

BOARD OF REGENTS BRIEFING PAPER

1. **AGENDA ITEM TITLE:** Lease of Property Located at 5320 S. Rainbow Boulevard, Suite 250 for the UNLV School of Medicine – UNLV

MEETING DATE: March 5 - 6, 2020

2. BACKGROUND & POLICY CONTEXT OF ISSUE:

The Board of Regents’ Handbook defines a long-term lease agreement as one that is for a period greater than five years or alternatively, where the value is over \$500,000 in total lease payments. The Lease (the “**Lease**”) between Spring Valley Medical Properties II, LLC (the “**Landlord**”) and the Board of Regents of the Nevada System of Higher Education, on behalf of the University of Nevada, Las Vegas School of Medicine (the “**UNLV**”), meets both of these criteria. The Lease is incorporated hereto as “**Attachment 1.**” The purpose of the Lease is to grant UNLV the ability to occupy 10,768 square feet (“**SF**”) on the second floor of 5320 S. Rainbow Boulevard, Suite 250 (the “**Premises**”), which bears Clark County Assessor parcel number 163-26-301-012.

Background Information

UNLV is requesting to enter into a ten-year lease agreement for the purpose of consolidating two existing clinics currently located at 3150 North Tenaya Way (the “**Tenaya Location**”) and 5380 South Rainbow Boulevard (the “**Rainbow Location**”). UNLV became a party to both leases as of July 1, 2017, when they were transferred from the University of Nevada, School of Medicine, as part of the Contract Regarding the Transition of Medical Education in Southern Nevada. The contract outlined the terms of the clinical transition and was approved by the Board of Regents at its September 8-9, 2016 meeting.

The Premises will be occupied and funded by the UNLV Medical School Faculty Practice Plan (the “**UNLV Med**”) and will house its Ears, Nose, and Throat Clinical Practice. The Tenaya Location is 4,161 SF and the Rainbow Location is 3,414 SF, and UNLV Med has determined that the additional 3,193 SF will support growth plans for the clinic by providing a 37% net gain in patient exam rooms. The Premises is strategically located on the Southern Hills Hospital Campus, therefore providing the opportunity to further serve the needs of all communities within Southern Nevada while also encouraging successful collaboration with Southern Hills Hospital.

Due to the long-term lease commitment, the Landlord has agreed to provide over \$1 million dollars in tenant improvements which will create an improved and more efficient clinic design. The allowance amount is based on the space plan submitted to the Landlord by UNLV and any amount due over and above will be UNLV Med’s responsibility for payment.

Fiscal Implications

The base rent will begin at the monthly rate of \$1.95 per SF, or \$23.40 per SF annually and will increase 3% each year. UNLV will also be responsible for an 18.72% proportional share of the overall operating expenses of the 57,511 SF building. Based on review of the current operating expenses for the building, it is estimated that these costs will average \$.62 per SF monthly or \$7.44 per SF annually.

Total lease costs are estimated to be \$3,746,004.42 for the entire ten-year term. Below is a summary of the costs.

Base Rent (Includes Annual 3% Increase)	\$2,888,567.43
Estimated Operating Expenses (Assumes Annual 5% Cost Increase)	\$ 857,436.99
Total Estimated Ten-Year Lease Cost	\$3,746,004.42

Third quarter 2019 full-service lease rates for Class A medical office space in the Southwest submarket averaged \$2.45 per SF monthly or \$29.40 per SF annually. During the first year of occupancy, base rent and operating expenses are estimated to total \$2.57 per SF monthly or \$30.84 per SF annually, which equates to a total monthly rent amount of \$27,674.00 or \$332,085.00 annually.

Staff will logistically save time from traveling between two clinics and will be able to maximize patient appointments at one location. Additionally, patient care will be more consistent and management of the clinic will be improved due to coordination of expertise, shared knowledge, and standardized policies. UNLV did consider consolidating and relocating

Form Revised: 1/2018

the clinics to the City of Las Vegas Medical District area; however, the number of properties in the District that could accommodate the SF needed were minimal, and the available locations proved to be less cost effective than the Premises.

In the event of insufficient funds being appropriated, budgeted, or otherwise made available to UNLV from State and/or Federal sources, the UNLV School of Medicine agrees to set aside funds to pay the cancellation fee associated with a potential early termination. The cancellation fee will be an amount equal to the unamortized portion of the Landlord's work allowance, leasing commissions paid in association with the Lease, or any other allowances provided by the Landlord in connection with the Lease remaining in the term as of the effective date of the termination. The memorandum is incorporated hereto as "**Attachment 2.**"

3. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:

UNLV President Marta Meana requests approval of the School of Medicine Faculty Practice Plan Lease for property located at 5320 S. Rainbow Blvd., Suite 250, which is located on Assessor parcel number 163-26-301-012. President Meana further requests that the Chancellor be granted authority to execute the Lease, and any ancillary documents deemed necessary and appropriate by the NSHE Chief General Counsel, to implement all terms and conditions of the Lease.

4. IMPETUS (WHY NOW?):

With the Tenaya Lease set to expire on November 30, 2020, the decision to consolidate the clinics was essential.

5. CHECK THE NSHE STRATEGIC PLAN GOAL THAT IS SUPPORTED BY THIS REQUEST:

- X Access (Increase participation in post-secondary education)
 - X Success (Increase student success)
 - X Close the Achievement Gap (Close the achievement gap among underserved student populations)
 - X Workforce (Collaboratively address the challenges of the workforce and industry education needs of Nevada)
 - X Research (Co-develop solutions to the critical issues facing 21st century Nevada and raise the overall research profile)
- Not Applicable to NSHE Strategic Plan Goals

INDICATE HOW THE PROPOSAL SUPPORTS THE SPECIFIC STRATEGIC PLAN GOAL

Efficient use of real estate resources leads to additional funding availability that can be refocused on program expansion and student success initiatives. Providing desirable and efficient clinical facilities assists in attracting accomplished researchers, faculty, and students, thus creating a robust research and educational environment. High quality medical and health care professionals are in great demand in Southern Nevada, and providing first-class facilities will support the growth of medical and health science programs that will educate a greater number of health care professionals.

6. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:

- The clinic is strategically located on the Southern Hills Hospital Campus and provides UNLV the opportunity to increase services within Southern Nevada communities.
- Encourages successful collaboration between UNLV Med and Southern Hills Hospital.
- Additional 3,193 SF will increase space needed to support the growing clinic and provide a 37% net gain in patient exam rooms.
- It is difficult to acquire the amount of SF in one location that would accommodate the space needs of the clinic.

7. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:

The lease is a long-term commitment that will eliminate the opportunity to relocate to another property should rental rates be reduced in the future. Should funding sources not be made available, UNLV will be responsible for the cancellation fee to be paid to Landlord.

8. ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:

Continue to investigate other properties.
Continue leasing current locations and reduce growth plans.

9. RECOMMENDATION FROM THE CHANCELLOR'S OFFICE:

10. COMPLIANCE WITH BOARD POLICY:

<input checked="" type="checkbox"/>	Consistent With Current Board Policy: Title #4 Chapter #10 Section #1(9), Table 9.1
<input type="checkbox"/>	Amends Current Board Policy: Title # _____ Chapter # _____ Section # _____
<input type="checkbox"/>	Amends Current Procedures & Guidelines Manual: Chapter # _____ Section # _____
<input type="checkbox"/>	Other: _____
<input checked="" type="checkbox"/>	Fiscal Impact: Yes <u>X</u> No _____
Explain: The total cost for the Lease for the ten-year term is \$3,746,004.42. Lease payments will be funded by UNLV School of Medicine Faculty Practice Plan from revenue generated from its clinical operations.	

Spring Valley Medical Office Building II

LEASE

By and Between

Spring Valley Medical Properties II, LLC,
a Delaware limited liability company

AS LANDLORD

and

**Board of Regents of the Nevada System of Higher Education, on behalf
of the University of Nevada, Las Vegas, School of Medicine**

AS TENANT

For Premises Known as

Suite 250

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Exhibit A – The Premises

Exhibit B – Rental Adjustment Schedule

Exhibit C – Landlord’s Work Letter

Exhibit D – Rules and Regulations

Exhibit E – Guarantee Agreement

SPRING VALLEY MEDICAL OFFICE BUILDING II

BY THIS LEASE ("Lease") entered into as of this _____ day of _____, 2020, **Spring Valley Medical Properties II, LLC**, a Delaware limited liability company ("Landlord") and **Board of Regents of the Nevada System of Higher Education, on behalf of the University of Nevada, Las Vegas, School of Medicine** ("Tenant") agree as follows:

INTRODUCTION.

THE FOLLOWING BASIC LEASE INFORMATION IS A PART OF THIS LEASE, BUT DOES NOT CONSTITUTE THE ENTIRE LEASE. TENANT ACKNOWLEDGES THAT IT HAS READ ALL OF THE PROVISIONS CONTAINED IN, AND ALL EXHIBITS WHICH ARE A PART OF, THIS LEASE AND AGREES THAT THIS LEASE REFLECTS THE ENTIRE UNDERSTANDING OF LANDLORD AND TENANT REGARDING THE PREMISES. TENANT ALSO ACKNOWLEDGES THAT IT HAS HAD THE OPPORTUNITY TO REVIEW THIS LEASE PRIOR TO EXECUTION WITH LEGAL COUNSEL AND SUCH OTHER ADVISORS AS TENANT DEEMS APPROPRIATE.

1. BASIC LEASE INFORMATION.

1.1. Parties.

LANDLORD:	Spring Valley Medical Properties II, LLC a Delaware limited liability company
Address for Rent Payment:	c/o Ensemble Real Estate Solutions 4722 North 24 th Street, Suite 400 Phoenix, Arizona 85016
TENANT(S):	Board of Regents of the Nevada System of Higher Education, on behalf of the University of Nevada, Las Vegas, School of Medicine
Rental Address:	5320 South Rainbow Boulevard, Suite 250 Las Vegas, Nevada 89118
Trade Name:	University of Nevada, Las Vegas, School of Medicine

1.2. Hospital.

The term "Hospital" shall mean Spring Valley Hospital, Las Vegas, Nevada.

1.3. Hospital Project.

The term "Hospital Project" shall mean the Spring Valley Hospital Campus, which includes the Hospital, the adjacent building owned by Spring Valley Medical Properties, LLC (the "Adjacent Project") and Project.

1.4. Project.

The term "Project" shall mean Spring Valley Medical Office Building II, as located at 5320 South Rainbow Boulevard, Las Vegas, Nevada, and including both the Building and rights under appurtenant easements (exclusive and non-exclusive) for parking, driveways and related amenities, as from time to time existing, modified and/or reconfigured.

1.5. Building.

The term "Building" shall mean that certain office building comprising a part of the Project, together with any related land, improvements, parking facilities, common areas, driveways, sidewalks and landscaping.

1.6. Premises.

The term "Premises" shall mean Suite 250 on the second floor of the Building as more particularly described in attached Exhibit "A".

1.7. Term.

The term of this Lease (the "Term") shall commence on the Commencement Date and continue for one hundred twenty (120) months thereafter; provided, if the Commencement Date occurs other than on the first (1st) day of a month, the Term shall include the remainder of the month during which the Commencement Date occurs plus the foregoing referenced number of months.

1.8. Estimated Commencement Date.

October 1, 2020

1.9. Minimum Monthly Rent.

The term "Minimum Monthly Rent" shall mean the product of the Net Rentable Area of the Premises multiplied by One and 95/100 Dollars (\$1.95) per square foot, resulting in an Initial Minimum Monthly Rent of Twenty Thousand Nine Hundred Ninety Seven and 60/100 Dollars (\$20,997.60) as adjusted per Exhibit "B".

1.10. Permitted Use.

The term "Permitted Use" shall mean use of the Premises for general medical office related use and for no other purpose; provided, the Permitted Use shall not in any event include any Precluded Uses, except to the extent: (a) approved in writing by Landlord; (b) the Tenant's primary Permitted Use is not a Precluded Use; (c) not then duplicating or competing with services then offered by the Hospital; and (d) the Precluded Uses are: (1) provided to patients where the Tenant is the treating professional; (2) provided to the Tenant's own patients who are not referred to Tenant for the sole purpose of receiving same; and (3) are otherwise ancillary and complementary to the Permitted Use.

1.11. Precluded Uses.

The term "Precluded Uses" shall mean: (a) any uses prohibited by Applicable Law; (b) any uses prohibited by Applicable Restrictions; and (c) any of the following: (1) outpatient surgical facility (including any facility which offers to area physicians, on a fee-for-services basis, operating rooms, recovery rooms and staff for surgical procedures, as opposed to the private office of one or more surgeons who may perform outpatient procedures on their own patients in the office); (2) commercial laboratory; (3) x-rays; (4) radiology imaging; (5) physical therapy; (6) pulmonary or cardiological testing facility; (7) pharmacy; (8) radiation/oncology center; (9) birthing center; or (10) any commercial ancillary service which is provided by the Hospital at the time of the initiation of such service by Tenant.

1.12. Project Documents.

"Project Documents" shall mean those recorded documents governing and restricting the use and occupancy of the Project, including the Applicable Restrictions.

1.13. Net Rentable Area.

The term "Net Rentable Area" shall mean ten thousand seven hundred sixty eight (10,768) square feet, which Landlord and Tenant have stipulated as the Net Rentable Area of the Premises, consisting of: (a) nine thousand eight hundred forty-one (9,841) square feet of floor space that is usable area specific to the Tenant's Premises as reflected on the floor plan of the Premises ("Net Usable Area"); plus (b) a load factor of nine and forty-two hundredths percent (9.42%) ("Load Factor") which Landlord and Tenant agree is an acceptable allocation of square footage in the Project not otherwise accounted for in the Net Usable Area including, but not limited to, Common Areas.

1.14. Net Rentable Area of Project.

The term "Net Rentable Area of Project" is stipulated to be and shall mean the aggregate square footage within the Building, of approximately 57,511 square feet, consisting of approximately 51,180 square feet of total Net Usable Area and approximately 6,331 square feet of Common Areas.

