

LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease") is entered into effective as of the ____ day of _____, 2016, by and between **LINCOLN COUNTY**, a body corporate and politic ("Landlord") and **GASTON FAMILY HEALTH SERVICES, INC.**, doing business as "Helping Hands" ("Tenant"). The **CHARLOTTE-MECKLENBURG HOSPITAL AUTHORITY** (the "Authority"), a body corporate and politic, also has executed this Agreement solely for the purpose of waiving certain rights and restrictions for which it is the beneficiary.

RECITALS:

1. The Landlord is the owner of a tract or parcel of land more specifically described in Exhibit "A," attached hereto (the "Property").
2. Tenant is a non-profit corporation whose purpose is to provide basic medical services to underserved patients in need of care.
3. Tenant desires to lease the Premises from the Landlord, and to construct upon the Premises a building (the "Building") to provide its services, as more specifically described herein.
4. The Landlord desires to allow Tenant to lease the Premises from the Landlord, at a de minimis rent, on an annual basis, subject to the terms and conditions herein.
5. Pursuant to restrictions encumbering the Premises (the "Restrictions"), so long as the Authority operates a hospital within the county of Lincoln, North Carolina, the Premises shall not be used for the operation of a hospital, medical clinic, medical office building, or any other use related to medical care.
6. The Authority has agreed to a limited waiver of the Restrictions as set forth in Article XI below.

AGREEMENT

In consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

ARTICLE I. DEFINITIONS

As used in this Lease, the following words and terms shall have the respective definitions ascribed thereby:

"Building Plans" shall mean the plans and specifications prepared by or at the direction of the Landlord and approved in writing by Tenant pursuant to Section 2.02 for construction on the Property of the Building containing approximately 5,860 square feet. The Building shall be a free standing building as the same is shown in Exhibit "B."

"Effective Date" shall mean July 1, 2016.

"Federally Qualified Health Center (FQHC) Services" means health and medical services extended to the under-served of the community through the operation of the clinical site in accordance with provisions and requirements of section 330 of the Public Health Act of 1964, and interpretations and guidelines, thereof, set forth by the Health Resources and Services Administration (HRSA), and the Federal Bureau of Primary Health Care (BPHC).

"Improvements" shall mean the Building referred to above, all parking lots and driveways (paved and striped) on the Property, exterior lighting and landscaping and all utility lines necessary to provide utility service to the Building.

"Plans and Specifications" shall mean the finished site plan and building plans for the Premises.

"Premises" shall mean, the Property together with the Building to be constructed thereon.

ARTICLE II. CONSTRUCTION OF IMPROVEMENTS; DELIVERY OF PREMISES; OCCUPANCY

Section 2.01 Approval of Lease a Condition Precedent.

This Lease is specifically conditioned upon the approval by the Landlord's Board of Commissioners.

Section 2.02 Approval of Plans and Specifications.

Not later than the applicable date stated in Section 2.12 (such dates being collectively referred to as the "Project Deadlines"), Tenant shall submit to Landlord, for approval, Plans and Specifications for the Improvements to the Property prepared by a registered architect or professional engineer. Landlord shall provide Tenant with either (a) written approval of the Plans and Specifications, or (b) written suggestions for revisions to the Plans and Specifications, within twenty-one (21) days of the date of the original submission of the Plans and Specifications by Tenant to Landlord. If the parties cannot timely agree on the Plans and Specifications for the Improvements to the Property, then Landlord may terminate this Lease in writing by providing Tenant five (5) business days' notice thereof.

Section 2.03 Current Survey.

No later than forty five (45) days after the Effective Date, Tenant shall provide to Landlord a current boundary survey of the Property of which the Premises shall be a part, prepared by a licensed North Carolina land surveyor.

Section 2.04 Amendments to Agreement, Plans or Specifications.

All material amendments and/or changes to the Lease, the final Plans or the Specifications must be expressly agreed upon in writing by Tenant and Landlord in advance of their incorporation.

Section 2.05 Construction Permits.

Not later than the applicable date stated in the Project Deadlines, Landlord, at Landlord's sole cost and expense, shall apply to the City of Lincolnton Building Inspection Department and any other applicable governmental agency for the issuance of all necessary permits for the construction of the Improvements.

Section 2.06 Hiring of Contractor and Architect.

Landlord shall hire a North Carolina licensed general contractor (the "Contractor") and a North Carolina licensed architect (the "Architect") for the Plans and Specifications and construction of the Improvements. The selection of the Contractor and Architect shall be subject to the mutual approval of Landlord and Tenant. Tenant shall be responsible for the supervision and control over the construction of the Improvements pursuant to the terms and conditions of this Lease. The form, content and provider of all warranties to be issued with regard to various components of the Improvements shall be subject to the mutual approval of Landlord and Tenant.

Section 2.07 Construction of Improvements.

The Improvements shall be substantially completed by Tenant by the applicable date stated in the Project Deadlines (the "Completion Date").

The Improvements shall be considered "Substantially Completed" upon the date on which the governmental authority having jurisdiction to do so shall have issued a certificate of occupancy or similar certificate of completion and such authority shall permit Tenant to occupy the Premises for the intended purpose.

Section 2.08 Inspection by Landlord; "Punch List;" Resolution of Disputes.

Landlord shall be entitled to inspect construction of the Improvements as construction progresses, at all reasonable times, and Tenant shall permit one or more duly authorized representatives designated by Landlord to have reasonable access during the construction period as reasonably necessary to provide Landlord with the independent opportunity to confirm the Improvements are being constructed in accordance with the approved Plans and Specifications. Upon receipt of notice of Substantial Completion from Tenant, Landlord shall have the right to conduct a final inspection of the Improvements and prepare a punch list setting forth any work which is not in accordance with the Plans and Specifications (the "Punch List"), and

Tenant within thirty (30) days of the receipt of the punch list, shall complete and/or correct all items described therein to the reasonable satisfaction of Landlord. The existence of any Punch List items shall not enable Landlord to delay the Occupancy Date. If such corrective activity reasonably requires more than thirty (30) days to complete, Tenant shall pursue same with due diligence to completion. The Tenant's architect shall mediate any disputes as to incomplete or defective work which cannot be resolved by the parties. If such mediation does not result in agreement between the parties, all remaining issues shall be submitted to arbitration in accordance with rules and procedures of the American Arbitration Association Construction Industry Rules. Each party shall bear its own expenses (including attorneys' fees) in connection with such arbitration. Any award as a result of arbitration may be entered in any court having competent jurisdiction.

