

LEASE AGREEMENT

THIS LEASE AGREEMENT is made and entered into by and between TOOELE COUNTY, a body corporate and politic of the State of Utah, and SALT LAKE COUNTY a body corporate and politic of the State of Utah, for its DIVISION OF YOUTH SERVICES, hereinafter called "LESSEE." LESSOR and LESSEE are collectively referred to as the "Parties".

WITNESSETH

WHEREAS, LESSEE desires to lease from LESSOR and LESSOR is agreeable to lease to LESSEE, approximately 630 square feet of office space in the building located at 38 South Main Street, Tooele, Utah, hereinafter called the "Building.

NOW THEREFORE IT IS MUTUALLY AGREED AS FOLLOWS:

SECTION 1. LEASED PREMISES

1.1 LESSOR does hereby lease unto LESSEE approximately 630 square feet of office space in the facility located at 38 South Main, Tooele, Utah 84074.

SECTION 2. TERM OF LEASE

2.1 The initial term of this Lease Agreement shall be for a period of one (1) year and seven (7) months, which term shall commence on June 1, 2009 and shall expire on December 31, 2010.

SECTION 3. OPTION TO RENEW

3.1 LESSOR covenants with LESSEE that this Agreement may be extended for up to five additional one-year terms, until December 31, 2015, upon the same terms and conditions herein contained. If the option to renew is not exercised pursuant to this section, and LESSEE remains in possession of the Leased Premises after the expiration of the term hereof without objection by LESSOR, then such occupancy shall be a month-to-month tenancy at a rental in the amount of the last monthly rent applied hereunder. Such month-to-month tenancy shall continue until terminated by either party by giving thirty (30) days advance written notice to the other party.

SECTION 4. CONSIDERATION

4.1 LESSOR is hereby leasing the office space herein described to LESSEE at an initial cost of \$600.00 per month.

SECTION 5. REPRESENTATIONS

5.1 LESSOR represents that it has the legal right to lease the Leased Premises as herein provided and does hereby guarantee quiet and peaceable enjoyment of the Leased Premises to LESSEE.

SECTION 6. TENANT IMPROVEMENTS

6.1 LESSEE shall not make improvements, additions or alterations to the Leased Premises without having first obtained written approval from LESSOR.

SECTION 7. LESSOR RESPONSIBILITIES

7.1 LESSOR, agrees to provide and pay for all utilities, janitorial, and operations & maintenance during the term hereof. LESSOR shall also allow LESSEE reasonable and proportional use of LESSOR'S copiers and fax machine.

SECTION 8. LESSEE RESPONSIBILITIES

8.1 LESSEE shall be responsible for limiting its use of utilities, facsimile and copiers to what may be reasonably expected for a typical four-person office. LESSEE shall pay for a T1 line for LESSEE'S data lines. Facsimile and copier usage shall be subject to a reasonable charge of \$.02 per printed or copied page.

SECTION 9. TAXES AND INSURANCE

9.1 LESSOR shall pay and bear all costs of real property taxes, personal property taxes, and all other taxes assessed against the Leased Premises. LESSOR further agrees to ensure that the Leased Premises are fully insured to protect the same from loss or damage by fire, vandalism and malicious mischief at all times during the term of this Lease Agreement.

SECTION 10. REPAIR AND MAINTENANCE

10.1 All repairs and maintenance of the Leased Premises shall be made at the sole cost and expense of LESSOR.

SECTION 11. USE OF PREMISES

11.1 LESSEE shall not, at any time, use or occupy or permit the Leased Premises to be used or occupied in any manner which would in any way violate any Certificate of Occupancy issued for the building, and shall not use or permit the Leased Premises to be used or occupied in whole or in part in a manner which may violate the laws, orders, ordinances, rules, regulations, or requirements of any department of federal, state, or city governments.

SECTION 12. LESSEE'S PERSONAL PROPERTY & FIXTURES

12.1 All personal property and fixtures placed in or upon the Leased Premises by LESSEE shall not become part of the Leased Premises and LESSEE shall be privileged to remove the same at the termination or expiration of the Lease Agreement.

SECTION 13. TERMINATION & SURRENDER OF LEASED PREMISES

13.1 LESSEE agrees to quit and surrender peaceable possession of the Leased Premises to LESSOR when this Lease Agreement is terminated. Upon termination of this Lease Agreement LESSEE shall deliver the Leased Premises to LESSOR in good condition and broom clean, normal wear and tear excepted.

13.2 It is understood and agreed by the Parties that funds are not presently available to perform this agreement beyond December 31, 2009. The LESSEE'S obligations under this agreement beyond that date are contingent upon funds being appropriated by Salt Lake County in succeeding fiscal years. In the event no funds or insufficient funds for the payment of rent under this lease are appropriated in any succeeding fiscal year, the LESSEE'S obligations set forth herein shall terminate and become null and void on the last day for which funds are appropriated to fund this agreement by Salt Lake County. Termination under this provision shall end the obligations of the Parties set forth in this agreement, and LESSEE agrees to vacate the premises and return possession to the LESSOR. All monthly payments

paid to the LESSOR prior to termination may be retained by the LESSOR as full satisfaction of the Lessee's obligations hereunder.

SECTION 14. MANNER OF GIVING NOTICE

14.1 Any notice to be given by either party to the other pursuant to the provisions of this Lease or of any law, present or future, shall be in writing and delivered personally to the party to whom notice is to be given, or by certified mail, return receipt requested, addressed to the party for whom notice is intended at the address stated below or such other address as it may have designated in writing. Notice shall be deemed to have been duly given, if delivered personally, upon receipt thereof, and if mailed, upon the third day after mailing thereof.

If to Lessor:

Tooele County
Attention: Nicole Cline
47 South Main Street
Salt Lake City, Utah 84114

If to Lessee:

Salt Lake County
Division of Youth Services
Attention: Director
177 West Price Avenue
Salt Lake City, Utah 84115

With a Copy to:

Salt Lake County Real Estate Division
2001 South State #N-4500
Salt Lake City, Utah 84190-3100

SECTION 15. GOVERNMENTAL IMMUNITY

15.1 LESSEE and LESSOR are bodies corporate and politic of the State of Utah, and by entering into this Agreement, neither Party waives any defense or governmental immunity under the "Utah Governmental Immunity Act," Sections 63G-7-1, et. seq., (the Act) Utah Code Ann. (1953, as amended). Nothing contained in this Agreement shall be construed to increase either Parties liability to third parties beyond that set forth in the Act. Consistent with the terms of the Act, it is mutually agreed that each party is responsible and liable to third parties for its own wrongful or negligent acts committed by its agents, officials, or employees.

SECTION 16. GOVERNING LAW

16.1 GOVERNING LAW. This Lease Agreement shall be governed and construed in accordance with the laws of the State of Utah. Venue for court actions shall only be in the Third Judicial District of Utah.

16.2 WAIVER OF JURY TRIAL. The LESSOR and LESSEE hereby knowingly, voluntarily and intentionally waive the right either may have to a trial by jury in respect of any litigation based hereon, or arising out of, under or in connection with this Lease Agreement and any document executed in connection herewith or related hereto, or any course or conduct, course of dealing, statements (whether oral or written) or actions of either LESSOR or LESSEE. This provision is a material inducement for the LESSOR and LESSEE to enter into this Lease Agreement.

