

EXECUTIVE SUMMARY OF CONSTRUCTION GROUND LEASE

The Construction Ground Lease governs the District's leasing of the land for the New Facility to MPHS for the period between the "Closing" under the Pre-Closing Agreement and the date that MPHS opens the New Facility (the "Start Service Date"). The Construction Ground Lease generally provides for or governs the following issues/areas:

1. The definition of the lease premises and the term of the premises lease (Article I);
2. The rental rate during the term (Article II);
3. The permitted uses of the lease premises, including covenants regarding the use of the Existing Hospital (which MPHS shall operate during the term of the Construction Ground Lease (Article III);
4. Taxes and utilities (Article IV);
5. MPHS' construction and ownership of the New Facility and Improvements, and its obligations regarding upkeep of the Existing Hospital (Article V);
6. The conditions and procedures for early termination of the Construction Ground Lease (Article VI);
7. The parties' rights and obligations with respect to maintenance, improvements, repairs, and restoration of the New Facility and related Improvements and the Existing Hospital (Article VII)
8. The parties' respective rights and obligations regarding indemnity and insurance and condemnation (Articles VIII and IX);
9. The parties' respective rights and obligations regarding assignment of the Construction Ground Lease and subleasing (Article X);
10. Provisions that define what constitutes a default by either party (specific to ground lease issues) and that establish remedies for such specific defaults, and coordination of these default and remedy provisions with those in the Master Agreement (Article XI); and
11. The parties' respective rights and obligations regarding any sale or transfer of the leased premises, including MPHS' right of first refusal to purchase the premises upon any proposed sale or transfer by the District (Article XIII).