Section 2.09 Occupancy Date.

Occupancy Date. Tenant shall occupy the Premises not later than the date stated in the Project Deadlines.

Section 2.10 Entry by Tenant Prior to Occupancy Date.

Prior to the Premises being Substantially Completed, Tenant, and Tenant's agents and contractors, shall have the privilege of entering upon the Premises at Tenant's sole risk for the purpose of taking measurements, making tenant improvements, stocking inventory and for any other purpose expressly permitted by Landlord, upon the written permission of Landlord, said permission to not be unreasonably withheld. In connection with entry into the Premises, Tenant agrees to fully indemnify and hold Landlord harmless against all loss, costs, claims, expenses or damages whatsoever arising from, out of or connected with Tenant's early occupancy to provide liability insurance and fire and extended coverage insurance on Tenant's inventory and other personal property with an insurer meeting the qualifications contained herein.

Section 2.11 Progress Meetings.

On a date acceptable to the parties once each month during the construction period, a meeting will be held so that Tenant may give Landlord status reports as to the progress of construction of the Improvements and identify and solve any problems. In attendance at the meeting will be the Landlord's designated representative, the Contractor, and the Tenant's designated representative.

Section 2.12 Project Deadlines.

It is understood and agreed that this Lease, all obligations under this Lease, and the timing thereof are of critical importance to Landlord. To this end, Tenant agrees to use commercially reasonable efforts to achieve the following results by the critical dates stated below (each a "Project Deadline"):

- (a) Approval of the architectural plans and specifications by Landlord and Tenant (75 days from the Effective Date);

- (b) Approval by the City of Lincolnton Planning Department (120 days from the Effective Date);
- (c) Tenant secures all land development permits, construction permits, and any site plan approval and/or permits required by North Carolina Department of Transportation for curb cuts (150 days from the Effective Date);
- (d) Tenant provides construction schedule to Landlord (120 days from the Effective Date).
- (e) Tenant commences construction of the Building (150 days from the Effective Date);
- (f) Tenant achieves substantial completion of the Building (300 days from the Effective Date); and
- (g) Tenant secures a certificate of occupancy for the Building (320 days from the Effective Date).

In the event Tenant has not provided Landlord with satisfactory evidence that it has timely met each Project Deadline as stated above, Landlord may demand compliance with the Project Deadline by written notice to Tenant (each a "Compliance Demand"). In the event Tenant has not met the Project Deadline within ten (10) days of the Compliance Demand, Landlord may terminate this Lease upon written notice to Tenant not later than thirty (30) days after the date of the Compliance Demand.

ARTICLE III. TERM OF LEASE

Section 3.01 Term.

The term of this Lease (the "Term") shall be defined as the Initial Term (as that term is defined below) plus all, if any, Renewal Periods (as that term is defined below) thereafter.

Section 3.02 Initial Term.

The Initial term of this Lease shall commence on the first day of the calendar month next succeeding the Occupancy Date (the "Commencement Date") and shall end at 12:00 o'clock midnight on the date of expiration twenty (20) years from the Commencement Date (the "Initial Term"); provided, however, that the terms, conditions, obligations and covenants of this Lease shall commence on the date of this Lease and shall continue throughout the Term of this Lease.

Section 3.02 Automatic Renewals.

Upon the expiration of the Initial Term, the Term shall automatically renew itself from year to year for one-year renewal periods (each, a "Renewal Period").

Section 3.04 Termination.

The Term shall continue in perpetuity unless or until either party notifies the other in writing of its intent to terminate this Lease at least 90 days before the expiration of the Initial Term or the current Renewal Period at the time of the desired termination.

Termination of the Lease shall be effective as of the conclusion of the Initial Term or Renewal Period in which timely notice is given by one party to the other, as provided above.

**ARTICLE IV.
RENTAL**

Section 4.01 General Provisions.

(a) **Obligation to Pay Rent.** Tenant shall pay to Landlord for the use and occupancy of the Premises during the term of this Lease rental as provided in this Article IV.

(b) **Directions for Payment.** All rental payments required under the Lease shall be payable to Landlord at the Notice Address provided herein, or at such other address as Landlord may advise Tenant from time to time by notice. All rent shall be due on the first (1st) day of each month and considered past due if not paid by the tenth (10th) day of the month. In the event the Commencement Date of the Term of the Lease is a date other than the first day of a calendar month, the Tenant shall pay the Landlord on the Commencement Date of the Term a pro-rated month's rent.

Section 4.02 Rental during Term.

During the Term of this Lease, Tenant shall pay to the Landlord as rent for the Premises the sum of \$12.00 per year, annualized into monthly payments of \$1.00 each. The Tenant may prepay the rent, in its sole discretion.

Section 4.03 Late Payment Fee.

If Tenant does not pay a monthly payment of the Annual Rental on or before the tenth day of the month in which said monthly payment is due, the rental for that particular month shall be increased by an amount equal to five percent (5%) of the monthly rental for that month.

ARTICLE V.

CONDITION AND DELIVERY OF PREMISES

Section 5.01 Landlord Representations.

Landlord represents that:

(a) Landlord has good, valid, insurable, and marketable title to the Property;

(b) To Landlord's best knowledge, there is no litigation, action, suit, other legal proceeding or governmental investigation pending or threatened against the Property, and Landlord has no knowledge or reason to know of any ground for any such action;

(c) The Property is exempt from ad valorem taxes; and

(d) To the best of its knowledge, without investigation, (i) no Hazardous Material is present in, on, under or about the Property in violation of applicable Environmental Laws; (ii) without limiting the foregoing, the Property does not contain any underground storage tanks; (iii) the Property is in full compliance with all Environmental Laws; and (iv) the Property has never been the subject of an environmental audit or assessment, or remedial action for an environmental problem.

Section 5.02 Delivery of Property.

Subject to the representations set forth in Section 5.01, Landlord shall deliver possession of the Property to Tenant on the Effective Date in "AS IS" condition. Tenant acknowledges and agrees that, except as otherwise set forth in this Lease, Landlord makes no representations or warranties as to the condition of the Property.

