

EXECUTIVE SUMMARY OF GROUND LEASE

The Ground Lease governs the District's leasing of the land for the New Facility to MPHS for the period after the date that MPHS opens the New Facility (the "Start Service Date"). The Ground Lease generally provides for or governs the following issues/areas:

1. The term of the Lease, the conditions to effectiveness of the Lease, and extension of the Lease term (Article I);
2. The rental rate during the term (Article II);
3. The permitted uses of the Leased premises (Article III);
4. Taxes and utilities (Article IV);
5. MPHS' ownership of the New Facility and Improvements, alterations and improvements to the New Facility, and the parties' respective rights and obligations regarding the machinery, furniture, equipment, and other non-real property assets ("Personal Property") in the New Facility (Article V);
6. The parties' respective rights and obligations with respect to MPHS' pledge of the New Facility and related Improvements, and its leasehold estate in the District's land, as collateral for any MPHS or Sutter Obligated Group financing, including coordination of lender's rights and remedies with the District's rights and remedies for breach of the Lease or any other Definitive Agreement (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 Personal Property (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 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).