1.15. Common Areas.

The term "Common Areas" shall mean the public, common and service areas of the Project (both within and outside of the Building, and as from time to time existing, modified and/or reconfigured), including lobbies, corridors, mechanical, utility, janitorial, boiler and service rooms and closets, restrooms, sidewalks, landscaped areas, driveways and parking areas, stairwells and elevators.

1.16. Tenant's Proportionate Share.

The term "Tenant's Proportionate Share" shall mean eighteen and seventy-two hundredths percent (18.72%) for each calendar year. With respect to any calendar year of which the Lease Term constitutes only a part, the Tenant's Proportionate Share shall equal the product of the foregoing percentage times a fraction, the numerator of which is the number of months (rounded upwards to the next whole number if the Lease Term begins or concludes in the middle of the month) during such calendar year in which the Lease Term is in existence, and the denominator of which is 12.

1.17. Deposit.

None.

1.18. Guarantors.

None.

1.19. Related Parties.

The term "Related Parties" shall mean, with respect to Landlord or Tenant, its employees, guests, invitees, principals (whether shareholders, members, partners, officers or otherwise), affiliates, successors, assigns and agents.

1.20. Broker.

The Term "Broker" shall mean Ensemble Real Estate Solutions as Landlord's representative.

1.21. Applicable Law.

The term "Applicable Law" shall mean any and all municipal, county, state, federal or other statutes, regulations, ordinances, codes or other laws applicable to the Project, including the use, occupancy, operation and condition thereof.

1.22. Applicable Restrictions.

The term "Applicable Restrictions" shall mean the provisions of: (1) any document recorded against title to all or any portion of the Project and restricting or limiting the use and operation of the Project; and (2) that Restrictive Covenant and Reciprocal Easement Agreement for the Project, as on file with Landlord.

1.23. Parking Facilities.

The term "Parking Facilities" shall mean the surface parking on the Hospital Project as from time to time designated for use by the Project.

1.24. Ground Lease.

The term "Ground Lease" shall mean any ground lease or equivalent document pursuant to which Landlord leases the Project or any portion thereof from the owner thereof (the "Ground Lessor").

1.25. Mortgage.

The term "Mortgage" shall mean any mortgage, deed of trust, or other security agreement encumbering all or any part of Landlord's interest in the Project (with the mortgagee, beneficiary, secured party or other holder thereof referred to as a "Mortgagee").

1.26. Adjustments.

Tenant shall, upon request by Landlord, execute appropriate amendments to or confirmations with respect to this Lease, as required to, among other things: (a) confirm the Commencement Date, if other than the Estimated Commencement date; (b) Term; and (c) Net Usable Area, Net Rentable Area, Minimum Monthly Rent, and Tenant's Proportionate Share, to the extent: (1) construction of the Building materially deviates from the plans and specifications on which the Net Usable Area and Net Rentable Area

were initially based, as determined by Landlord's Architect; or (2) required by changes in the Building (whether by reconstruction following damage or condemnation, or otherwise).

2. PREMISES.

Tenant hereby leases from Landlord, and Landlord hereby leases to Tenant, the Premises, as depicted on Exhibit "A", on the terms and conditions set forth herein.

3. LEASE TERM.

3.1. Commencement Date and Lease Year.

The Term shall commence on the earliest of (i) the date Tenant first commences to conduct business in the Premises, or (ii) the date of Substantial Completion (as determined pursuant to Section 8.2) of Landlord's Work in accordance with Section 8, (the "Commencement Date"). Each successive twelve (12) month period during the Term, starting with the first day of the first month following the Commencement Date (if the Commencement Date falls other than on the first (1st) day of a month the first (1st) lease year shall end on the last day of the eleventh (11th) month after the Commencement Date) is referred to herein as a "Lease Year".

3.2. Proration of Payments.

All Rents and other sums payable under this Lease for fractional calendar month(s) shall be prorated, calculated on the basis of a thirty (30) day month.

4. TENANT PAYMENTS.

4.1. Tenant Payments.

Throughout the Lease Term, Tenant agrees to pay Landlord as rent hereunder, at such place as Landlord may designate, without prior demand therefore, and without any deduction or setoff, in lawful money of the United States of America, the following ("Rent"):

(a) The Minimum Monthly Rent, in advance, on the Commencement Date and thereafter on or before the first day of each calendar month during the Lease Term;

(b) At the same time as and in addition to Minimum Monthly Rent (unless Landlord designates otherwise), all excise, sales, use, rental and/or transaction privilege taxes (but excluding only Landlord's income taxes) levied or imposed, or hereafter levied or imposed, against or on account of the terms of the Lease, whether as a result of or deriving from the rights and obligations of the parties hereto, any or all amounts payable hereunder by Tenant, or the receipt thereof by Landlord;

(c) Tenant's Proportionate Share of Project Operating Costs (as defined below in Section 6); and

(d) All other sums from time to time payable by Tenant pursuant to this Lease.

4.2. Minimum Monthly Rent.

The Minimum Monthly Rent shall be subject to increase, but not decrease, as provided in the Rental Adjustment Schedule attached as Exhibit "B".

4.3. Application.

All payments by Tenant under this Lease shall be applied to the corresponding sums then due Landlord; provided, that if and when Tenant is in breach of this Lease or any Late Charges, Default Interest or other sums payable by Tenant as a result of any such breach are outstanding, all payments by Tenant may be applied by Landlord in any manner and to such obligations of Tenant as Landlord may determine.

5. APPLICATION OF DEPOSIT.

Intentionally deleted.

6. PROJECT OPERATING COSTS.

6.1. Project Operating Costs.

(a) "Project Operating Costs" shall mean and include all costs and expenses incurred or paid by or on behalf of Landlord with respect to the operation and maintenance of the Project (including but not limited to Common Areas) which, in accordance with sound accounting principles consistently applied to the operation and maintenance of first class medical office buildings similar in locale, size and type as the Premises ("Similar Projects"), are properly chargeable to the operation and maintenance of the Project, including, without limitation:

(1) Property taxes and special assessments;

(2) All personal property taxes levied on equipment, furniture, and other property of Landlord to the extent located on or used in connection with operation of the Project;

(3) The labor for operation and maintenance;

(4) Utilities, telephone service and refuse removal (including electrical service for the HVAC for the Premises);

(5) Insurance (including rent loss/business interruption coverage) as and if maintained by Landlord ("Landlord's Insurance"), which may include those coverages:

- (i) generally maintained for Similar Projects; or
- (ii) required by any Ground Lease or Mortgage;
- (6) Maintenance, repair and replacement of plumbing, electrical, heating, air conditioning and other mechanical and service systems;
- (7) New and/or replacement equipment, supplies and materials;
- (8) Cleaning contracts and services, including janitorial and window cleaning;
- (9) Operation and maintenance of all parking areas, service areas, walkways, landscaping and Common Areas;
- (10) Accounting and professional fees to the extent incurred in connection with ownership and operation of the Project;
- (11) Escrow, impound or similar deposits required by terms of any Ground Lease or Mortgage for items otherwise constituting Project Operating Costs under other provisions of this Section 6.1(a); and
- (12) Management fee, not to exceed five percent (5%) of all rent payable by all tenants of the Project.
- (13) In the event, during any calendar year, the Project is less than ninety-five percent (95%) occupied at all times, Project Operating Costs shall be adjusted to reflect the Operating Costs of the Project as though ninety-five percent (95%) were occupied at all times, and the increase or decrease in the sums owed hereunder shall be based upon such Project Operating Costs, as so adjusted.

(b) Project Operating Costs shall not include:

- (1) Capital improvements except to the extent: (i) expended to comply with Applicable Law; or (ii) of savings generated from expenditures for capital improvements designed to reduce Project Operating Costs;
- (2) Expenses for which Landlord is otherwise reimbursed (including by an insurer, condemnation authority, tenant or otherwise); or
- (3) Interest or principal and interest amortization payments on any Mortgages or other encumbrances, basic rental payable under any Ground Lease or overhead and administrative costs of Landlord to the extent not directly incurred in the operation and maintenance of the Project, except as may be otherwise specifically set forth in this Lease.

(c) If the Project now or hereafter constitutes a part of, or phase in, a larger project (the "Overall Project"), Project Operating Costs shall also include a reasonable allocation of those costs for the Overall Project (generally equivalent to Project Operating Costs) to the Project and the remainder of the Overall Project, all determined from time to time by Landlord.

6.2. Tenant's Share.

Tenant hereby agrees to pay to Landlord, as part of the Rent under this Lease with respect to each calendar year or portion thereof during the Term, an amount ("Tenant's Share") equal to Tenant's Proportionate Share of the Project Operating Costs for each calendar year, prorated for any period less than a calendar year.

6.3. Estimate and Impound of Tenant's Proportionate Share.

Landlord, at its option, shall have the right to estimate the amount of Tenant's Share for any period and to collect and impound such estimated sum from Tenant on a monthly, quarterly or annual basis. Landlord shall endeavor to provide Tenant with a written reconciliation of Tenant's impound account for each year not later than March 31 of the following year and, if such reconciliation reveals that Tenant's impound account is insufficient to satisfy Tenant's Share for that year, Tenant shall pay to Landlord such deficiency with the next payment of Rent or within thirty (30) days after demand if the Lease has terminated. Landlord shall apply any excess in Tenant's impound account to Tenant's Rent obligations for the following monthly period or pay such excess to Tenant, if the Lease has terminated, within thirty (30) days after Landlord's reconciliation is completed. If Landlord elects not to impound Tenant's Share, Tenant's Share shall be computed not more often than once each month and not less often than yearly, and shall be paid by Tenant with the next payment of Rent or within thirty (30) days after demand if the Lease has terminated.

7. TAXES AND LIENS ON PERSONAL PROPERTY.

7.1. Taxes on Tenant's Property.

Tenant shall pay, prior to delinquency, all taxes levied upon fixtures, furnishings, equipment, and all other personal property belonging and placed on or used in or from the Premises by Tenant ("Tenant's FF&E"). In the event any of Tenant's FF&E shall be assessed and taxed with the Project, Tenant shall pay to Landlord its share of such taxes within ten (10) days after delivery to Tenant by Landlord of a statement in writing setting forth the amount of such taxes applicable to Tenant's FF&E. When possible, Tenant shall cause Tenant's FF&E to be assessed and billed separately from the Project.

7.2. Landlord's Lien.

Tenant hereby grants to Landlord a lien on and security interest in all of Tenant's FF&E to secure each and all of Tenant's obligations under this Lease which shall include, but unless otherwise required by Applicable Law not constitute, a "landlord's lien" under Applicable Law ("Landlord's Security Interest"). Tenant will, upon request of Landlord, execute any documents reasonably requested by Landlord to evidence and perfect Landlord's Security Interest, including but not limited to UCC-1 Financing

Statements. Landlord will, at any time Tenant is not in default under this Lease, execute any waiver or subordination of Landlord's Security Interest reasonably requested in connection with any bona fide lease or finance arrangement obtained by Tenant.

8. COMPLETION OF PREMISES.

8.1. Tenant Improvement Allowance.

Landlord shall provide, on or before the Commencement Date, the Landlord's Work, as defined and described on the Landlord's Work Letter attached as Exhibit "C", in accordance with Tenant's approved floor plan attached as Exhibit "C-1". Any items required by Tenant in excess of Landlord's Work shall be paid for and installed by Tenant as Additional Alterations in accordance with Article 9.

8.2. Substantial Completion.

Subject to Tenant's right to object as hereinafter set forth, the construction of the Landlord's Work shall be deemed substantially complete at such time as Landlord shall determine, in its reasonable discretion, and shall notify Tenant in writing (the "Substantial Completion Notice"), that the Landlord's Work is substantially complete ("Substantial Completion"). Within ten (10) days following the Substantial Completion Notice, Tenant shall submit to Landlord a list of any claimed deficiencies in Landlord's Work ("Tenant's Deficiency List"), and Tenant shall thereupon be deemed to have accepted the Premises subject only to, and Landlord shall within a reasonable time correct the items on, Tenant's Deficiency List, but only to the extent such items are Landlord's responsibility pursuant to Section 8.1 ("Required Correction Items"). The existence of Required Correction Items shall not affect the Commencement Date described in Article 3, or the Rent (including any adjustments thereto) described in Article 4. Notwithstanding the foregoing, in the event any Required Correction Item is material to the degree that the Premises are not substantially complete and reasonably useable for Tenant's Permitted Use ("Useable Condition"), the Term shall not commence until corrective action is taken by Landlord with respect to such Required Correction Items to place the Premises into Useable Condition. In the event Landlord and Tenant disagree as to whether any item on Tenant's Deficiency List is a Required Correction Item, or the Premises are in a Useable Condition, the Architect (as defined in Exhibit "C") shall make the final determination thereof.

9. ALTERATIONS, ADDITIONS AND IMPROVEMENTS.

9.1. Written Consent.

Following the completion of the Landlord's Work in accordance with Section 8, Tenant shall not make, or allow to be made, any alterations, additions or other improvements to the Premises ("Additional Alterations") without the prior written approval of Landlord, which approval shall not be unreasonably withheld; provided, that Landlord shall have:

- (a) No obligation to approve any proposed Additional Alteration:
- (1) Affecting or obviously visible from the exterior of the Premises; or
- (2) In any way affecting the structural integrity of, or servicing within or to, the Building or Project; and
- (b) The right to require, as a condition to Landlord's approval of, and Tenant's right to install, Additional Alterations, that Tenant:
- (1) Submit detailed plans and specifications for Landlord's review and comment;
- (2) Pay for reasonable costs of Landlord or its architect in reviewing such plans and specifications;
- (3) Provide appropriate course of construction and other insurance;
- (4) Confirm financial ability of and provision for payment for Additional Alterations;
- (5) Comply with all Applicable Law, including obtaining all required governmental permits, and all Applicable Restrictions;
- (6) Provide appropriate payment and performance bonds;
- (7) Post and/or record appropriate notices of non-responsibility and completion;
- (8) Provide lien releases upon completion;
- (9) Reasonably cooperate with Landlord in timing and manner of installation of Additional Alterations so as not to unreasonably interfere with other tenants' activities in the Project;
- (10) Use properly qualified and licensed contractor(s); and
- (11) Otherwise comply with any reasonable requirements of any Ground Lessee or Mortgagee.