ARTICLE VI.
USE, OCCUPANCY AND MAINTENANCE OF THE PREMISES

Section 6.01 Use and Operation of Premises.

Tenant, at its sole cost and expense, shall use and operate the Premises pursuant to the terms and conditions, and for those specified uses only, as provided herein below, and hereby covenants and agrees that in connection with its use and operation of the Premises:

(i) It will provide health and medical services in accordance with its requirements as a Federally Qualified Health Center (FQHC) site;

(ii) It will provide FQHC Services in full compliance with state and federal law without discrimination, regardless of the cost of providing such services and regardless of the person's ability to pay;

(iii) It will neither enact, nor will it cause to be enacted, financial admission policies that have the effect of denying essential medical services or treatment solely because of a patient's immediate inability to pay for the services or treatment;

(iv) It will ensure, or will cause to be ensured, that admission to and services of FQHC Services are available to the beneficiaries of governmental

reimbursement programs (Medicaid/Medicare) without discrimination or preference because they are beneficiaries of those programs;

(v) It will provide, or cause to be provided, to Landlord periodic reports regarding its FQHC Services in a mutually acceptable format.

Section 6.02 Taxes, Assessments, Dues, and Other Charges. Commencing on the Effective Date, Tenant shall pay all real and personal property taxes, assessments, dues, and other charges levied or assessed against the Premises, if any, including all improvements and personalty located thereon. Landlord shall deliver to Tenant, within thirty (30) days after its receipt of any bills, invoices, or notices related thereto, notice of the amount of any real estate taxes, dues, assessments, or other charges pertaining to the Premises. Any such taxes, assessments, dues, or other charges levied for the year in which the Effective Date occurs, and for the year in which the Lease Term ends, shall be apportioned between Landlord and Tenant on a daily basis.

Section 6.03 Tenant's Covenants to Repair and Maintain.

Tenant shall, at Tenant's own expense, keep and maintain in good order and repair during the Term of this Lease all parts of the Premises. Tenant will, upon termination or expiration of this Lease, deliver the Premises to Landlord in good and broom swept condition.

Section 6.04 Landlord's Right to Repair and Replace.

Any and all repairs and replacements during the Term of this Lease shall be Tenant's sole duty and responsibility as set forth in Section 6.03, and Landlord shall have no duty of repair or replacement. Notwithstanding the foregoing, however, in the event the Tenant fails to maintain the Premises pursuant to its obligations contained herein, Landlord may, at its option, either (i) make any repairs or replacements it deems necessary, in its sole discretion, and add the costs of said repairs or replacements to the Tenant's annual rent payment as provided in Article IV or (ii) declare this Lease in default.

Section 6.05 Garbage/Trash Removal.

Tenant shall bear the expense of any trash, janitorial and/or cleaning services necessary to maintain the Premises in the condition required by this Lease. Tenant further agrees to dispose of all garbage and trash in accordance with local health and sanitation codes.

Section 6.06 Alterations by Tenant.

Tenant shall make any improvements or alterations to the Premises that are reasonably necessary to continue the operation of the Premises in accordance with Section 6.01 above. All alterations, additions and improvements made by, for or at the direction of Tenant shall, when made, become the property of Landlord and shall remain upon and be surrendered with the Premises as a part thereof at the expiration or earlier termination of this Lease. Tenant shall promptly repair any damages to the Premises caused as a consequence of the installation or removal of any alterations to the Premises pursuant to this Section.

Section 6.07 Trade Fixtures and Equipment.

Any trade fixtures or equipment (collectively the "fixtures") installed in or attached to the Premises by or at the expense of the Tenant shall remain the property of Tenant, and Tenant shall have the right at any time during the term hereof, provided it is not then in default hereunder, to remove any and all of such fixtures; provided, however, that in such event, Tenant shall restore the Premises to substantially the same condition in which they were at the time Tenant took possession, ordinary wear and tear and Acts of God excepted. Any such fixtures not removed at or prior to the expiration or termination of this Lease shall be and become the property of Landlord.

Section 6.08 Signs.

Tenant shall maintain all advertising signs in accordance with all applicable zoning and other governmental regulations, unless otherwise agreed upon in writing by Landlord and Tenant.

Section 6.09 Liens and encumbrances.

Tenant shall have no right to encumber or subject the interest of Landlord in the Premises to any mortgages, deeds of trust, judgments or liens of any nature whatsoever, and upon the filing of any such encumbrance, the Tenant shall within thirty (30) days from the filing of the encumbrance cancel or remove such encumbrance, and failure to so cancel or remove such encumbrance shall constitute a default herein.

Section 6.10 Notice of Federal Interest.

Tenant accepts and acknowledges that Landlord is constructing the building upon the premises with Federal Funding and that this funding requires a Federal Interest in the property. This notice of federal interest is attached as Exhibit "C," must be separately signed contemporaneously with this Lease, and will be recorded as a condition of this Lease. This notice prohibits sale, transfer, or other disposition of the Property without Federal Government Approval.

Section 6.11 Hazardous Materials.

(a) For purposes of this Lease, the term "Hazardous Materials" shall mean and refer to (i) any hazardous or toxic, ignitable, corrosive or reactive substance, material or waste which is or becomes regulated by any local governmental authority, the State of North Carolina, or the United States Government; (ii) asbestos; (iii) petroleum and petroleum-based products; (iv) urea formaldehyde foam insulation; (v) polychlorinated biphenyls ("PCBs"); and/or (vi) freon or other chlorofluorocarbons.

