no judgment may be entered against the State of Utah, any State Body or any political subdivision of the State of Utah for failure to pay any rentals hereunder.

24. WAIVER OF BREACH.

The delay or failure of Landlord or Trustee as assignee at any time to insist in any one or more instances upon a strict performance of any covenant of this Lease or to exercise any right, remedy, power or option herein granted or established by law, shall not be construed as an impairment of or a waiver or a relinquishment for the future of such covenant, right, remedy, power or option, but the same shall continue and remain in full force and effect, and if any breach shall occur and afterwards be compromised, settled or adjusted, this Lease shall continue in full force and effect as if no breach had occurred unless otherwise agreed. The receipt and acceptance by Landlord or Trustee of rent, in whole or in part, with knowledge of the breach of any term, covenant or condition hereof, shall not be deemed a waiver of such breach, and no waiver of any provision hereof shall be deemed to have been made unless expressed in writing and signed by Landlord and Trustee.

25. SURRENDER OF PREMISES. In the event that the Lease Term or any renewal thereof is not renewed or the Lease is otherwise terminated, Tenant shall quit and surrender the Facility to the Authority in the same condition in which it existed at the time of initial occupancy by the Tenant, ordinary wear and tear excepted.

26. NOTICES.

Except as otherwise in this Lease provided, any bill, statement, notice or communication which Landlord may desire or be required to give Tenant shall be deemed sufficiently given or rendered if in writing and hand-delivered to the Tenant or mailed to Tenant at the Facility, postage prepaid by certified mail, return receipt requested, or to such other address as Tenant may in writing from time to time designate. Any notice which Tenant may desire or be required to give Landlord shall be deemed sufficiently given or rendered if in writing and hand-delivered to Landlord at the following address, viz.:

Utah State Building Ownership Authority  
c/o Governor's Office  
Capital Building  
Salt Lake City, Utah

or mailed, postage prepaid, by certified mail, return receipt requested, addressed to Landlord, c/o Office of the Governor of the State of Utah, State Capitol Building, Salt Lake City, Utah, or to such other place as Landlord may from time to time designate by written notice to Tenant. Any notice given hereunder shall be deemed delivered when the return receipt is signed or refusal to accept the notice is noted.

27. SUCCESSORS AND ASSIGNS.

This Lease and the covenants, conditions and agreements herein contained shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto.

28. PERFORMANCE BY TENANT.

This Lease and the obligation of Tenant to pay rent and perform all of the other covenants and agreements hereunder shall in no wise be affected, impaired or excused for any reason whatsoever except as provided in the Act or as otherwise agreed to in writing by the Landlord.

29. SEVERABILITY.

If any clause or provision of this Lease is or becomes illegal, invalid, or unenforceable because of present or future laws or any rule or regulation of any governmental body or entity effective during the term of this Lease, the intention of the parties hereto is that the remaining parts of this Lease shall not be affected thereby unless such invalidity is essential to the rights of the parties or either of them.

30. LANDLORD'S TITLE.

Tenant recognizes and agrees that Landlord's title is and always will be paramount to the title of Tenant, and under no circumstances shall Tenant be empowered to do any act which can, shall or may encumber Landlord's title.

31. APPLICABLE LAWS.

This Lease shall be construed under the laws of the State of Utah.

32. CAPTIONS AND HEADINGS.

The captions and headings throughout this Lease are for convenience and reference only, and the words contained

therein shall not be deemed to affect the meaning of any provision or the scope or intent of this Lease, nor in any way affect this Lease.

33. AMENDMENTS.

This Lease contains the entire agreement between the parties, and any agreement hereafter made shall be ineffective to amend, modify, discharge or effect an abandonment of it in whole or in part unless such agreement is in writing and signed by the party against whom enforcement of the amendment, modification, discharge or abandonment is sought, plus the Trustee. Neither the Landlord nor the Tenant will consent to any discharge or amendment hereof which will reduce the payments required to be made by the Tenant hereunder or which will in any manner materially impair or materially and adversely affect the rights of the Landlord, and any action by the Landlord or Tenant in violation of this covenant shall be null and void. Except as provided herein, no amendment hereto shall reduce the rentals payable hereunder as long as any of the Bonds are outstanding and unpaid.

34. EXECUTION OF COUNTERPARTS.

This instrument may be simultaneously executed in separate counterparts each of which shall be an original and all of which shall constitute but one and the same instrument.