(c) Any improvement (including equipment) installed in the Premises for the specific use of Tenant based on the nature of its business ("Special Improvements", also known as "Additional Alterations") shall be identified by Landlord upon approval of the plans showing such improvement. Tenant shall be responsible for insuring and maintaining such improvement (including equipment) and shall be responsible for any additional costs incurred due to such installation and its operation.

9.2. Surrendering Improvements.

(a) Any Additional Alterations approved by Landlord shall be surrendered by Tenant as part of the Premises, without disturbance or injury, upon the expiration or earlier termination of this Lease; provided, that if Landlord at any time requires in writing that such Additional Alterations be removed upon expiration or earlier termination of this Lease, Tenant shall at or prior thereto and at Tenant's sole cost, remove any such Additional Alterations so required by Landlord to be removed, and restore the Premises to their original condition.

(b) In the event of any injury or damage to the Premises resulting from the removal by Tenant of any Additional Alterations or Tenant's FF&E ("Removal Damage"), Tenant shall promptly repair the Removal Damage at Tenant's sole cost, in a good and workmanlike manner or, at Landlord's option, pay to Landlord an amount reasonably determined by Landlord to repair, and compensate Landlord for, the Removal Damage.

9.3. No Liens.

Tenant shall keep the Premises and the Project free from any claims, liens, or other encumbrances ("Tenant Caused Claims") arising from any work performed on the Premises by, through or at the direction of Tenant or its Related Parties, or any materials furnished or obligations incurred by or at the direction of Tenant, or its Related Parties, and shall indemnify, hold harmless and defend Landlord (with counsel reasonably acceptable to Landlord) for, from and against any Tenant Caused Claims (including costs and reasonable attorneys' fees) arising from any such work performed or materials furnished by or at the direction of Tenant or its Related Parties.

10. USE.

10.1. Medical Use.

Subject to any other limitations set forth in this Lease, the Premises shall be used and occupied by Tenant only for the Permitted Use and shall not be used or occupied for any other purposes whatsoever (including any Precluded Uses) without obtaining the prior written consent of Landlord, which may be withheld in Landlord's sole discretion. Tenant shall comply with all provisions of Applicable Restrictions, to the extent applicable to the use and occupancy of the Premises.

10.2. Business Hours.

Tenant agrees to conduct business in the Premises continuously and uninterrupted during normal and customary business hours at least four (4) business days each week, exclusive of holidays, vacation and extraordinary circumstances.

10.3. Tenant Not to Jeopardize Insurance.

Tenant shall not knowingly do or permit anything to be done in or about the Premises which will increase the existing rate of Landlord's Insurance, cause the cancellation of any of Landlord's Insurance, or in any way obstruct or interfere with the rights of Landlord or of other tenants or occupants of the Project. Tenant shall, at its sole

cost, promptly comply with all Applicable Law, and the requirements of any board of fire underwriters or similar body now or hereafter constituted, relating to or affecting the condition, use or occupancy of the Premises.

11. INSURANCE.

11.1. Insurance and Indemnification.

(a) To the extent permitted by NRS Chapter 41, Tenant will be responsible for, and will indemnify, defend and hold the Landlord and its agents and employees harmless from and against, any loss, damage, liability, cost or expense to the extent of Tenant's liability provided by law that results from Tenant's use of the Premises and that is caused by the actions or non-actions of Tenant, or any employee, servant or agency.

(b) As a state-supported institution of higher education, the Tenant is a self-insured agency for liability exposures and participates in the State of Nevada tort program pursuant to NRS Chapter 41. Tenant is self-insured for workers' compensation exposures and claims are administered by a third party administrator.

(c) Notwithstanding Tenant's express reservation of the provisions of NRS Chapter 41, Tenant shall obtain insurance or self-insurance up to its potential liability. Tenant further acknowledges its obligation to provide Landlord with proof of having obtained said insurance or self-insurance contemporaneously with the execution of this agreement. Both Landlord and Tenant agree that Tenant's choice to obtain such insurance or self-insurance in excess of its statutorily defined cap shall not constitute a waiver of the protections of said cap for any purpose.

11.2 Landlord Insurance and Indemnification Provisions

(a) Landlord agrees to indemnify, defend and hold Tenant harmless from any loss, damage, liability, cost or expense to the person or property of another which was solely caused by an act or omission of Landlord, its officers, employees and agents under this Agreement. Tenant will not waive and intends to assert available NRS Chapter 41 liability limitations in all cases.

(b) Landlord shall, at Landlord's sole expense, procure, maintain and keep in force for the duration of this Agreement the following insurance conforming to the minimum requirements specified below. Unless specifically noted herein or otherwise agreed to by Landlord, the required insurance shall be in effect at the Delivery Date and shall continue in force as appropriate until this Agreement expires or is otherwise terminated and Tenant vacates the Premises.

- (i) Commercial General Liability Insurance
 - a. Minimum limits required:
\$2,000,000 General Aggregate

\$1,000,000 Products & Completed Operations
Aggregate
\$1,000,000 Personal and Advertising Injury
\$1,000,000 Each Occurrence

- b. Coverage shall be on an occurrence basis and shall be at least as broad as ISO 2012 form CG 00 01 and shall cover liability arising from the Premises, operations, personal injury, products and liability assumed under contract.

(c) Deductibles and Self-Insured Retentions: Insurance maintained by Landlord shall apply on a first dollar basis without application of a deductible or self-insured retention unless otherwise specifically agreed to by Tenant. Such approval shall not relieve Landlord from the obligation to pay any deductible or self-insured retention. Any deductible or self-insured retention shall not exceed \$5,000.00 per occurrence, unless otherwise approved by UNLV Risk Management and Safety Department.

- (d) Approved Insurer Requirements

Each insurance policy shall be:

(i) Issued by insurance companies authorized to do business in the State of Nevada or eligible surplus lines insurers acceptable to the State and having agents in Nevada upon whom service of process may be made and;

(ii) Currently rated by A.M. Best as "A-IX" or better.

(e) Self-Insurance: Notwithstanding anything to the contrary, Landlord shall have the right to self-insure for any insurance requirement contained herein.

(f) Tenant agrees to furnish Landlord, on or before the Commencement Date, with a letter evidencing proof of self-insurance.

12. UTILITIES AND SERVICES.

12.1. Maintenance of Utilities and Services.

Landlord shall furnish to the Premises any services described in Section 6.1 actually provided for the Project or Premises, together with the following services:

(a) Air conditioning, heating and ventilation ("HVAC"), subject to prudent energy conservation practices and the availability of energy resources;

(b) Janitorial and maintenance service, including vacuuming and sweeping of floors, dusting, emptying of wastebaskets, and replacement of fluorescent tubes in the standard lighting fixtures, and maintenance (including lighting) of the Common Areas, but in any event excluding any janitorial and other services to the extent occasioned by Additional Alterations; and

(c) Water service, subject to the imposition of mandatory use or quantity limitations by applicable water providers.

(d) Electrical service shall include all normal lighting and power and electricity for the HVAC system and may be separately metered or sub-metered for Tenant's Premises at Landlord's discretion.

12.2. Limitation of Electricity and Water Use.

Tenant shall not, without the prior written consent of Landlord, use any apparatus or device in the Premises (other than business or medical machines) that will in any way: (a) increase the amount of electricity or water usually furnished or supplied for use of the Premises as general medical office space; or (b) materially affect the temperature otherwise maintained by the HVAC system for the Building (the "HVAC System"). Landlord may cause an electric current or water meter to be installed in the Premises to measure the amount of electrical current or water consumer for any such additional use, and shall have the right to install any machinery and equipment which Landlord reasonably deems necessary to restore temperature balance, including, without limitation, modifications to the HVAC System, with the cost of such meter and other installations, and any additional cost of operation and maintenance occasioned thereby, to be paid by Tenant. Any special electrical service or exhaust or heat dissipation system required by Tenant shall be installed and maintained as an Additional Alteration, after written approval by Landlord, at Tenant's sole expense. Upon termination of Tenant's occupancy of the Premises, Tenant shall if requested by Landlord, remove any such special service or system and restore the Premises to their original condition.

12.3. Interruption of Utilities.

Landlord shall in no event be liable for any interruption or failure of utility services for, or for any reduction of energy consumption within, the Premises or Project, as required by any fuel or energy allocation or conservation required by Applicable Law, nor shall this Lease be affected thereby. Notwithstanding the foregoing, if such interruption or failure continues for more than thirty (30) consecutive days and is not caused by the act or failure to act of Tenant or its Related Parties, Tenant shall have the right to thereafter offset Minimum Monthly Rent (to the extent the Premises are not habitable for Tenant's Permitted Use) by providing Landlord written notice thereof at least thirty (30) days prior to commencement of such offset.

13. MAINTENANCE AND REPAIR.

13.1. Landlord Obligation.

Subject to the provisions of Sections 12 and 15, Landlord shall repair and maintain (or cause to be repaired and maintained) the structural components of the Building and the Common Areas, including the electrical and mechanical systems and utilities to the Premises that are part of the base Building, such as plumbing, electrical and HVAC. Except as provided in Section 15 (but specifically excluding any Additional Alterations), any supplemental systems installed by or at the request of Tenant that were not part of the base Building, shall be maintained, repaired and/or replaced by Tenant, at

Tenant's sole cost and expense, in accordance with the terms and conditions of this Lease). There shall be no abatement of Rent, or liability of Landlord, by reason of an injury to or reasonable interference with Tenant's business arising from accomplishing any such repairs or maintenance in or to any portion of the Project or Premises, and Tenant expressly waives any claim now or hereafter arising and constituting a "constructive eviction" (or equivalent situation) resulting from any such repairs or maintenance.

13.2. Tenant Repair.

Tenant agrees to at all times: (a) maintain the Premises in a condition in compliance with Applicable Law and compatible with a first class medical office building, including the making of all repairs to the Premises not required to be made by Landlord and the performing of all redecorating, remodeling, alterations and painting required by Tenant and permitted by Landlord during the Term; (b) pay for any repairs to the Premises or the Project resulting from any misuse or neglect of Tenant, or its Related Parties (including by way of example and not limitation, excessive wear to carpeted or hardwood floored areas resulting from failure to use appropriate carpet casters or floor mats); and (c) otherwise maintain the Premises in a safe, clean, neat and sanitary condition.

14.DAMAGES TO PROPERTY; INJURY TO PERSON.

To the extent permitted by NRS Chapter 41, Tenant hereby agrees to defend and indemnify and hold Landlord and its Related Parties harmless for, from and against any and all: (a) liabilities, claims of damage or injury arising from Tenant's or its Related Parties' use and occupancy of, and activities on, the Premises and Project; and (b) claims, liabilities or damages arising from any failure of Tenant to perform its obligations under this Lease, or arising from any act or negligence of Tenant or its Related Parties. Tenant will assert the defense of sovereign immunity as appropriate in all cases, including malpractice and indemnity actions. Tenant's indemnity obligation for actions sounding tort is limited in accordance with the provisions of NRS 41.035.

15.DAMAGE OR DESTRUCTION.

15.1. Landlord's Obligation to Repair.

(a) In the event all or substantially all of the Premises or the Project are destroyed by fire or any other casualty so as to become untenable, or by casualty not insured by Landlord's Insurance (any of the foregoing referred to as a "Terminable Damage"), Landlord may elect to terminate this Lease, effective as of the date of such Terminable Damage, by written notice to Tenant within ninety (90) days after the occurrence of the Terminable Damage. In the alternative, Landlord, in its sole discretion, may elect to repair or rebuild the Premises or the Project as promptly as possible at the expense of Landlord; provided, that in the event Landlord elects to so repair or rebuild but fails to substantially complete such repair or rebuilding within one hundred eighty (180) days after such Terminable Damage occurs (extended one (1) day for each day delay due to causes beyond the reasonable control of Landlord), then either Landlord or Tenant may thereafter terminate this Lease by written notice to the other given within ten

(10) days after expiration of such one hundred eighty (180) day period (as and if so extended).

(b) If the Premises or the Project shall be partially damaged or injured by an insured casualty (a "Non-Terminable Damage"), Landlord shall promptly repair or rebuild the Non-Terminable Damage.

(c) In connection with any repair or rebuilding by Landlord hereunder (a "Restoration"), should there be material interference with Tenant's Permitted Use of the Premises not caused by Tenant or its Related Parties, Tenant shall be entitled to a proportionate abatement of the Minimum Monthly Rent while such Restoration is pending, to the extent such Restoration actually interferes with Tenant's Permitted Use; provided, Minimum Monthly Rent shall not abate if the damage subject to Restoration was caused by Tenant or its Related Parties.

(d) Tenant shall not be permitted to terminate this Lease as a result of Terminable Damage or Non-Terminable Damage, except as expressly set forth herein.

15.2. Termination by Landlord.

Notwithstanding anything contained in this Lease to the contrary, in the event any Ground Lessor or Mortgagee, or the provisions of any Applicable Restrictions, requires any proceeds of Landlord's Insurance be applied, pursuant to the corresponding Ground Lease or Mortgage, or the provisions of any Applicable Restrictions, other than to Restoration, Landlord shall have the right to terminate this Lease by delivering written notice thereof to Tenant, whereupon all rights and obligations of Tenant and Landlord, thereafter accruing under this Lease, shall cease and terminate. Except to the extent caused by Landlord's intentional acts or gross negligence, Tenant shall not have any claims (whether for damages, compensation, inconvenience, loss of business, annoyance or otherwise) as a result of any Restoration under, or termination of, this Lease pursuant to this Article 15.