(b) Tenant shall not bring onto the Premises any Hazardous Materials without the prior written approval by Landlord, other than such Hazardous Materials as are commonly used or produced as a consequence of using the Premises as permitted in Section 6.01, but only so long as the quantities thereof and their use do not violate applicable environmental laws. Any approval must be preceded by submission to Landlord of appropriate Material Safety Data

Sheets (MSD Sheets). Notwithstanding the foregoing, once Landlord has approved the introduction of a particular Hazardous Material, the further written approval of Landlord shall not be required with respect to any Substitute Hazardous Material subsequently brought on the Premises by Tenant that is substantially equivalent (in terms of use, storage, chemical composition and toxicity) to the Hazardous Material previously approved by Landlord. In the event of approval by Landlord, Tenant covenants and agrees that it will (1) comply with all requirements of any constituted public authority and all federal, state and local codes, statutes, ordinances, rules and regulations, and laws, whether now in force or hereafter adopted relating to Tenant's use of the Premises, or relating to the storage, use, disposal, processing, distribution, shipping or sale of such "Hazardous Material;" (2) comply with any reasonable recommendations by the insurance carrier of either Landlord or Tenant relating to the use by Tenant of the Premises of such Hazardous Materials; (3) refrain from unlawfully disposing of or allowing the disposal of any Hazardous Material upon, within, about or under the Premises; and (4) removal all Hazardous Materials from the Premises, either after their use by Tenant or upon the expiration or earlier termination of this Lease, in compliance with all applicable laws.

(c) Tenant shall be responsible for obtaining all necessary permits in connection with Tenant's use, storage and disposal of Hazardous Materials, and shall develop and maintain, and where necessary file with the appropriate authorities, all reports, records, receipts, manifests, filings, lists and invoices covering those Hazardous Materials. Tenant shall provide Landlord with copies of all such items upon request, and within five (5) days after receipt thereof, Tenant shall provide Landlord with copies of all notices, orders, claims or other correspondence with any federal, state or local government or agency alleging any violation of any environmental law or regulation by Tenant, or related in any manner to Hazardous Materials. In addition, Tenant shall provide Landlord with copies of all responses to such correspondence, at the time of the response. Tenant hereby indemnifies Landlord, Landlord's successors and assigns, and agrees to hold Landlord, Landlord's successors and assigns, harmless from and against any and all losses, liabilities, damages, injuries, penalties, fines, costs, expenses and claims of any and every kind whatsoever (including attorneys' fees and costs, expenses or claims asserted or arising under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended from time to time, and regulations promulgated thereunder, any so-called state or local "Superfund" or "Superlien" law, or any other federal, state or local statute, law; ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards on conduct concerning any Hazardous Material) paid, incurred or suffered by, or asserted against, Tenant or Landlord as a result of any claim, demand or judicial or administrative action by any person or entity (including government or private entities) from, with respect to, or as a direct or indirect result of, the presence on or under or the escape, seepage, leakage, spillage, discharge, emission or release from the Premises of any Hazardous Material caused by Tenant or Tenant's agents, employees or invitees. If Tenant fails to comply with the covenants to be performed under this Section with respect to Hazardous Materials, then the occurrence of this event shall be considered a default hereunder; and if such default shall not be cured as provided in the Lease, Landlord shall have such rights and be permitted to exercise such remedies for such default as set forth in this Lease.

(d) Tenant shall give Landlord prompt notice of any release of Hazardous Materials, reportable or non-reportable, to federal, state or local authorities, of any fire, or of any damage occurring

on or to the Premises, the Building of which the Premises are a part, or the property on which the Premises and Building are located.

(e) Tenant will use and occupy the Premises and conduct Tenant's business in such manner that the Premises are neat and clean at all times, with all chemicals and Hazardous Materials marked for easy identification and stored according to all codes as outlined above.

**ARTICLE VII.
INSURANCE; INDEMNITY; DAMAGE BY FIRE AND
OTHER CASUALTY; EMINENT DOMAIN**

Section 7.01 Fire and Extended Coverage Insurance.

Tenant shall maintain and pay for comprehensive fire, peril and casualty insurance, with a reputable insurer with a BEST'S rating of at least "A," with extended coverage, upon the Premises equal to the replacement value of the Improvements. If during the term of this Lease the Premises are used by the Tenant for any purpose or in any manner that causes an increase in the rates of such insurance on the Improvements, the Tenant will pay the additional premium caused thereby. Landlord shall be the insured owner and Tenant shall be an additional insured in such insurance.

Section 7.02 Assignment of Warranties by Landlord.

Landlord, for the term of this Lease, conveys and assigns a non-exclusive interest in its right to all warranties benefiting the Property, Premises and Improvements to the Tenant for the term of that Agreement, without making any representations as to the duration or nature of said warranties.

Section 7.03 Indemnification.

(a) By Tenant. Except to the extent caused by the gross negligence or willful misconduct of Landlord or Landlord Related Parties, Tenant shall indemnify, defend and hold Landlord, its commissioners, officers, directors, employees and agents (the "Landlord Related Parties") harmless against and from all liabilities, obligations, damages, penalties, claims, actions, costs, charges and expenses, including, without limitation, reasonable attorneys' fees and other professional fees (if and to the extent permitted by law), which may be imposed upon, incurred by or asserted against Landlord or any of the Landlord Related Parties and to the extent arising out of or in connection with any negligent acts or omissions (provided there is a duty to act) (including violations of law) of Tenant, the Tenant Related Parties (defined below) or any of Tenant's contractors. The provisions of this Section shall survive the termination of this Lease.

(b) By Landlord. Except to the extent caused by the gross negligence or willful misconduct of Tenant or any Tenant Related Parties, Landlord shall indemnify, defend and hold Tenant, its trustees, members, principals, beneficiaries, partners, officers, directors, employees and agents ("Tenant Related Parties") harmless against and from all liabilities, obligations, damages, penalties, claims, actions, costs, charges and expenses, including, without limitation, reasonable attorneys' fees and other professional fees (if and to the extent permitted by law), which may be imposed upon, incurred by or asserted against Tenant or any of the Tenant Related Parties and to the extent arising out of or in connection with any

negligent acts or omissions (provided there is a duty to act) (including violations of law) of Landlord, the Landlord Related Parties (defined above) or any of Landlord's contractors. The provisions of this Section shall survive the termination of this Lease.

Section 7.04 Tenant's Business and Property.

Tenant agrees to use and occupy the Premises at Tenant's own risk; and that Landlord shall have no responsibility or liability for any loss of or damage to fixtures or other personal property of Tenant, except for loss or damage occasioned by Landlord's negligence or willful misconduct. The provisions of this Section shall apply during the whole of the term hereof, and in view of the permission given to Tenant to install fixtures and do certain work prior to the Occupancy Date, shall also apply at all times prior to the Occupancy Date.

Section 7.05 Public Liability Insurance.