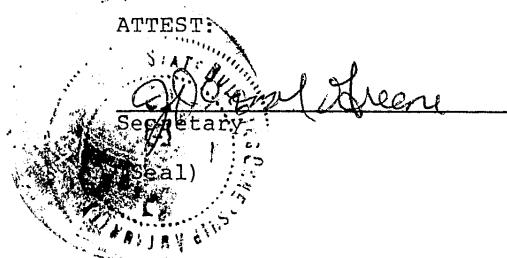
IN WITNESS WHEREOF, Landlord and Tenant have each executed this Lease under their official seals as of the 1st

day of January, 1981.

LANDLORD:

UTAH STATE BUILDING  
OWNERSHIP AUTHORITY

ATTEST:

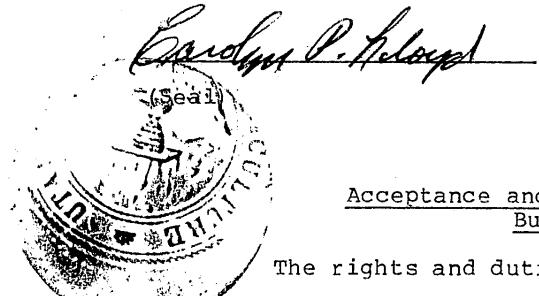


By Wesley S. Hamilton  
Chairman

TENANT:

STATE OF UTAH  
UTAH DEPARTMENT OF AGRICULTURE

ATTEST:



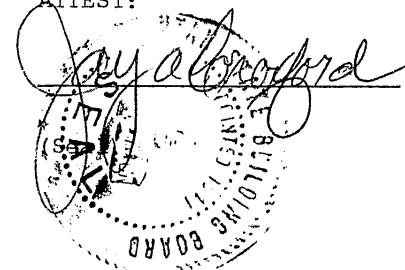
By Kenneth B. Clegg  
Commissioner

Acceptance and Approval of Utah State  
Building Board

The rights and duties herein granted to and imposed  
upon the Utah State Building Board are hereby accepted by the  
Board and this Lease is approved by said Board as of the day  
and year last above written.

UTAH STATE BUILDING BOARD

ATTEST:



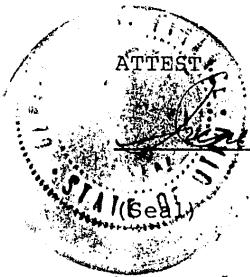
By James C. Johnson  
Chairman

By Walter W. Worthy  
Director

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Approval by Utah Department of Finance

Pursuant to Section 63-10-7.4, Utah Code Annotated, 1953, as amended, the Utah Department of Finance hereby approves the foregoing Agreement of Lease and the costs provided therein to the above-named Tenant as of the day and year last above written.



UTAH DEPARTMENT OF FINANCE

By CD Williams  
Director

Approved as to Form:

Joseph P. McCaulay  
Assistant Attorney General

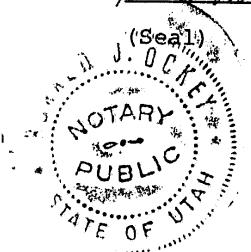
STATE OF UTAH )  
: ss.  
COUNTY OF SALT LAKE )

On the 5<sup>th</sup> day of January, 1981, personally  
appeared before me Weston E. Hamilton and J. Thomas Greene who,  
being by me duly sworn, did say, each for himself, that he, the  
said Weston E. Hamilton is the Chairman and he, the said J.  
Thomas Greene is the Secretary of the Utah State Building  
Ownership Authority, a body corporate and politic of the State  
of Utah, and that the within and foregoing instrument was  
signed in behalf of said Utah State Building Ownership  
Authority pursuant to a Resolution of the Utah State Building  
Ownership Authority and said Weston E. Hamilton and J. Thomas  
Greene each duly acknowledged to me that said Authority  
executed the same and that the seal affixed is the seal of said  
Utah State Building Ownership Authority.

*Donald R. Keyes*  
NOTARY PUBLIC  
Residing at: Salt Lake County, Utah

My Commission Expires:

December 11, 1983



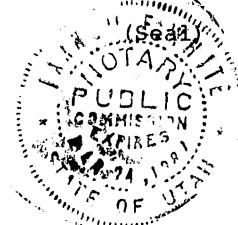
STATE OF UTAH )  
COUNTY OF SALT LAKE ) : ss.