16. CONDEMNATION.

If all or any part of the Premises shall be taken for public or quasi-public use under any Applicable Law, eminent domain, or consent to sale in lieu thereof (a "Taking"), then:

a) If such Taking renders the Premises untenable for Tenant's Permitted Use, this Lease shall terminate (as to all rights and obligations of Tenant and Landlord thereafter accruing), as of the date of transfer of possession of the portion of the Premises subject to the Taking;

b) If such Taking does not render the Premises untenable for Tenant's Permitted Use:

1) Minimum Monthly Rent shall be reduced from and after the Taking proportionate to the reduction in Tenant's Permitted Use of the Premises occasioned by the Taking; and

2) Minimum Monthly Rent shall be abated during any period of reconstruction of the Project occasioned by the Taking, proportionate to the reduction in Tenant's Permitted Use reasonably caused thereby;

c) Tenant shall have no other right or claim against Landlord, whether for the value of any unexpired term of this Lease or otherwise; and

d) all compensation or damages awarded for such Taking shall belong to and be the property of Landlord, except for any specific award to Tenant for any Additional Alterations or Tenant's FF&E installed by and at the expense of Tenant.

17. SALE BY LANDLORD.

Landlord may sell, transfer, encumber, assign or otherwise dispose of the Premises, the Project or this Lease, or any part thereof or interest therein (a "Landlord Transfer"), at any time without the consent of Tenant. Upon any such Landlord Transfer (other than granting a Mortgage), Landlord shall be relieved of all of its obligations hereunder on the condition and to the extent that Landlord's successor-in-interest ("Landlord's Transferee") shall expressly assume such obligations. This Lease shall otherwise not be affected by any Landlord Transfer, and Tenant agrees to in all respects attorn to and recognize Landlord's transferee as the "Landlord" hereunder.

18. ASSIGNMENT AND SUBLETTING.

18.1. No Unauthorized Assignment.

Tenant shall not: (a) assign, transfer, mortgage, pledge, hypothecate or encumber this Lease, or any interest therein; (b) sublet the Premises or any part thereof, or any right or privilege appurtenant thereto; (c) assign or transfer twenty percent (20%) or more of the equity, ownership, beneficial or controlling interest (whether directly or indirectly held) in Tenant (if Tenant is an entity other than a natural person); or (d) suffer any person (except Tenant and its Related Parties) to occupy or use the Premises, or any portion thereof (any of the foregoing referred to herein as "Tenant Transfer"), without obtaining the prior written consent of Landlord, which consent may be withheld by Landlord in its sole discretion ("Landlord's Consent").

Notwithstanding the foregoing, Landlord agrees and acknowledges that all or a portion of the Premises may be used by another institution of the Nevada System of Higher Education ("**NSHE**") and that any such use is allowed as a matter of right and shall not constitute an assignment or sublease under Section 19.1. Tenant shall not use or occupy the Premises in violation of law or any covenant, condition or restriction affecting the Building, the Building's Ground Lease, or any reciprocal easement agreement, codes, covenants, restrictions or declarations that the Building is subject to, or the certificate of occupancy issued for the Building, and shall, upon notice from Landlord, immediately discontinue any use of the Premises which is declared by any governmental authority having jurisdiction to be a violation of law or certificate of occupancy. Tenant, at Tenant's

own cost and expense, shall comply with all laws, ordinances, covenants, restrictions, regulations, rules and/or any directions of any governmental agencies or authorities having jurisdiction which shall, by reason of the nature of Tenant's use or occupancy of the Premises impose any duty upon Tenant or Landlord with respect to the Premises or its use or occupation.

18.2. Consent Not a Waiver.

Any consent obtained hereunder to one Tenant Transfer shall not be deemed to be: (a) Landlord's Consent to any subsequent Tenant Transfer; or (b) a waiver of Landlord's right to withhold Landlord's Consent as to any subsequent Tenant Transfer.

18.3. Landlord Bound.

Any Tenant Transfer permitted under this Lease shall expressly provide, and be permitted solely upon the condition, that: (a) the transferee, the assignee or sublessee, as the case may be ("Tenant Transferee"), shall be fully bound to Landlord, its successors or assigns, by full privity of contract, as well as by privity of estate; (b) each such Tenant Transferee shall be fully bound to perform all covenants of this Lease; (c) neither the initial named Tenant nor any subsequent Tenant Transferee shall be relieved of all or any liability under this Lease; and (d) an appropriate document evidencing the Tenant Transfer, executed by all parties thereto, is delivered to Landlord.

18.4. Void if no Consent.

Any Tenant Transfer, without the Landlord's Consent, shall be void, and not voidable, and shall, at the option of Landlord, exercised by written notice to Tenant, terminate this Lease.

18.5. Attorneys' Fees-Intentionally Omitted

19. ESTOPPEL CERTIFICATE.

19.1. Delivery.

Tenant shall, within fifteen (15) days following any written request from Landlord (or any Ground Lessor or Mortgagee), execute, acknowledge and deliver to Landlord, Ground Lessor or Mortgagee, any written statement reasonably so requested (a "Tenant Statement"), executed by Tenant, and certifying:

- (a) Whether this Lease is in full force and effect, and stating the nature of any modification hereto;
- (b) The dates to which Rent and other charges are paid in advance, if any;
- (c) The amount of any Deposit paid by Tenant;
- (d) Whether, to Tenant's knowledge, there are any defaults on the part of either Tenant or Landlord hereunder, and specifying such defaults if claimed; and

(e) The status of such other matters as may reasonably be requested by Landlord, Ground Lessor or Mortgagee.

19.2. Reliance.

Any Tenant Statement may be relied upon by any prospective purchaser or lender with respect to all or any portion of the Premises or Project. Tenant's failure to timely deliver a Tenant Statement shall, at Landlord's option, be an Event of Default under this Lease, shall authorize Landlord to execute the Tenant Statement for and on behalf of Tenant, and shall be conclusive upon Tenant that:

(a) This Lease is in full force and effect, without modification except as represented by Landlord;

(b) There are no uncured defaults in Tenant's or Landlord's performance except as represented by Landlord; and

(c) Not more than one (1) month's rent has been paid in advance.

20. PARKING.

20.1 **Tenant Parking Rights.**

During the Lease Term at no cost to Tenant, Tenant shall have: (i) the exclusive use of up to **6 (six)** reserved covered parking spaces and (ii) the non-exclusive use of up to **50 (fifty)** parking spaces for Tenant's staff and visitors in the surface parking (excluding any covered or marked reserved spaces) on the Hospital Project (collectively, the "Designated Spaces").

20.2 **Parking License.**

Tenant acknowledges that Landlord does not own the Parking Facilities, and that Tenant's parking rights provided under this lease are pursuant to Landlord's rights to the Parking Facilities as provided for in the Project Documents. Tenant's continued right to use the Parking Facilities is conditioned upon Tenant abiding by all rules and regulations which are prescribed from time to time for the orderly operation and use of the Parking Facilities and upon Tenant's cooperation in seeing that Tenant's employees and visitors also comply with such rules and regulations. If required by Hospital, Landlord specifically reserves the right to change the size, configuration, design, layout, location and all other aspects of the Parking Facilities and Tenant acknowledges and agrees that Hospital or Landlord may, without incurring any liability to Tenant and without any abatement of Rent under this Lease, from time to time, close-off or restrict access to the Parking Facilities, or relocate Tenant's parking passes to other parking areas within the Hospital Project within a reasonable distance of the Premises.

20.3 **Enforcement Obligation.**

Tenant acknowledges that, subject to the rights of Landlord pursuant to 20.1 and 20.2, the Hospital shall have no obligation to police or enforce the use of the

Designated Spaces by anyone, and Landlord at Landlord's sole cost and liability, shall at all times during the term of the Ground Lease have the sole obligation to police and enforce who may or may not use or occupy the Designated Spaces to the extent reasonably required for such enforcement.

21. DEFAULT.

21.1. Landlord's Rights Upon Tenant Default.

(a) The following shall constitute a default (an "Event of Default") by Tenant under this Lease:

(1) Tenant (or any Guarantor) fails to pay any Rent or other sum required by this Lease or a Guaranty to be paid to Landlord within ten (10) days (without notice) following the due date thereof (a "Monetary Default");

(2) Tenant (or any Guarantor) breaches, or fails to perform any obligation of Tenant or any Guarantor under, this Lease or a Guaranty (other than constituting a Monetary Default) and fails to cure such default within ten (10) days after written notice thereof (extended for any time, not to exceed an additional thirty (30) days, reasonably required to promptly commence and thereafter continuously and diligently effect such cure);

(3) Tenant (or any Guarantor) breaches or fails to perform any obligation of Tenant or any Guarantor under, this Lease or a Guaranty (other than constituting a Monetary Default) which breach or failure is not reasonably susceptible to cure;

(4) Tenant's interest in this Lease is terminated or assigned by operation of law or otherwise, including, without limitation, the filing of a petition by or against Tenant (or any member or equity holder of Tenant if Tenant is a partnership, joint venture or other entity) or any Guarantor under any insolvency or bankruptcy act;

(5) Tenant (or any Guarantor) makes a general assignment for the benefit of creditors;

(6) Tenant (or any Guarantor) becomes insolvent;

(7) Tenant (or any Guarantor) breaches any representation or warranty made in, or given in connection with, this Lease; or

(8) Tenant fails to comply with any provision of any Applicable Restrictions, to the extent applicable to the use and occupancy of the Premises.

(b) Upon the occurrence of an Event of Default, Landlord, in addition to any other rights and remedies it may have under this Lease or Applicable Law (including

at law or in equity), shall have the right (without any further demand or notice) to pursue any one or more of the following remedies:

(1) Re-enter the Premises without breach of the peace and without liability for damages or injury sustained by reason of such re-entry;

(2) With or without termination of this Lease, lock the doors to the Premises and exclude Tenant and its Related Parties therefrom;

(3) Retain or take possession of any property belonging to Tenant upon the Premises (including any of Tenant's FF&E) pursuant to Landlord's landlord lien or Landlord's Security Interest, and remove and store such property in a public warehouse or elsewhere at the cost of and for the account of Tenant, with Landlord not in any event to be liable for any damage or loss thereto except to the extent due to Landlord's gross negligence or intentional acts;

(4) Terminate this Lease by written notice to Tenant, in which event Tenant shall have no further interest in this Lease or in the Premises;

(5) Sue and recover from Tenant all damages Landlord has then incurred or may incur by reason of Tenant's Event of Default, including but not limited to: (i) the cost of recovering the Premises; (ii) other costs and reasonable attorney's fees; and (iii) the value, at the time of such termination, of the excess, if any, of an amount equal to the Rent and charges payable, absent such Event of Default or any termination of this Lease, for the remainder of the Term to the extent exceeding the then reasonable rental value of the Premises for the remainder of the Term;

(6) Sue for Rent or any other sums due or to become due to Landlord under this Lease;

(7) Render any or all payments or performances required of Tenant, other than the payment of Minimum Monthly Rent, and charge all costs and expenses incurred in connection therewith to Tenant, with all amounts so charged to be due and payable immediately to Landlord upon presentment of a statement to Tenant therefor;

(8) Suspend or discontinue any or all of the services to be provided to the Premises pursuant to Section 12 during the continuance of any such Event of Default, with any such suspension or discontinuance not to be deemed or construed to be an eviction (whether actual or constructive) or ejection of Tenant;

(9) Without termination of this Lease, relet the Premises or any part thereof (a "Reletting"), as agent and for the account of Tenant, upon such terms and conditions as Landlord, in its sole discretion, may deem advisable, with the right of Landlord to make alterations and repairs to the Premises (the expense of which shall constitute an indebtedness from Tenant to Landlord immediately payable). If the rents received from such Reletting during any month of the Term are less than that to be paid during that month by Tenant hereunder, Tenant shall pay any such deficiency to Landlord,

and Landlord may bring an action therefor as such monthly deficiencies arise. No such re-entry, taking possession, or Reletting by Landlord shall be construed as an election on Landlord's part to terminate this Lease unless: (i) clear and specific written notice of such termination is given by Landlord to Tenant; or (ii) such termination is decreed by a court of competent jurisdiction. Notwithstanding any such Reletting or other action by Landlord without termination, Landlord may, at any time thereafter, elect to terminate this Lease; and/or

(10) Pursue any and all other remedies available under Applicable Law.

21.2. Late Charges.

In the event Landlord shall fail to receive any installment of Rent or any other sum due hereunder within five (5) days after such payment is due, Tenant shall pay to Landlord, as additional Rent, a late charge (the "Late Charge") equal to five percent (5%) of such delinquent payment (which the parties hereto acknowledge is an agreed and negotiated sum to compensate Landlord for its expense and effort in receiving and processing a late payment and not a penalty). The provision for such Late Charge shall be in addition to, and not in lieu of, all of Landlord's other rights and remedies hereunder or at law, and shall not be construed as liquidated damages or as limiting Landlord's remedies or Tenant's obligations and liabilities in any manner.

21.3. Landlord's Default.

(a) In the event Landlord shall fail to perform on any of its material obligations under this Lease and such failure shall continue for thirty (30) days after written notice thereof from Tenant to Landlord, such failure shall then constitute a default by Landlord entitling Tenant to exercise rights and remedies pursuant to Applicable Law ("Tenant's Remedies"); provided, that:

(1) if the nature of Landlord's non-performance reasonably requires more than thirty (30) days to cure, Landlord shall not be in default if Landlord commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion;

(2) Tenant shall serve notice of any alleged non-performance or default by Landlord under this Lease upon any Ground Lessor or Mortgagee under a Ground Lease or Mortgage Tenant has previously been notified exists; and

(3) notwithstanding any other provision of this Lease (including this Section 21.3), Tenant shall, prior to exercising any Tenant's Remedies, allow each Ground Lessor or Mortgagee a reasonable amount of time (but not less than thirty (30) days), after the expiration of the notice and cure period applicable to Landlord, to cure such non-performance (including such time as is reasonably necessary for such Ground Lessor or Mortgagee to complete termination of the Ground Lease or foreclosure or other proceedings under the Mortgage resulting in the Ground Lessor or Mortgagee obtaining ownership and/or possession of the Project from Landlord).