Tenant shall, at all times during the term hereof, keep in force at Tenant's expense in such amounts and with such companies as shall from time to time be acceptable to Landlord (and to any lender having a mortgage interest in the Premises), a reputable insurer with a BEST'S rating of at least "A," and naming as insured both Landlord and Tenant:

- (a) Public liability insurance on the Premises in the amount of \$2,000,000.00 per occurrence; and
- (b) Workers' Compensation insurance on all persons required by law.

On or before the Occupancy Date, Tenant will furnish to Landlord certificates of insurance evidencing the coverages required by this Lease. All policies required hereunder, if permitted under applicable law, shall provide for waiver of subrogation and shall contain an endorsement providing that the insurer will not cancel or materially change the coverage of said policy or policies without first giving thirty (30) days' prior written notice thereof to Landlord.

Section 7.06 Mutual Waiver of Subrogation.

For the purpose of waiver of subrogation, anything in this Lease to the contrary notwithstanding, Landlord, for itself and for Landlord's successors and assigns, releases and waives unto Tenant, and Tenant's officers, directors, agents, employees, successors and assigns, and Tenant, for itself, and Tenant's successors and assigns, releases unto Landlord, and Landlord's officers, directors, agents, employees, successors and assigns, all right to claim damages for any injury, loss, cost or damage to persons or to the Premises, or the contents and property located therein or thereon, which is occasioned by fire, explosion, accident, occurrence or condition in, on or about the Premises or any other casualty insured in policies of insurance covering such property or persons. All policies of insurance carried and maintained pursuant to this Lease, if permitted under applicable law, shall contain or be endorsed to contain a provision whereby the insurer thereunder waives all rights of subrogation against Landlord and Tenant.

Section 7.07 Damage or Destruction of Premises.

If the Premises are damaged by fire or other casualty of the type or kind insured against in the policy of fire insurance with extended coverage provided by Section 7.01 hereof, Landlord shall cause such damage to be repaired without unreasonable delay provided it can do so with the insurance proceeds provided by Section 7.01. Provided, however, if by reason of such casualty twenty percent (20%) or more of the Premises are rendered untenable in some material portion, and the amount of time required to repair the damage using due diligence is in excess of one hundred eighty (180) days, then either Tenant or Landlord shall have the right to terminate this Lease by giving written notice of termination within ninety (90) days after the date of casualty. Should such material casualty occur in the last two (2) years of the Initial Term, or during any Renewal Period thereafter, Landlord may, in its sole discretion, terminate this Lease by giving written notice to Tenant.

If the Premises shall be damaged by fire or other casualty which shall have been occasioned by the willful act of Tenant or Tenant's agents and/or employees, there shall be no abatement of rental payments; and without prejudice to any other rights and remedies of Landlord, Landlord shall have the right, but not the obligation, to repair the Premises, and Tenant shall reimburse and compensate Landlord for any loss sustained by Landlord in excess of Landlord's insurance.

Except as hereinabove provided, Landlord shall not be required to repair or rebuild the Premises in the event of destruction or damage thereto resulting from fire or other casualty. Notwithstanding anything herein to the contrary, Landlord shall have no obligation whatsoever to repair or rebuild the Premises in the event of damage or destruction not covered by the insurance required of Landlord herein. In no event shall Landlord be required to expend in excess of the fire and extended coverage insurance proceeds actually received as a result of such damage or casualty. With respect to any damage which Landlord is obligated or may elect to repair under the terms of this Section, Tenant waives any statutory or other right Tenant may have to cancel this Lease as a result of such damage.

Section 7.08 Eminent Domain.

If a portion of the Premises or a portion of the Premises is taken under the power of eminent domain (including any conveyance made in lieu thereof) and such taking shall, in the Tenant's reasonable judgment, make the operation of Tenant's business on the Premises impossible, then Tenant shall have the right to terminate this Lease by giving Landlord written notice of such termination within thirty (30) days after such taking; and if Tenant does not so elect to terminate this Lease, Landlord, at Landlord's expense, will repair and restore the Premises to tenantable condition, but only if it can do so at a cost not to exceed the proceeds paid to the Landlord from such taking.

All compensation awarded for any taking (or the proceeds of private sale in lieu thereof) whether for the whole or a part of the Premises, shall be the property of the Landlord, whether such award is compensation for damages to the Landlord's or Tenant's interest in the Premises, and Tenant hereby assigns all Tenant's interest in any such award to Landlord; provided, however, Landlord shall have no interest in any award made to Tenant for loss of business or for the taking of Tenant's fixtures and other property within the Premises if a separate award for such items, or relocation of the business, is made to Tenant.

**ARTICLE VIII.
QUIET ENJOYMENT AND LANDLORD'S
RIGHT OF ENTRY**

Section 8.01 Covenant of Quiet Enjoyment.

Landlord represents that Landlord has full right and authority to lease the Premises upon the terms and conditions herein set forth and that subject to the terms of this Lease, Tenant shall peacefully and quietly hold and enjoy the Premises for the full Term hereof, so long as Tenant does not default in the performance of any of Tenant's covenants hereunder.

Section 8.02 Entry by Landlord and Agents.

After forty-eight (48) hours' notice has been given to Tenant, except in the case of an emergency in which case no notice shall be required, Landlord and Landlord's duly authorized agent or agents shall have the right to enter the Premises for any legitimate purpose, including, but not limited to, the following:

- (a) To inspect or protect the Premises.
- (b) To effect compliance with any law, ordinance or regulation of any lawful authority.
- (c) To make or supervise repairs, alterations or additions to the Premises.
- (d) To show the Premises to prospective purchasers and Landlord's mortgagees and during the last six (6) months of the term of this Lease, to show the Premises to prospective tenants.
- (e) To alter or otherwise repair the Premises for re-occupancy at any time after Tenant has vacated the Premises.

Authorized entry by Landlord or Landlord's agent or agents shall not constitute an eviction of Tenant or deprive Tenant of Tenant's rights or otherwise alter or affect the terms of this Lease. Notwithstanding the foregoing paragraph, Landlord's entry into the Premises shall not unreasonably interfere with Tenant's operation of its business.

Section 8.03 Surrender.