On the 2nd day of January, 1981, personally  
appeared before me Kenneth B. Creer and Carolyn P. Lloyd  
\_\_\_\_\_  
to me personally known and known by me to be  
the same persons who executed the within and foregoing  
instrument and who, being by me duly sworn, did depose,  
acknowledge and say that they are, respectively, the  
Commissioner and Deputy Commissioner of the State of Utah,  
Department of Agriculture and that the foregoing instrument was  
signed in behalf of the State of Utah, Department of  
Agriculture, pursuant to law and authority in them vested and  
said Kenneth B. Creer and Carolyn P. Lloyd  
acknowledged to me that the State of Utah, Department of  
Agriculture executed the same as its voluntary act and deed and  
that the seal affixed is the seal of said Department.

  
NOTARY PUBLIC  
Residing at: Salt Lake City, Utah

My Commission Expires:

March 24, 1981



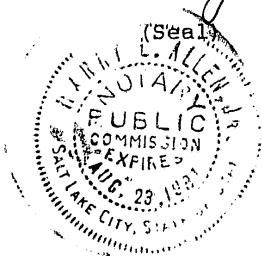
STATE OF UTAH )  
: ss.  
COUNTY OF SALT LAKE )

On the 6<sup>th</sup> day of January, 1981, personally  
appeared before me Leonard J. Lewis, Nathan Woolley and Jay A.  
Croxford; to me personally known and known by me to be the same  
persons who executed the within and foregoing instrument and  
who, being by me duly sworn, did depose, acknowledge and say  
that they are, respectively, the Chairman, Director and  
Secretary of the Utah State Building Board, and that the  
foregoing instrument was signed in behalf of said Board  
pursuant to a Resolution of the said Board and said Leonard J.  
Lewis, Nathan Woolley and Jay A. Croxford acknowledged to me  
that said Board executed the same as its voluntary act and deed  
and that the seal affixed is the seal of said Board.

*Harry L. Allen, Jr.*  
NOTARY PUBLIC  
Residing at: *Salt Lake City*

My Commission Expires:

Aug. 23, 1981



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STATE OF UTAH )  
COUNTY OF SALT LAKE ) : ss.  
)

On the 8<sup>th</sup> day of January, 1981, personally appeared before me D. Dale Williams and Irene H. Mitchell; to me personally known and known by me to be the same persons who executed the within and foregoing instrument and who, being by me duly sworn, did depose, acknowledge and say that they are, respectively, the Director and Secretary of the Utah Department of Finance of the State of Utah, and that the foregoing instrument was signed in behalf of the State of Utah, Department of Finance pursuant to law and authority in them vested and said D. Dale Williams and Irene H. Mitchell acknowledged to me that said Board executed the same as its voluntary act and deed and that the seal affixed is the seal of said Department of Finance.

Harry L. Allen Jr.  
NOTARY PUBLIC  
Residing at: Salt Lake City

My Commission Expires:

Dec 23, 1981

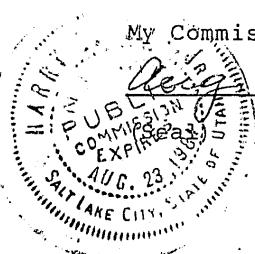


EXHIBIT A

Real Property situated in Salt Lake County, Utah, more particularly described as follows:

Beginning at a point South  $00^{\circ} 04' 30''$  West 368.081 feet and East 10.391 feet from the Northwest Corner of Lot 3, Block 4, Jordan Plat "A", said lot corner also being North  $00^{\circ} 02' 13''$  West 2413.453 feet and South  $89^{\circ} 51' 50''$  East 24.698 feet from the Salt Lake City Survey Monument at the Intersection of Redwood Road and North Temple Street and running thence South  $01^{\circ} 23' 06''$  East 100.00 feet; thence West 13.270 feet to the West line of said Lot 3, Block 4, Jordan Plat "A", thence South 40 feet; thence South  $89^{\circ} 55' 30''$  East 170 feet; thence South  $00^{\circ} 04' 30''$  West 60.0 feet; thence South  $89^{\circ} 55' 30''$  East 372.85 feet; thence North  $00^{\circ} 04' 30''$  East 100.955 feet; thence North  $89^{\circ} 58' 38''$  East 31.3 feet; thence North  $00^{\circ} 04' 28''$  East 98.959 feet; thence North  $89^{\circ} 55' 30''$  West 563.427 feet to the point of BEGINNING.

SCHEDULE A

Space Occupied by Tenant

<u>Tenant</u>	<u>Square Feet Occupied</u>
State of Utah Department of Agriculture	Gross -- 53,500 Net -- 37,630

Percentage of total rentable space in the Facility  
occupied and leased by Tenant: 100%