(b) Tenant agrees that it shall look solely to the estate and property of Landlord in the Project, subject to the prior right of any Ground Lessor or Mortgagee, for the collection of any judgment (or other judicial process) or other satisfaction of Tenant's Remedies.

21.4. Surrender of Premises.

No act or conduct of Landlord, whether consisting of the acceptance of the keys to the Premises or otherwise, shall be deemed to be or constitute an acceptance of, or surrender of the Premises by Tenant to, Landlord prior to the expiration of the Term, with such acceptance by Landlord, or surrender by Tenant to, Landlord to only be effected and evidenced by written acknowledgment of acceptance or surrender signed by Landlord.

22. ACCESS BY LANDLORD.

Landlord and its Related Parties shall, upon providing Tenant with reasonable notice, have the right to enter into and upon the Premises at all reasonable times, including before or after usual business hours, for the purpose of:

a) inspecting the Premises, making repairs thereto, maintaining or adding any services to be provided by Landlord, and performance of any of the foregoing functions with respect to tenant space or Common Areas adjacent to the Premises;

b) showing the Project or Premises to any current or prospective Mortgagee, Ground Lessor, tenants, buyers or similar parties;

c) during the last three (3) months of the Term, placing on or about the Premises appropriate signs indicating that the Premises are available for sale or lease; or

d) any other reasonable activity permitted by Applicable Law.

23. SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT.

23.1. Subordination.

This Lease shall automatically be subordinate to the lien of any Ground Lease or Mortgage heretofore or hereafter placed upon or affecting the Premises or the Project, to any and all advances made or to be made thereunder, to the interest or the obligations secured thereby, and to all renewals, replacements and extensions thereof (the "Tenant Subordination"). In the event any proceedings are brought for default under any such Ground Lease, or in the event of foreclosure, exercise of power of sale, transfer in lieu of foreclosure, or exercise of other remedy under any such Mortgage, Tenant shall attorn to the Ground Lessor, Mortgagee, purchaser upon foreclosure or other sale, or other successor in ownership to the Project or Premises (a "Successor Owner") as Landlord under this Lease ("Tenant Attornment"), provided that as a condition to such Tenant Attornment, Tenant's rights under this Lease shall continue and not be terminated or disturbed, except in accordance with this Lease.

23.2. Subordination Agreements.

Tenant shall execute any instrument reasonably requested by Landlord or any Ground Lessor or Mortgagee to confirm the Tenant Subordination (a "Subordination Agreement"), provided such Subordination Agreement confirms this Lease, and Tenant's rights hereunder, shall not be terminated or disturbed, except in accordance with the Lease.

23.3. Limitations.

Any Tenant Attornment, whether pursuant to a Subordination Agreement or otherwise, shall not require or cause any Successor Owner to be:

(a) liable for any act or omission of a prior Landlord under this Lease (a "Prior Landlord");

(b) subject to any offsets or defenses that Tenant may have against any Prior Landlord;

(c) bound by any Rent or additional Rent Tenant might have paid in advance to any Prior Landlord for a period in excess of one (1) month;

(d) bound by any agreement or modification of the Lease made without the prior consent of the Ground Lessor or Mortgagee; or

(e) liable for the return of the Deposit to the extent not delivered to such Successor Owner.

23.4. Superior Lease.

If any Ground Lessor or Mortgagee elects to have this Lease superior to its Ground Lease or Mortgage and gives notice of such election to Tenant:

(a) This Lease shall thereupon become superior to the effect or lien of such Ground Lease or Mortgage; and

(b) Tenant shall execute and deliver, upon demand, such further instruments evidencing subordination of such Ground Lease or Mortgage to this Lease.

24. SURRENDER OF PREMISES AND HOLDING OVER.

24.1. Surrender.

Except as provided herein, upon the expiration or earlier termination of this Lease (the "Move-out Date"), Tenant shall quit and surrender the Premises, in good condition and repair (reasonable wear and tear excepted) and otherwise as required by this Lease (including provisions relating to Additional Alterations and Tenant's FF&E). If the Premises are not so surrendered by the Move-out Date, Tenant shall indemnify Landlord against any loss or liability resulting from delay by Tenant in so surrendering the Premises, including without limitation, any claims made by any succeeding tenant based on such delay. If Tenant should remain in possession of the Premises after the expiration of this

Lease (a "Hold-Over"), such Hold-Over shall be construed as a tenancy from month-to-month, subject to all the provisions of this Lease except that Minimum Monthly Rent shall be subject to an automatic increase of:

(a) fifty percent (50%), over and above the monthly amounts paid in the last full calendar month of the Term.

Tenant shall: (i) pay Landlord, in the event this Lease so becomes a month-to-month tenancy, the above adjusted Minimum Monthly Rent together with all other sums due and owing to Landlord; and (ii) render all other performances, each as if this Lease remained in effect during the Hold-Over. Nothing contained herein shall be construed as Landlord's permission for Tenant to hold over or to limit Landlord's remedies against for any such Hold-Over.

24.2. Return of Keys and Cards.

Upon termination of Tenant's right to possession of the Premises, all keys and magnetic entry cards previously provided to or obtained by Tenant shall be promptly returned to the Landlord, with failure of Tenant to timely return all such keys and entry cards to obligate Tenant to pay all necessary costs in re-keying the locks for the Premises or Project (as appropriate).

24.3. Title to Tenant's Property.

Intentionally deleted.

25. QUIET ENJOYMENT.

Upon compliance with and subject to the provisions of this Lease, Tenant shall peaceably and quietly have, hold and enjoy the Premises for the Term without interference from Landlord; provided, the foregoing shall not extend to or cover any disturbance, act or condition caused or committed by any other tenant or occupant of the Project, or by any third party. In the event Tenant suffers any damage resulting from the acts of any other tenant or occupant of the Project, Tenant shall be subrogated to any rights of action Landlord may have, if any, against such other tenant or occupant for any damages or other liability occasioned thereby.

26. SIGNS AND LIGHTING.

26.1. Directory.

Landlord will maintain a Project directory, including listing of the name of Tenant, to be in conformity with the listing of names and suite or space numbers of other tenants of the Project. The manner of such listing, and the exclusive control and use of such directory, shall be within the sole discretion of Landlord. Landlord will, at its expense, install on the door or the exterior wall adjacent to the door of the Premises a sign stating Tenant's business name, suite number and building number generally consistent with similar signs installed by Landlord for other tenants of the Project.

26.2. Other Signage.

Tenant shall not erect or place any sign, lettering or design that is visible from any Common Areas or the exterior of the Premises or Project except:

(a) in compliance with all applicable ordinances and other laws, and any applicable provisions of Applicable Restrictions; and

(b) with Landlord's prior written approval, which may be withheld in Landlord's sole discretion.

27. FORCE MAJEURE.

If either party hereto shall be delayed or prevented from the performance of any act required under this Lease by reason of acts of God, strikes, lockouts, labor disputes, civil disorder, inability to procure materials, restrictive governmental laws or regulations or other cause without fault and beyond the control of the obligated party (financial inability or payments of moneys excepted), performance of such act shall be excused for the period of delay; provided, however, nothing in this Article 27 shall excuse Tenant from the prompt payment of any Rent or other sum except as may be expressly provided elsewhere in the Lease, including Section 12.3.

28. BROKERS' COMMISSIONS.

Tenant and Landlord each: (a) represent and warrant to the other that there are no claims for brokerage commissions or finder's fees ("Lease-Related Fees") in connection with this Lease (except commissions or fees to Broker approved or authorized in writing by Landlord for which Landlord shall be solely liable); and (b) agrees to indemnify and hold the other harmless for, from and against all liabilities arising from any claims (including any costs) deriving from any claims for Lease Related Fees caused by or through their respective actions or inactions.

29. RULES AND REGULATIONS.

29.1. Generally.

Landlord has adopted written rules and regulations (as and if amended, the "Rules and Regulations") for the Project in the form attached as Exhibit "D". The Rules and Regulations, and any reasonable amendments, changes or additions to Exhibit D ("R&R Changes") which Landlord may hereafter make will be provided to Tenant by written notice. After Landlord provides Tenant with notice of R&R changes in writing, they will hereby be incorporated into this Lease and shall be as binding upon Tenant as if fully set forth herein, subject to Section 29.2 below. Tenant agrees to obey and abide by the Rules and Regulations as a covenant of this Lease and as a condition to its occupancy of the Premises; provided, any such R&R Changes hereafter made by Landlord shall not conflict with the provisions of this Lease.

29.2. Changes.

Landlord shall have the right, from time to time upon not less than ten (10) days written notice to Tenant, to rescind any one or more of the Rules and Regulations, or to make any reasonable R&R Changes as, in Landlord's judgment, may be necessary for the operation, maintenance, safety, care and cleanliness of the Premises and of the Project and for the preservation of order therein, provided such R&R Changes shall not materially and adversely affect Tenant's Permitted Use of the Premises.

30. MISCELLANEOUS.

30.1. Notices.

(a) All notices, demands and communications ("Lease Notices") of any kind, which any party to this Lease (including Guarantors) may be required or desires to serve upon any other party, shall (unless otherwise required by Applicable Law) be in writing and deemed given:

(1) upon personal delivery (which may be by facsimile transmission);

(2) one (1) business day following delivery to a nationally recognized overnight courier (such as Federal Express) for next business day delivery; or

(3) two (2) days after deposit in the United States Mail registered or certified with return receipt requested and postage paid.

(b) Addresses for Lease Notices shall be as follows:

Tenant: University of Nevada, Las Vegas School of Medicine
Dean
4505 S. Maryland Parkway, Box 3070
Las Vegas, NV 89154-3070

with copy to:

University of Nevada, Las Vegas
Real Estate Department
4505 S. Maryland Parkway, Box 451018
Las Vegas, Nevada 89154-1018

University of Nevada, Las Vegas
Purchasing Department
4505 S. Maryland Parkway, Box 451033
Las Vegas, Nevada 89154-1033

Landlord: Spring Valley Medical Properties II, LLC
c/o Universal Health Services
367 South Gulph Road
King of Prussia, PA 19406
Attn: Cheryl K. Romagano, Vice President

w/copy to: c/o Ensemble Services, LLC.
4722 North 24th Street, Suite 400
Phoenix, Arizona 85016
fax (602) 954-2229

(c) Any party may change its address for Lease Notices effective as of a date ten (10) days following notice thereof given as provided in Section 30.1(a) above.

30.2. Governing Law and Construction.

This Lease shall be construed in accordance with and governed by the laws of the State of Nevada. Any term or provision of this Lease which now or hereafter is contrary to or invalid under any Applicable Law or any Applicable Restrictions shall be deemed stricken from this Lease without impairing the validity or remainder of this Lease. This Lease has been drafted and/or negotiated by each and all of the parties hereto and, therefore, any rules of construction, interpretation or the like, whether with respect to ambiguities or otherwise, shall not be applied in favor of or against any party hereto.

30.3. Time is of the Essence; Business Days.

(a) Time is of the essence of this Lease.

(b) All references in this Lease to business days (or equivalent) shall mean and refer to days other than Saturdays, Sundays, and holidays recognized by the government of the State of Nevada.

30.4. Time; Binding Effect.

Subject to Sections 17, 18 and 23, the terms and provisions hereof shall be binding upon and inure to the benefit of the heirs, executors, administrators, personal representatives, successors, and assigns of the parties hereto. If Tenant shall be more than one (1) party, then the obligations imposed upon Tenant hereunder shall be joint and several.

30.5. Non-Waiver.

All rights and remedies of Landlord under this Lease shall be cumulative and in addition to, and not exclude, any other rights or remedies allowed by law or equity. No delay or omission of either party to exercise any right or power arising from any default shall impair any such right or power, or be construed as a waiver of any such default or an acquiescence therein. No waiver by either party shall be construed as a waiver of any preceding or succeeding breach of the same or any other provision of this Lease, nor shall the acceptance of Rent during any period in which Tenant is in default in any respect be deemed to be a waiver of such default by Landlord.

30.6. Captions.

All headings, gender and similar references in this Lease are for convenience only, are not a substantive part of this Lease, and do not limit or amplify any provisions of the Lease.

30.7. Entire Agreement.

This Lease contains the entire understanding and agreement of the parties hereto with respect to all matters referred to herein, and all prior negotiations and understandings (including but not limited to verbal discussions, letters of intent, letters of agreement, and the like) are superseded hereby and merged into this Lease. No party hereto shall be liable or bound to any other party in any manner or by any agreement, warranty, representation or guarantee except as expressly set forth herein. This Lease may be amended or modified only by a written instrument signed by all of the parties hereto.

30.8. Landlord / Tenant Relationship.

The relationship of the parties to and as created by this Lease shall be solely that of Landlord and Tenant, and under no circumstances shall any party be considered as the partner, joint venturer, or agent of the other.

30.9. Late and Partial Payment.

Except as otherwise provided herein, any moneys due from Tenant to Landlord which are not paid within ten (10) days following written notice from Landlord shall bear interest ("Default Interest") from the due date until paid at a per annum rate equal to the lesser of the maximum rate permitted by law, or eighteen percent (18%); provided, the accrual or payment of such interest shall not excuse or cure any default by Tenant under this Lease. The acceptance or endorsement by Landlord or any payment (whether full or partial payment of sums then due) or check from Tenant shall not be deemed an accord or satisfaction as to, or waiver of Landlord's right to receive, any required or due payment, and shall not prejudice Landlord's right to recover the balance of any amounts due under the term of this Lease.