At the expiration or earlier termination of this Lease, Tenant shall surrender the Premises in good order and condition, clean and free of refuse, reasonable wear and tear excepted, and shall deliver all keys to Landlord. Before surrendering the Premises, Tenant shall, at Landlord's option, remove all abandoned and untagged wiring, including unused copper and fiber cabling wiring, all of its signs, personal property and trade fixtures and such alterations or additions to the Premises made by Tenant as may be specified by Landlord for removal, and shall repair any damage caused by such property or the removal thereof. If Tenant fails to remove its personal property and fixtures at the end of the Lease Term, such property shall, at Landlord's option, be deemed abandoned and shall become the property of Landlord.

ARTICLE IX.

DEFAULTS

Section 9.01 Events of Default.

The following shall constitute Events of Default under this Lease:

(a) Failure of Tenant to pay Rent or any other amount due under this Lease within fifteen (15) days after receipt of written notice from Landlord that such amount is past due or to cure within fifteen (15) days or a reasonable time any other of the Events of Default hereinafter after receipt of written notice to Tenant from Landlord specifying such default:

(b) Failure of Tenant to operate on the Premises in accordance with the terms of this Lease;

(c) Tenant (A) becoming insolvent or the subject of insolvency proceedings; or (B) being unable, or admitting in writing its inability, to pay debts as they mature; or (C) making a general assignment for the benefit of creditors or to an agent authorized to liquidate any substantial amount of its property; or (D) filing a petition or other pleading seeking reorganization, composition, readjustment, or liquidation of assets or requesting similar relief; or (E) applying to a court for the appointment of a receiver for any of its assets; or (F) having a receiver or liquidator appointed for any of its assets, and such receiver shall not be discharged within ninety (90) consecutive days after his appointment; or (G) becoming the subject of an "order for relief" within the meaning of the United States Bankruptcy Code; or (H) filing an answer to a creditor's petition admitting the material allegations thereof for liquidation, reorganization, readjustment, or composition or to effect a plan or other arrangement with creditors or fail to have such petition dismissed within thirty (30) days after the same is filed against Tenant.

Section 9.02 Remedies.

Upon the occurrence of an Event of Default, Landlord may, after the expiration of the applicable cure period, terminate the lease of the Premises and, without prejudice to any other remedy, re-enter and take possession of the Premises.

Section 9.03 Attorneys' Fees and Court Costs.

In the event that either the Landlord or Tenant is required to exercise its remedies by filing a lawsuit in a court of general jurisdiction alleging a breach of this Lease, then the prevailing party in any such action shall be entitled to be reimbursed its reasonably incurred attorney's fees and court costs.

ARTICLE X.

NOTICE

Whenever in this Lease it shall be required to permit that notice or demand be given or served by either party to this Lease to or on the other, such notice or demand shall be given or served and shall not be deemed to have been given or served unless in writing forwarded by certified mail return receipt requested addressed as follows:

To Landlord: Lincoln County
115 West Main St.
Lincolnton, North Carolina 28092
Attention: County Manager

To TENANT: Gaston Family Health Services, Inc.
991 West Hudson Blvd
Gastonia, NC 28052
Attention: President

Such addresses may be changed from time to time by either party by serving notice as above provided.

ARTICLE XI.

RELEASE AND WAIVER OF RESTRICTION

Notwithstanding the restrictions set forth in those North Carolina Special Warranty Deeds recorded in Book 1852 at Page 315 and in Book 2518 at Page 118 of the Lincoln County Public Registry (the "Restrictions"), Authority has agreed to a limited waiver of the Restrictions against Landlord but only with respect to the use by Tenant of the Premises for the purposes set forth in Section 6.01 of this Lease. The Authority's waiver does not apply to any use of the Premises by an assignee, subtenant or licensee of Tenant or any other operator of the Premises other than Tenant and the waiver will immediately expire upon Tenant's assignment of the Lease or sublease or licensing of all or any portion of the Premises. For the purposes of this Article XI, an assignment will be deemed to include any change in ownership or control (whether legal or actual) of Tenant. This waiver will automatically expire upon the expiration or earlier termination of this Lease. In addition, the Authority's waiver does not apply to any use of the Premises other than the specific use set forth in Section 6.01 of this Lease. Authority's limited waiver of the Restrictions as set forth in this Lease will not be deemed to be a release of the Restrictions or a waiver or relinquishment of the right to insist upon and to enforce strict compliance with the Restrictions except as expressly set forth in this Lease. Other than the limited waiver described above, the Restrictions will remain in full force and effect. Landlord and Tenant agree to provide to Authority written notice of any assignment of the Lease, any sublease or licensing of the Premises, any change in use of the Premises and/or any change in the ownership or management of Tenant.

ARTICLE XII.

MISCELLANEOUS

Section 12.01 Survival.

All provisions of this Lease which by their intent or effect are with respect to the lease of the Premises after the expiration or termination of the lease shall survive the Effective Date or the expiration or termination of the lease of the Premises, as applicable.

Section 12.02 Waiver of Breach.

No failure by either party to insist upon the strict performance of any term, covenant, condition, or provision of this Lease or to exercise any right or remedy consequent upon a breach thereof shall constitute a waiver of any such breach or of such term, covenant, condition, or provision, or a waiver or relinquishment for the future of the right to insist upon and to enforce strict compliance with all terms, covenants, conditions, and provisions of this Lease. No term, covenant, condition, or provision thereof shall be waived, altered, or modified except by a written instrument executed by the waiving party. No waiver of any breach shall affect or alter this Lease, but every term, covenant, condition, and provision of this Lease shall continue in full force and effect with respect to any other then existing or subsequent breach thereof.

Section 12.03 Entire Agreement.

This Lease contains the entire agreement of Tenant and Landlord with respect to the matters covered hereby, and no other agreement, proposal, statement, or promise, made by either to the other, or to any employee, officer, or agent of the other, whether oral or written, which is not contained or incorporated herein, shall be binding or valid. No modification of this Lease shall be binding on the parties unless it is in writing and executed by both parties.

Section 12.04 Controlling Law and Venue.

This Lease shall be construed and enforced in accordance with the laws of the State of North Carolina. The proper venue for any action arising from this Lease shall be the Lincoln County Superior Court.

Section 12.05 Severability.

If any one or more of the covenants, agreements, or provisions of this Lease shall be determined by a court of competent jurisdiction to be invalid, the invalidity of such covenants, agreements, and provisions shall in no way affect the validity or effectiveness of the remainder of this Lease and this Lease shall continue in force to the fullest effect permitted by law.