30.10. Attorneys' Fees and Costs.-

In the event of any legal action or proceeding by either party against the other arising out of this Lease, the prevailing party shall recover its actual attorneys' fees in such legal action or proceeding (and such attorneys' fees shall be included in any judgment rendered, as determined by the Court, and not by a jury), together with such party's taxable costs and other chargeable expenses. If any person shall institute an action against Tenant in which Landlord is involuntarily and without cause made a party defendant, Tenant shall defend (with counsel reasonably acceptable to Landlord), indemnify and hold Landlord harmless for, from and against any and all liability by reason thereof, including attorneys' fees and all costs incurred by Landlord. Similarly, if any person shall institute an action against Landlord in which Tenant is involuntarily and without cause made a party defendant, Landlord shall defend (with counsel reasonably acceptable to Tenant), indemnify and hold Tenant harmless for, from and against any and all liability by reason thereof, including attorneys' fees and all costs incurred by Tenant.

30.11. Non-Recordation of Lease.

Tenant shall not record this Lease (or any evidence or memorandum hereof) without Landlord's prior written consent, and any such recordation without Landlord's consent shall, at the option of Landlord, constitute a non-curable default of Tenant.

30.12. Authority, Resolution and Authority.

If Tenant is a corporation, partnership or other entity not a natural person, each individual executing this Lease on behalf of Tenant represents and warrants that: (a) he is duly authorized to execute and deliver this Lease on behalf of Tenant in accordance with a duly adopted resolution of the Board of Directors, partners, or other authorizing parties of Tenant; and (b) this Lease is binding upon Tenant in accordance with its terms. Tenant shall, upon execution of this Lease and as a condition of Landlord's obligations hereunder, deliver to Landlord a certified copy of a proper resolution for Tenant authorizing or ratifying the execution of, and performance by Tenant of its obligations under, this Lease.

30.13. Landlord Representations.

Landlord represents and warrants that:

(a) it is a limited liability company, duly formed and in good standing in its jurisdiction of organization;

(b) this Lease was duly authorized to be executed and delivered on behalf of Landlord;

(c) this Lease is binding upon Landlord in accordance with its terms;
and

(d) execution, and performance of each of its obligations under, this Lease does not breach or violate any law, agreement or other arrangement by which it is bound.

(e) the physician anticipated to use or occupy the Premises has delivered the appropriate documentation in order to be considered as a member in good standing of the medical staff of the Hospital ("Staff Membership"); however, Staff Membership has not been granted as of the execution date of this Lease. The physician herein agrees to continue to diligently pursue Staff Membership. The Hospital, in this isolated instance, will waive the Staff Membership requirement during its review period and thereafter throughout the initial Term of this Lease in the case that Staff Membership is not granted to the physician during calendar year 2019. Once Staff Membership is granted, if, at any time during the Lease Term: (1) a physician who is the sole physician occupant of the Premises ceases to hold Staff Membership, as provided in the medical bylaws of or similar documents promulgated by the Hospital; (2) with respect to a Tenant comprised of more than one (1) physician (a "Group"), a majority of the physicians in the Group (whether employees, partners, members or shareholders) cease to have Staff Membership; or (3) with respect to a Tenant where the Tenant is a health care provider that manages or employs physicians (a "Practice Manager"), a majority of the physicians

who are employed or managed by the Practice Manager and who occupy all or any portion of the Premises cease to have Staff Membership, Landlord may, on written notice to Tenant and in addition to any other rights and remedies Landlord shall have for such breach by Tenant of this Lease, terminate this Lease.

30.14. Tenant Representations.

Tenant represents and warrants that:

- (a) if other than a natural person, it is a duly formed entity (as referenced in this Lease) in good standing in its jurisdiction of organization;
- (b) this Lease was duly authorized to be executed and delivered on behalf of Tenant;
- (c) this Lease is binding upon Tenant in accordance with its terms;
- (d) execution, and performance of each of its obligations under, this Lease does not breach or violate any law, agreement or other arrangement by which it is bound; and

30.15. Guaranty.

Intentionally deleted.

30.16. Submission of This Lease.

Submission of this Lease for examination or signature by Tenant does not constitute a reservation of or option for Lease, and shall not be binding upon Landlord or the Premises or effective as a lease or otherwise, until fully executed by both Landlord and Tenant, with a fully executed copy delivered to Landlord.

30.17. Joint and Several Liability.

If Tenant consists of two (2) or more persons, corporations or other entities, all agreements, covenants, representations and warranties of Tenant herein are and shall be the joint and several obligation of the persons or entities constituting Tenant. If Tenant consists of a husband and wife, the obligations hereunder shall extend individually to the sole and separate property of each as well as to all of their community property. Notice given to any one of the individuals or entities constituting Tenant shall be deemed as having been given to all such individuals or entities.

30.18. Negotiated Lease.

This Lease is the result of negotiations between Landlord and Tenant and therefore the language contained in this Lease shall be construed as a whole according to its fair meaning and not strictly for or against either Landlord or Tenant.

30.19. Hazardous Materials.

- (a) As used herein, the term "Hazardous Materials" means and includes any hazardous or toxic substance, material or waste which is or subsequently becomes

regulated by any local or governmental authority, the State of Nevada or the United States government authority including, without limitation, any hazardous substances, hazardous material, pollutants, contaminants or regulated substances defined in, or for the purposes of, the Comprehensive Environmental Response, Compensation and Liability Act, any applicable "Superfund" or "Superlien" law, the Toxic Substances Control Act, the Solid Waste Disposal Act, the Clean Water Act or any other Applicable Law, statute, rule, regulation or ordinance, regulating, relating to or imposing liability for, or a standard of conduct concerning, any such materials, substances or waste ("Environmental Laws").

(b) Tenant shall comply with any and all Environmental Laws, including but not limited to those involving the use, discharge, removal, and presence of any Hazardous Materials.

(c) Subject to NRS Chapter 41, Tenant shall defend (with counsel reasonably acceptable to Landlord), indemnify and hold Landlord harmless for, from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities, losses, obligations, suits, taxes, charges and disbursements (including, without limitation, diminution in value of the Project, damages arising from any adverse impact on marketing the Project, and sums paid in settlement of claims) which arise during or after the Term as a result of any failure by Tenant, or any of its Related Parties, to comply with Environmental Laws, including but not limited to those involving the use, discharge, removal or presence of any Hazardous Materials. This indemnification of Landlord by Tenant includes, without limitation, costs incurred in connection with any investigation of site conditions or any clean-up, remedial removal or restoration work required by any federal, state or local governmental agency or political subdivision because of Hazardous Material caused or permitted by Tenant to be present in the soil or groundwater on, in or under the Project.

(d) Without limiting the generality of the foregoing, if Tenant or its Related Parties negligently or willfully fail to comply with any Environmental Laws, including but not limited to those involving the use, discharge, removal or presence of any Hazardous Material, Tenant shall promptly take all action, at its sole expense, as may be necessary to return the Project to the condition existing prior to any such non-compliance; provided that Landlord's approval of such action shall first be obtained (not to be unreasonably withheld as long as such action, in Landlord's sole discretion, would not potentially have any material adverse effect on the Project).

(e) Tenant will, when requested by Landlord, any Ground Lessor or Mortgagee, or as and if required by the Applicable Restrictions, provide Landlord with a detailed program for, and thereafter evidence of, compliance with Environmental Laws in connection with Tenant's (and its Related Parties') use and occupancy of the Premises (a "Compliance Program"); provided, neither Landlord's request for, nor Tenant's providing and complying with, a Compliance Program, shall in any way be deemed to: (1) make Landlord responsible for any such actions or inactions of Tenant or its Related Parties; (2) affect, release or limit Tenant's obligations under this Lease, whether with respect to Environmental Laws or otherwise; or (3) treat, or deem the Compliance Program as evidence of Tenant's compliance with any Environmental Laws.

30.20. Survival.

The indemnity, hold harmless and other obligations of Tenant under this Lease (including but not limited to Section 30.19) shall survive the termination or expiration of this Lease.

30.21. Fiscal Fund-out Termination.

The continuation of this Lease beyond the current biennium is subject to and contingent upon sufficient funds being appropriated, budgeted, and otherwise made available by the State Legislature and/or federal sources. Therefore, if for any reason the Tenant's funding from State and/or Federal sources is not appropriated or is withdrawn, limited, or impaired, such that sufficient funding is not available to pay the Rent, then Tenant may terminate the Lease, by giving Landlord not less than ninety (90) days prior written notice of termination. Tenant shall pay in consideration for the termination of the Lease a cancellation fee (the "Cancellation Fee") in an amount equal to the unamortized portion of the Landlord's Work Allowance, leasing commissions paid in association with the lease or any other allowances provided by Landlord in connection with the Lease remaining as of the effective date of the termination (said amortization to be calculated on a straight-line basis over the Term). Tenant shall pay the Cancellation Fee to Landlord prior to the "Termination Date" (as defined below). Tenant's payment of the Cancellation Fee shall be a condition precedent to the termination of the Lease. If such notice of termination shall be duly given and Tenant has paid Cancellation Fee, then the Lease shall terminate upon the later of the following (the "Termination Date"): (i) the date of the termination set forth in such notice (ii) the 30th day after the date Landlord receives such notice of termination, or (iii) such other date as may be agreed upon in writing by Landlord and Tenant. Tenant shall surrender the Premises to Landlord on or before the Termination Date. Notwithstanding, anything to the contrary set forth herein, (iv) no exercise of the foregoing termination option shall extend the terms of the Lease and (v) if following the Termination Date, Tenant has not vacated and surrendered the Premises in accordance with the Lease, then the Lease shall not terminate, but instead shall continue as an Unauthorized Holdover. The parties agree that in the event the Lease is terminated, they shall not enter into a new lease or agreement for the lease or occupancy of the Premises by Tenant at any time prior to one year after the Effective Date. Upon termination as provided above, both parties shall be released of all obligations and liabilities arising under the lease following the effective date of termination; provided that the parties shall remain liable under the provisions of the preceding sentence and for all obligations under the Lease that have accrued prior to such termination or are otherwise intended to survive termination of the Lease.

30.22. Exhibits.

Exhibits "A" through "E" attached hereto are by this reference incorporated herein.

{Signature page follows}

IN WITNESS WHEREOF, the parties hereto have executed this Lease on the day and at the place first written above.

TENANT:

Board of Regents of the Nevada System of Higher Education, on behalf of the University of Nevada, Las Vegas, School of Medicine

RECOMMENDED

By: _____

Its: Dean, University of Nevada, Las Vegas
School of Medicine

Date: _____

Witness:

By: _____

Name: _____

Date: _____

RECOMMENDED

By: _____

Marta Meana, PhD
Its: President, University of Nevada, Las Vegas

Date: _____

Witness:

By: _____

Name: _____

Date: _____

APPROVED

By: _____

Thom Reilly, PhD
Its: Chancellor, Nevada System of Higher Education

Date: _____

Witness:

By: _____

Name: _____

Date: _____

APPROVED AS TO LEGAL FORM

By: _____

Elda L. Sidhu
Its: General Counsel, University of Nevada, Las Vegas

Date: _____

Witness:

By: _____

Name: _____

Date: _____

LANDLORD:

Spring Valley Medical Properties II, LLC,
a Delaware limited liability company

By: Universal Health Realty Income Trust,
a Maryland real estate investment trust
Its: Member

By: _____
Cheryl K. Ramagano
Its: Vice President and Treasurer

Witness:

By: _____

Name: _____

Date: _____

EXHIBIT "A"

PREMISES

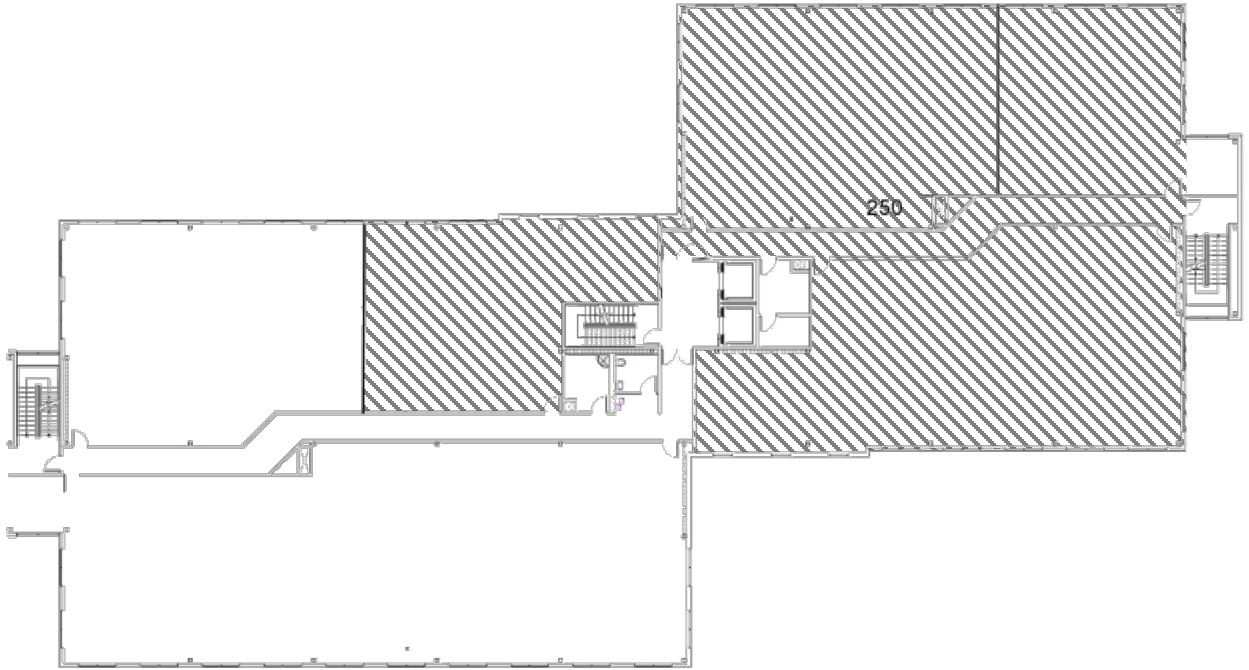


EXHIBIT "B"

RENTAL ADJUSTMENT SCHEDULE

Minimum Monthly Rent shall be subject to three percent (3%) increase, as of the first day of each Lease Year within the Term, commencing with the first day of the second Lease Year, as follows:

	<u>Monthly Rate</u>	<u>Minimum Monthly Rent</u>
Year 2	\$2.01	\$21,627.53
Year 3	\$2.07	\$22,276.35
Year 4	\$2.13	\$22,944.64
Year 5	\$2.19	\$23,632.98
Year 6	\$2.26	\$24,341.97
Year 7	\$2.33	\$25,072.23
Year 8	\$2.40	\$25,824.40
Year 9	\$2.47	\$26,599.13
Year 10	\$2.54	\$27,397.11

EXHIBIT "C"

LANDLORD'S WORK LETTER

1. **Plans and Specifications.**

Space Plan. Landlord shall construct the improvements in the Premises in substantial conformance with the plans attached hereto as Exhibit "C-1" (the "Initial Space Plan"). Unless specifically noted to the contrary on the Initial Space Plan, the improvements shall be constructed using Project-standard quantities, specifications and materials as determined by Landlord.

(a) Final Plans; Pricing Plan. Based upon the Initial Space Plan, if Landlord determines it necessary, Landlord shall cause its architect (the "Architect") and engineers to prepare plans and specifications for the construction of Landlord's Work ("Final Plans") Final Plans will be subject to the approval of Landlord and Tenant, such approval not to be unreasonably or untimely withheld; provided, however, Tenant shall have no right to disapprove of the Final Plans if the same are consistent with the Initial Space Plan unless Landlord approves to such changes in writing. Any changes requested by Tenant shall be part of Tenant's Costs (defined below) and Landlord shall have the right to have Tenant confirm in writing the estimated time of delay in Substantial Completion (defined below) of the Landlord's Work arising from such changes. Tenant agrees to complete review of any plans or specifications prepared and submitted by Landlord or Architect within two (2) business days following delivery to Tenant. If Tenant does not complete such review pursuant to this Section 1, any delay or increased cost resulting shall be the responsibility of Tenant (and shall be considered a Tenant Delay under Section 4 below).

(b) Substitutions by Landlord. Notwithstanding anything contained herein to the contrary, Landlord shall have the right, but not the obligation, during the course of Landlord's review and approval of the Final Plans and during the course of construction of the Landlord's Work, to request reasonable substitutions of particular materials if Landlord reasonably determines that the procurement of such materials or construction of portions of the Landlord's Work specified in the Final Plans will cause delay in the Estimated Commencement Date or any other unreasonable or unusual delay; provided, however, that such substitutions do not reduce the quality, quantity or scope of the Landlord's Work. Any delay in the completion of the Landlord's Work arising from the unavailability of any materials requested by Tenant shall be a Tenant Delay under Section 4 below, and Tenant shall pay any and all costs and expenses incurred by Landlord in connection the procurement of such materials upon demand).

(c) Design and Engineering. Subject to Section 3(a) below, all design, engineering and space planning required by the Final Plans shall be provided by Landlord or Landlord's Architect the cost of which shall be a part of the Landlord's Work and deducted from Landlord's Work Allowance (defined below). Tenant shall be solely responsible for determining whether the design and engineering of the Landlord's Work are acceptable for Tenant's Permitted Use of the Premises, including the general adequacy

and placement of partitions, doors, electrical outlets, lighting, finishes, and similar aspects of the design and engineering.

2. **Construction.**

(a) **Construction of Landlord's Work.** All improvements required by the Final Plans (as the same may be revised from time to time) shall be called "Landlord's Work". All Landlord's Work shall be constructed by Landlord's contractor(s) ("Landlord's Contractor"). Tenant shall be solely responsible for the design, function and maintenance of all Landlord's Work, except as specifically provided otherwise in this Lease. The cost of all Landlord's Work shall be borne by Landlord to the extent that such cost does not exceed One Million Forty Three Thousand Five Hundred Fifty Nine and 00/100 Dollars (**\$1,043,559**) ["Landlord's Work Allowance"]. All Landlord's Work shall be constructed by Landlord's contractor(s) ("Landlord's Contractor").

(b) **Payment for Landlord's Work.** Landlord shall construct the Landlord's Work in accordance with the Final Plans at its sole cost and expense. Notwithstanding the foregoing, Tenant shall be solely responsible for all costs and expenses arising from revisions, changes, or substitutions to the Final Plans which are made with Tenant's consent ("Tenant's Cost").

(c) **Phone and Data Systems.** Design and installation of wiring and equipment for telephone and computer network data systems ("Tenant Systems") shall be the responsibility of Tenant and will be performed by Tenant or Tenant's system contractors ("Tenant's System Contractors") as Additional Alterations at Tenant's sole cost and expense (excluding installation of supporting boxes and conduit stubs to the extent called for in the Pricing Plan). Tenant or Tenant's System Contractors shall be allowed reasonable access to the Premises during the construction period for Landlord's Work to install Tenant Systems provided:

(1) such access and work is coordinated in advance with Landlord and the Landlord's Contractor; and

(2) such work conforms with all Applicable Law.

Tenant shall at or prior to expiration of the Lease Term and at its expense, remove all Tenant Systems without damage to the remainder of the Premises or Project. If Tenant fails to remove such Tenant Systems within ten (10) days following the termination or earlier expiration of the Lease Term, Landlord shall, at its option, be entitled to thereafter retain and own the Tenant Systems, free of any claim by or through Tenant.

(d) **Permits.** Landlord shall secure the approval of governmental authorities of, and all permits required for, the Landlord's Work, with Tenant's cooperation to the extent reasonably requested by Landlord. The costs of such permits are part of Landlord's Work and the Total Cost. Tenant is responsible for obtaining any other business, operating or special use permits required for its business and all such permits shall be Tenant's cost.

(e) Construction Commencement. Following Landlord's receipt of the approvals and permits referenced in Section 2(c), Landlord's Contractor (as selected and employed by Landlord in its sole discretion) shall commence and diligently proceed to construct and complete all Landlord's Work, subject to delays which are beyond the reasonable control of Landlord or Landlord's Contractor.

(f) Punch List. On or before the date upon which Tenant occupies the Premises, Landlord shall cause Landlord's Contractor to inspect the Premises with a representative of Tenant and complete a written punch list of unfinished items of Landlord's Work prior to Tenant's occupancy of the Premises (the "Punch List"). Tenant's representative shall execute the Punch List to indicate Tenant's approval thereof and, if Tenant does not disapprove the Punch List within ten (10) days after receipt thereof, Tenant shall be deemed to have approved the Punch List. Landlord will diligently and in good faith cause the Landlord's Contractors to correct Punch List items, provided, however, the correction of the Punch List items shall not change or affect the Commencement Date of the Lease.

(g) Administrative Charge. Landlord's agent shall earn and Tenant shall pay through Landlord as part of Landlord's Work a fee equal to five percent (5%) of the total cost of Landlord's Work ("Administrative Charge"), which sum shall be included as part of Landlord's Work and the Total Cost described above and shall be deducted from the Landlord's Work Allowance.

3. **Change Orders.**

If Tenant shall request any change, addition, deletion or alteration in the Final Plans (a "Change Order"), Tenant shall prepare and submit (or request, at Tenant's expense, that Landlord prepare and submit) to Landlord plans, specifications and permits with respect to such Change Order for Landlord's approval, such approval not to be unreasonably or untimely withheld. Any such Change Order shall be subject to the provisions of Section 1(c) above and shall be authorized only in writing signed by Landlord and Tenant. As a condition to Landlord's approval of and obligation to implement any Change Order, Tenant shall promptly pay Landlord: (a) the additional cost, if any, of Landlord's Work attributable to such Change Order, as calculated by Landlord or Landlord's Contractor; together with (b) an administrative charge equal to the greater of: (1) five percent (5%) of such additional cost; or (2) Landlord's anticipated expenses in administering such Change Order. Any delay in the completion of the Landlord's Work arising from a Change Order shall be a Tenant Delay under Section 4 below.

4. **Substantial Completion.** Subject to Tenant's right to object as hereinafter set forth, the construction of the Landlord's Work shall be deemed substantially complete at such time as Landlord shall determine, in its reasonable discretion, and shall notify Tenant in writing (the "Substantial Completion Notice"), that the Landlord's Work is substantially complete ("Substantial Completion"). Within ten (10) days following the Substantial Completion Notice, Tenant shall submit to Landlord a list of any claimed deficiencies in Landlord's Work ("Tenant's Deficiency List"), and Tenant shall thereupon be deemed to have accepted the Premises subject only to, and Landlord shall within a reasonable time correct the items on, Tenant's Deficiency List, but only to the extent such

items are Landlord's responsibility pursuant to Section 8.1 ("Required Correction Items"). The existence of Required Correction Items shall not affect the Commencement Date described in Article 3, or the Rent (including any adjustments thereto) described in Article 4. Notwithstanding the foregoing, in the event any Required Correction Item is material to the degree that the Premises are not substantially complete and reasonably useable for Tenant's Permitted Use ("Useable Condition"), the Term shall not commence until corrective action is taken by Landlord with respect to such Required Correction Items to place the Premises into Useable Condition. In the event Landlord and Tenant disagree as to whether any item on Tenant's Deficiency List is a Required Correction Item, or the Premises are in a Useable Condition, the Architect shall make the final determination thereof.

5. **Delay.**

No provision of this Landlord's Work Letter, or any delays in completing the Landlord's Work, shall affect Tenant's other obligations under the Lease, including but not limited to the payment and performance of all Rent and other obligations under this Lease. Tenant shall be responsible for, and pay any and all costs and expenses incurred by Landlord in connection with any delay, and the date of Substantial Completion of the Landlord's Work (as defined in Section 8.2 of the Lease) and the Commencement Date shall be determined without regard to, any delay in the commencement or completion of the Landlord's Work described in this Landlord's Work Letter, to the extent caused by:

(a) Tenant's failure to approve or disapprove Landlord's costs and/or delay estimates within the time periods required herein;

(b) any changes, additions, deletions or alterations in the Landlord's Work described in the Final Plans requested by Tenant;

(c) delays in the schedule of construction of the Premises caused by Tenant's failure to approve or disapprove Landlord's substitutions in Section 1(c) above within the time periods required therein;

(d) Tenant's failure to secure any business, operating or special use permit required for its business; and

(e) any other delay to the extent requested or caused by Tenant. The foregoing delays are referred to herein and in the Lease as "Tenant Delays".

6. **Default.**

Any default by Tenant (after notice and opportunity to cure as set forth in Article 21 of the Lease) under the terms of this Landlord's Work Letter shall constitute an Event of Default under the Lease.

7. **Reasonable Diligence.**

Both Landlord and Tenant each agree to communicate and cooperate with the other and use reasonable diligence in performing all of their respective obligations and duties under this Landlord's Work Letter and in proceeding with the construction and completion of Landlord's Work. Time is of the essence with respect to Tenant's obligations under this Landlord's Work Letter.

UNLV Medicine and School of Medicine Finishes						
5/7/2019						
MATERIAL	MANUFACTURER	PRODUCT LINE	COLOR	FINISH	SIZE	REMARKS
PT-1 - MAIN	SHERWIN WILLIAMS	SW 7035	Aesthetic White	EGGSHELL	-	-
PT-2 - DOOR	SHERWIN WILLIAMS	SW 7654	Lattice	SATIN	-	-
PT-3 - DOOR FRAME	SHERWIN WILLIAMS	SW 7650	Elite Gray	SATIN	-	-
PT-4 - ACCENT	SHERWIN WILLIAMS	SW 6871	Positive Red	EGGSHELL	-	-
SOLID SURFACE	FORMICA	Staron Tempest	FC116 Confection	-	-	-
P- LAM (VERTICAL)	FORMICA	-	SMOKEY BROWN PEAR 5488-58	-	-	-
P- LAM (HORIZONTAL)	FORMICA	-	NEUTRAL WEFT 5875-58	-	-	-
ACT-1	ARMSTRONG	OPTIMA SQUARE EDGE (REGULAR OR NON-REGULAR PER UNLV DIRECTION)	WHITE	-	24 x 48	NRC .9-1 90% LIGHT REFLECTANCE 71% RECYCLED CONTENT
CARPET	SHAW	VISIBLE TILE 5T002	BEAM 01557	-	24" X24"	-
LVT-1	PATCRAFT WOOD PLANK	MIXED MATERIALS	BLACK CHERRY (00550)	-	9" X 36"	-
VCT-1	Armstrong	51836	Shelter White	-	12X12	-
RB-1	JOHNSONITE	MW-XX-H4	29 MOONROCK	-	4"	USED WITH LVT 1, THICK BASE
RB-2	JOHNSONITE		29 MOONROCK	-	4"	USED WITH VCT 1 AND CARPET, STANDARD TOELESS BASE

EXHIBIT "D"

RULES AND REGULATIONS

1. **General.** The following Rules and Regulations, as and if amended by Landlord, shall be and are made a part of the Lease. Tenant agrees that: (a) Tenant and its Related Parties shall at all times abide by the Rules and Regulations; and (b) a default in the performance and observance thereof shall constitute a default under the Lease.

2. **Moving of Items Into or Out of the Building.**

(a) Tenant shall not move furniture, equipment, freight or any items of a sizable or heavy nature ("Movable Items") into the Project and Premises without Landlord's consent, and all moving of such Movable Items shall be done only at the time and in the manner prescribed by Landlord.

(b) Tenant shall notify Landlord reasonably in advance of the date Tenant wishes to move such Movable Items into or out of the Project. Landlord shall designate the elevator in the Building is to be used for moving such Movable Items.

(c) Movable Items shall be adequately padded in order to protect the Building and elevator from scratches and other damage.

(d) Unless approved in advance in writing by Landlord, Movable Items shall be moved into or out of the Project and Premises only during regular business hours for the Building.