Section 12.06 Counterparts.

This Lease may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original, constituting but one and the same instrument.

Section 12.07 Drafting Conventions.

The following principles apply to the interpretation of this Lease: (i) the captions of each section are provided for convenience only and do not affect the meaning of the Lease; (ii) the terms “party” or “parties” refer only to the Landlord and Tenant; (iii) any examples provided are not to be construed to limit, expressly or by implication, the matter they illustrate; (iv) the clause “including” and any variations thereof should be construed to mean “including, but not limited to;” and (v) unless otherwise specified, any reference to a statute or regulation means the statute or regulation as amended or supplemented from time to time any corresponding provisions of successor statutes or regulations.

**[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK;
SIGNATURES ON FOLLOWING PAGE]**

IN TESTIMONY WHEREOF, Landlord has caused this instrument to be signed in its corporate name by its Chairman of the Board of Commissioners and attested by its Secretary; Tenant has caused this instrument to be signed in its corporate name by its President on behalf of the corporation; and the Authority has caused this instrument to be signed by its President on behalf of the authority, all by authority duly and regularly given, this the day and year first above written.

**LINCOLN COUNTY, a body corporate
and politic**

ATTEST:

Secretary

By: _____
Cecelia Martin, Chairperson

GASTON FAMILY HEALTH SERVICES, INC.

By: _____
Robert Spencer, President

**THE CHARLOTTE-MECKLENBURG
HOSPITAL AUTHORITY**

By: _____
_____ (name)
_____ (title)

The Authority joins in the execution of this Lease for the purposes described in Article XI and no other.

**STATE OF NORTH CAROLINA
LANDLORD OF LINCOLN**

Before me, a Notary Public, personally appeared this day Cecelia Martin, who, being duly sworn, acknowledged that she is Chairman of the Board of Commissioners of Lincoln County, a body corporate and politic and further acknowledged, on behalf of Lincoln County, the due execution of the foregoing instrument on behalf of Lincoln County.

WITNESS my hand and notarial seal this ____ day of _____, 2016.

Notary Public
My Commission Expires:_____

**STATE OF NORTH CAROLINA
LANDLORD OF LINCOLN**

Before me, a Notary Public, personally appeared this day Robert Spencer, who, being duly sworn, says that he is the President of Gaston Family Health Services, Inc., a North Carolina non-profit corporation and acknowledged, on behalf of said corporation, the due execution of the foregoing instrument.

WITNESS my hand and notarial seal this ____ day of _____, 2016.

Notary Public
My Commission Expires:_____

NORTH CAROLINA, _____ LANDLORD

I, _____, a Notary Public for _____ County, North Carolina, do hereby certify that _____, personally came before me and acknowledged that he/she is the _____ of The Charlotte-Mecklenburg Hospital Authority, a non-profit corporation, and that by authority duly given and as the act of and on behalf of the said body, the foregoing instrument was signed and sealed in its name by him/her.

WITNESS my hand and notarial seal this ____ day of _____, 2016.

My commission expires:_____ _____
Notary **Public**

EXHIBIT "A"

(PROPERTY DESCRIPTION)

All that tract or parcel of land containing 9.76 acres more or less in Lincolnton Township, Lincoln County, NC, bounded, now or formerly, on the North by State Road 1419, on the East by Lincoln Medical Park and other property of Lincoln County Development Corp., on the South by Forest Hills, on the West by Lincoln County Hospital and Lincoln Nursing Center, described by metes and bounds in accordance with a survey prepared by Ronnie Dedmon, Registered Surveyor, dated February 8, 1993, as follows:

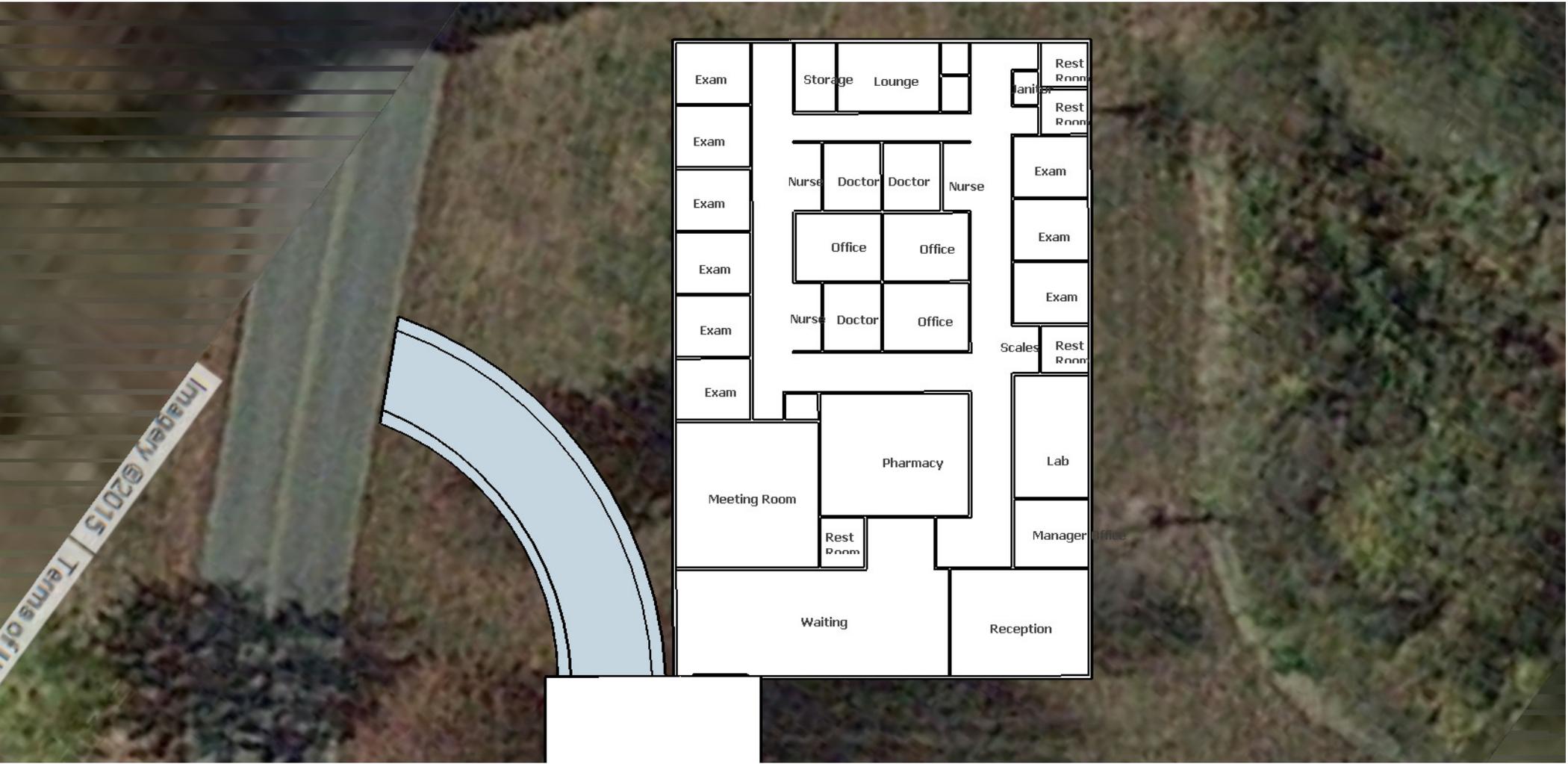
BEGINNING at an old iron in the center of State Road 1419, a common corner with Lincoln Medical Park and runs thence, with Lincoln Medical Park, South 16 deg. 58 min. 30 sec. East 292.15 feet to an old iron on the southern margin of a Duke Power Co. right-of-way; thence along the southern margin of said right-of-way and with property of Lincoln Medical Park, South 67 deg. 13 min. 55 sec. East 511.12 feet to an old iron; thence a new line, South 14 deg. 58 min. 4 sec. East 345.62 feet to an old iron; thence with Forest Hills property South 55 deg. 3 min. 13 sec. West 429.80 feet to an iron and South 55 deg. 02 min. 24 sec. West 163.05 feet to an iron; thence with and continuing North 41 deg. 25 min. 4 sec. West 75 feet to another old iron; thence North 56 deg. 7 min. 43 sec. East 480.23 feet to an old iron; thence North 57 deg. 25 min. 7 sec. West 305.87 feet to an old iron; thence with Lincoln Nursing Center property, North 57 deg. 29 min. 50 sec. West 554.45 feet to an old iron near the southern margin of State Road 1419; thence North 56 deg. 34 min. 35 sec. West 43.40 feet to a point in the center of State Road 1419; thence along the centerline of said road, North 73 deg. 36 min. 44 sec. East 457.46 feet to the point and place of BEGINNING.

The foregoing property is conveyed SUBJECT to the right of way for State Road #1419 and to the right of way for Duke Power Co., both shown on the survey referred to above, and also subject to a sewer line easement heretofore granted to the City of Lincolnton.

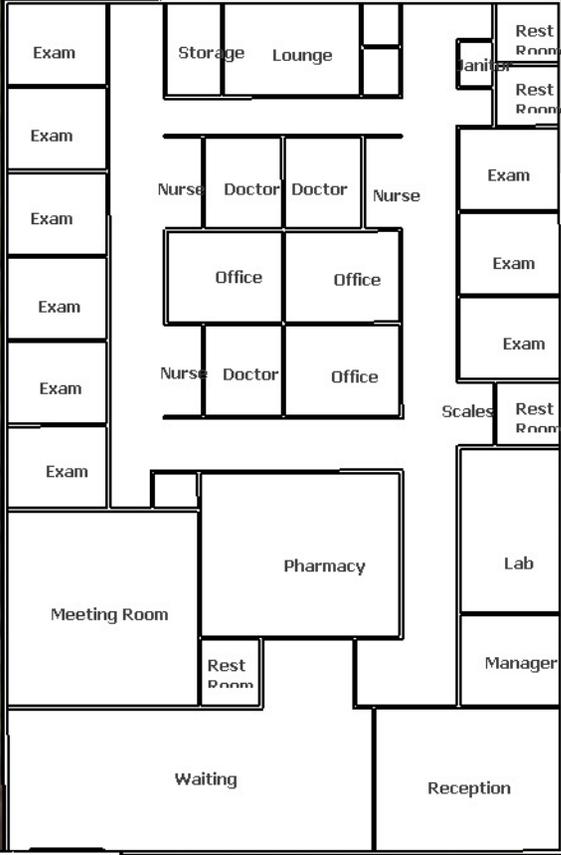
EXHIBIT "B"
(BUILDING)

EXHIBIT "C"

(NOTICE OF FEDERAL INTEREST)



Imagery ©2015 | Terms of Use



NOTICE OF FEDERAL INTEREST

On April 26, 2016 the Health Resources and Services Administration awarded Grant No. C8DCS29707 to Gaston Family Health Services. The grant provides federal funds for construction of a medical clinic facility, which is located on the property described below in Lincoln County, State of North Carolina:

(GRANTEE INSERT LEGAL DESCRIPTION OF PROPERTY)

The Notice of Award for this grant includes conditions on use of the aforementioned property and provides for a continuing Federal interest in the property. Specifically, the property may not be (1) used for any purpose inconsistent with the statute and any program regulations governing the award under which the property was acquired; (2) mortgaged or otherwise used as collateral without the written permission of the Associate Administrator, Office of Federal Assistance Management (OFAM), Health Resources and Services Administration (HRSA), or designee; or (3) sold or transferred to another party without the written permission of Associate Administrator, Office of Federal Assistance Management (OFAM), Health Resources and Services Administration (HRSA), or designee. These conditions are in accordance with the statutory provisions set forth in Title 45 CFR part 74 or 92 (as appropriate), the HHS Grants Policy Statement, and other terms and conditions of award.

These grant conditions and requirements cannot be nullified or voided through a transfer of ownership. Therefore, advance notice of any proposed change in usage or ownership must be provided to the Associate Administrator, Office of Federal Assistance Management (OFAM), Health Resources and Services Administration (HRSA), or designee.

Signature: _____

Typed Name: _____

Title: _____

Date: _____

** Description should include specificity to determine if the Federal Interest applies to the land, building, or part thereof. Street or campus address should be included whenever possible*