(e) Any hand trucks or dollies used for moving Movable Items shall be equipped with rubber wheels.

(f) Any vehicle used in the delivery or removal of Movable Items shall be parked only where permitted by Landlord so as not to disrupt the normal business of other tenants, or the normal operation, of the Project.

(g) Landlord shall have the unrestricted right to prescribe and limit size, weight, final positioning and installation of any Movable Items brought into the Building.

(h) In no event shall Tenant knowingly bring Movable Items into the Building which exceed a weight per square foot of floor space utilized which may be dangerous or detrimental to the Building.

(i) Any scratching or other damage to the Building caused while or as a result of moving Movable Items into or out of the Building shall be immediately and professionally repaired at Tenant's expense by contractor(s) approved by Landlord.

3. **The Time When the Building is Closed.**

(a) Landlord shall have the unrestricted right to close and keep locked any and all entrances and security doors of the Building on Sundays, legal holidays and on any other day Landlord reasonably deems advisable for the adequate protection of the Building and its tenants.

(b) At Landlord's option, the Building will be closed on New Year's Day (January 1st), Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day, and on weekends (except between the hours of 8:00 A.M. until 1:30 P.M. on Saturdays) and between the hours of 7:00 P.M. and 7:00 A.M. weekdays.

4. **Signs.**

All signs for the Premises (including but not limited to general directory and identification at the Premises) shall be approved by Landlord and installed in accordance with each Tenant's Lease.

5. **Keys/Locks/Security Systems.**

(a) As soon as practical after executing its Lease, each Tenant will be furnished keys to its Premises and magnetic entry cards without charge. Each Tenant may, at its expense, duplicate such keys for its own use as needed and request additional entry cards from Landlord. Tenant shall exercise strict care to ensure that any keys or entry cards so provided Tenant are neither lost nor made available to any unauthorized party.

(b) Upon expiration or any termination of a Tenant's right to possession of its Premises, all keys to Tenant's Premises and all entry cards to the Building, as previously provided to such Tenant or otherwise in the possession of Tenant (or its employees, agents, contractors, invitees or agents), shall be surrendered to Landlord.

(c) Tenant shall not add, change or rekey the locks to or within its Premises without the prior written consent of Landlord.

(d) Landlord's acceptance of any keys or entry cards returned by any Tenant shall not constitute an agreement by Landlord that any Lease is terminated or modified in any way.

(e) No Tenant shall install any security or similar systems in its Premises without the prior written consent of Landlord.

(f) Landlord acknowledges Tenant operates its own police department and security services and that Tenant's police officers and security personnel may periodically patrol the Premises and shall at all times have access to Premises to conduct investigations and other official duties.

6. **Parking.**

(a) Except to the extent a Tenant or its employees are using the Premises as permitted by its Lease, no unattended vehicle may be left in any parking area for the Project between the hours of 8:00 P.M. and 6:00 A.M. of the following day.

(b) Except as provided for in Section 6(a) above or its Lease, each Tenant is entitled to the free use of any non-covered parking space(s) available for the Project.

(c) Parking spaces marked for the handicapped shall only be used by vehicles used by persons who are handicapped and are driving vehicles marked with a conspicuously displayed handicapped sticker.

(d) Anything to the contrary herein notwithstanding, Landlord shall have the unrestricted right to control all parking available for the Project, by whatever methods and means it desires. Tenant and its employees shall adhere to and obey all parking control measures as may be placed into effect at any time and from time to time by or through Landlord, whether involving the use of reserved or numbered parking spaces, signs, stickers or identifying decals to be placed on vehicles, or otherwise. Landlord may change such parking control measures from time to time at its sole discretion.

(e) Any vehicle: (1) violating the Project's parking signs; (2) parked in a reserved space in which it has no right; (3) parked in a handicapped space without a handicapped sticker conspicuously displayed in the vehicle; (4) blocking a driveway; (5) parked as prohibited under Section 6(a) above; or (6) violating any other parking control measures of Landlord shall, at Landlord's option (but without obligation for Landlord to do so), be towed away at the violating owner's expense or, when applicable, be subject to citation, all without Landlord incurring any liability.

7. **As to Tenant's Premises.**

(a) Upon noticing any situation concerning its Premises which has or could result in damage to its Premises or the Project, each Tenant shall immediately provide written notice thereof to Landlord. In an emergency situation, each Tenant shall take immediate and appropriate action to protect Tenant's Premises or the Project.

(b) No Tenant shall ever at any time use its Premises as a sleeping or lodging quarters.

(c) No Tenant shall permit its Premises to be occupied or used in a manner offensive or objectionable to Landlord or other Tenants of the Project, whether involving music, noise, odors or vibrations. No Tenant shall interfere in any way with other Tenants or those having business in the Project. No Tenant shall bring any fish, bird or animal into its Premises.

(d) If a Tenant desires to have special janitorial services performed in addition to the janitorial services furnished to it by Landlord under its Lease, it shall not employ any person or firm for that purpose, other than Landlord's janitorial firm, without Landlord's prior written consent.

(e) No Tenant shall install any lighting fixture, sound speaker or any other device in or above the suspended ceiling of its Premises, or hang potted plants or any other items from such ceiling, in each case without the prior written consent of Landlord.

(f) A Tenant may hang pictures and other light-weight items on drywalled walls within its Premises by the use of metal picture hangers only, and on wood paneled walls by the use of small nails driven only into the grooving of such wood paneling. Except for the foregoing, no other type of fastener or hanger shall ever be used for any purpose on any wall within a Tenant's Premises.

(g) Each Tenant is prohibited from painting any masonry, wallpapered or paneled wall within its Premises without the prior written consent of Landlord.

(h) Other than for vacuuming and occasional spot cleaning (as and to the extent to be Landlord's obligation under janitorial services provided to a Tenant), each Tenant shall maintain all carpeting in its Premises, which shall include shampooing and restretching.

(i) Landlord shall supply and install, at its expense, all lighting tubes for fluorescent light fixtures in a Tenant's Premises, excluding any lighting tubes for fixtures installed by such Tenant. Each Tenant shall supply and install, at its expense, all incandescent bulbs on its Premises.

(j) Should a toilet room be part of a Tenant's Premises, such Tenant shall supply and install, at its expense, all toilet room supplies.

(k) Each Tenant shall keep a hard surface (such as plastic or masonite) under each and every chair in the Premises which is located in a carpeted or hardwood floored area and which is used at a person's work station (as opposed to a visitor's chair) to protect the carpeting or hardwood flooring. All furniture having legs shall be equipped with a "coaster" for each leg to protect the carpet or hardwood flooring from indentations.

(l) Tenant shall never deposit used injection needles or other medical waste in any trash container. Such needles or other medical waste shall be placed in a hardcover container as required by, and disposed of in accordance with, applicable laws.

(m) Each Tenant shall dispose of all infectious waste (including but not limited to used needles and syringes, dressings, paper tissues, urine, feces and pathogenic items) strictly as required by applicable laws.

8. **Miscellaneous.**

(a) Landlord shall have the right to prohibit any advertising by any Tenant which, in Landlord's opinion, materially impairs the reputation of the Project or its desirability as a medical office building and, upon written notice from Landlord, such Tenant shall refrain from or discontinue such advertising or promotion.

(b) Canvassing, soliciting and peddling in the Building are prohibited, and each Tenant shall cooperate with Landlord to prevent the same.

(c) No Tenant shall install or affix any type of radio or television antenna to any part of its Premises or the Project without the prior written consent of Landlord.

(d) Landlord shall have the unrestricted right to exclude or expel from the Project any person who, in the sole judgment of Landlord, is intoxicated, under the influence of drugs or who shall in any manner do any act in violation of any of these Rules and Regulations or any Applicable Law or governmental regulation.

(e) Landlord shall have the right to act in a reasonable manner to control and operate all common areas and the heating, air conditioning and other service systems of the Project in such manner as Landlord deems best for the benefit of all Tenants generally and in order to comply with any Applicable Law or governmental regulations.

(f) No Tenant shall conduct any auction or permit any fire or bankruptcy sale to be held in the Premises or Project.

(g) Any door opening from a Tenant's Premises onto any Common Areas of the Project shall be kept closed at all times, except when being used for normal ingress and egress.

(h) Landlord shall not be responsible for lost or stolen personal property, equipment, money, jewelry or any other item from any Tenant's Premises or from common areas of the Project regardless of whether such loss or theft occurs in such Premises or whether or not the Building is locked.

(i) Each Tenant, when leaving its Premises, shall confirm that all water faucets or water apparatus have been shut off so as to prevent waste or damage.

(j) Each Tenant, when leaving its Premises, shall confirm that all unneeded electricity and electrical appliances have been shut off so as to prevent waste or damage.

(k) The common toilet rooms or any toilet rooms located within a Tenant's Premises and the associated toilets, urinals, washbowls and other apparatus ("Fixtures") made available to Tenants (or their employees, guests, contractors, invitees or agents) in such rooms shall not be used for any purpose other than that for which they

were constructed. No foreign substances of any kind shall be laced into such Fixtures, and the expense caused by any stoppage, breakage or damage as a result of violating this rule shall be paid for by the Tenant responsible for such stoppage, breakage or damage.

(l) No Tenant shall cause or permit the throwing of any cigar or cigarette butts or other substances or litter of any kind in or about the Project, except in receptacles provided for that purpose.

(m) No Tenant shall obstruct the driveways, parking areas, sidewalks or entrances and exits of the Project, but shall use same only as ingress and egress from its Premises.

(n) Each Tenant shall refer all contractors, service people, installation technicians and the like who are rendering any service on or to its Premises to Landlord for Landlord's reasonable approval and supervision prior to the performance of any work or service. This requirement shall apply to all work or service to be performed in a Tenant's Premises or in the Project, including installation and service of telephone, computers, electrical devices, plumbing items, walls, doors, painting, woodwork, ceilings and any other items of a physical nature. Landlord shall be given reasonable written notice prior to a Tenant expecting Landlord's approval or supervision.

(o) Landlord shall not be responsible to any Tenant or to any other person for the non-observance or violation of these Rules and Regulations by any other Tenant or person. Each Tenant shall be deemed to have read these Rules and Regulations and to have agreed to abide by them as a condition to its occupancy of its Premises. Landlord shall use reasonable efforts to assist Each Tenant with any problems it may have with a Tenant in an adjoining Premises.

(p) Should any Tenant incur or become liable for any cost, charge or expense under these Rules and Regulations, such Tenant shall pay same upon demand by Landlord, and failure to do so within five (5) days after such demand shall constitute, at Landlord's option, a material breach and default by such Tenant under its Lease.

(q) Landlord shall have the unrestricted right, at any time, and from time to time, to rescind any one or more of these Rules and Regulations, or to make such other and further reasonable rules and regulations as in Landlord's judgment may, from time to time, be necessary for the operation, maintenance, safety, care and cleanliness of each Tenant's Premises and of the Project, and for the preservation of order therein. Before any such changes shall go into effect, Landlord will give Tenant written notice ten (10) days in advance.

EXHIBIT "E"

GUARANTY AGREEMENT

Intentionally deleted.

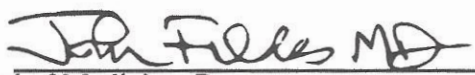


UNIVERSITY OF NEVADA, LAS VEGAS

MEMORANDUM

DATE: January 15, 2020

TO: Elda Sidhu
General Counsel

FROM: John Fildes 
UNLV School of Medicine, Dean

RE: Spring Valley Medical Office Building II Lease ("**Lease**") between Spring Valley Medical Properties II, LLC, a Delaware Limited Liability Company ("**Landlord**") and Board of Regents of the Nevada System of Higher Education on behalf of the University of Nevada, Las Vegas, School of Medicine ("**Tenant**")

Pursuant to our conversation regarding Section 30.21, "Fiscal Fund-out Termination," of the Lease, the School of Medicine acknowledges the financial risks associated with the trigger of this Lease section.

In the event this section is triggered due to insufficient funds being appropriated, budgeted or otherwise made available to the University from State and/or Federal sources, the School of Medicine agrees to set aside funds to pay the cancellation fee ("**Cancellation Fee**") associated with a potential early termination. The Cancellation Fee will equal an amount equal to the unamortized portion of the Landlord's Work Allowance, leasing commissions paid in association with the Lease or any other allowances provided by Landlord in connection with the Lease remaining in the term as of the effective date of the termination. A Cancellation Fee schedule showing what the fee would be on the first day of each lease year is attached hereto as Exhibit "A" and the School of Medicine confirms the amounts specified in Exhibit "A."

Please contact me if you have any questions or require additional information.

Exhibit "A"

Year			Amortized Ti	Commission	Total Cancellation Fee
1	10/1/2020	9/30/2021	\$ 1,043,559.00	\$ 66,000.00	\$ 1,130,558.55
2	10/1/2021	9/30/2022	\$ 939,203.10	\$ 59,400.00	\$ 1,020,232.64
3	10/1/2022	9/30/2023	\$ 834,847.20	\$ 52,800.00	\$ 909,925.62
4	10/1/2023	9/30/2024	\$ 730,491.30	\$ 46,200.00	\$ 799,638.08
5	10/1/2024	9/30/2025	\$ 626,135.40	\$ 39,600.00	\$ 689,370.58
6	10/1/2025	9/30/2026	\$ 521,779.50	\$ 33,000.00	\$ 579,123.73
7	10/1/2026	9/30/2027	\$ 417,423.60	\$ 26,400.00	\$ 468,898.16
8	10/1/2027	9/30/2028	\$ 313,067.70	\$ 19,800.00	\$ 358,694.50
9	10/1/2028	9/30/2029	\$ 208,711.80	\$ 13,200.00	\$ 248,513.40
10	10/1/2029	9/30/2030	\$ 104,355.90	\$ 6,600.00	\$ 138,355.55



W. Hacienda Avenue

5320 S. Rainbow Boulevard

5320 S. Rainbow Blvd

Rainbow Boulevard

Spring Valley Hospital

