

GROUND LEASE

THIS GROUND LEASE (the "Lease"), dated as of November 15, 1977, between CHARTER MEDICAL CORPORATION ("Landlord"), a Delaware corporation having its principal executive office and place of business at 577 Mulberry Street, Macon, Georgia, and P & S ASSOCIATES ("Tenant"), a Georgia Limited partnership, having an office at 4555 North Shallowford Road, Suite 208, Chamblee, Georgia 30340. :

1. PROPERTY; LEASE TERM. Upon and subject to the conditions and limitations set forth below, Landlord leases to Tenant, and Tenant rents from Landlord, the following property (the "Property"):

(a) all the land described in Schedule A hereto, subject to the Permitted Exceptions (the "Permitted Exceptions") set forth in Schedule A as shall at the time be in effect and applicable to the land but specifically excluding all buildings, structures and other improvements (the "Improvements") now or hereafter located on the land.

(b) all rights of way or of use, servitudes, licenses, tenements, hereditaments, appurtenances and easements now or hereafter belonging to or pertaining to any of the foregoing.

TO HAVE AND TO HOLD for a term (the "Lease Term") commencing on November 30, 1977, and expiring on midnight forty-five years from the date of commencement; unless the Lease Term shall sooner terminate as hereinafter provided.

2. BASIC RENT; ETC.

2.1. Fixed Rent. Tenant will pay to Landlord as net minimum rent ("Fixed Rent") during the Lease Term One Dollar (\$1.00) per annum, payable in advance on the first day of each year of this Lease. Each date on which Fixed Rent is payable hereunder is called a "Rent Payment Date".

2.2. Rent Net; Manner of Payment. Fixed Rent and all other sums payable to Landlord hereunder shall be paid in such coin or currency of the United States of America as at the time shall be legal tender for the payment of public and private debts, at the principal office of Landlord as set forth above, or at such place and to such Person as Landlord from time to time may designate. Fixed Rent shall be absolutely

net to Landlord so that this Lease shall yield to Landlord the full amount of the installments of Fixed Rent and Additional Rent required to be paid to Landlord, if any, throughout the term of this Lease without deduction.

3. ADDITIONAL RENT.

3.1. Other Obligations and Interest. Tenant will also pay from time to time as provided in this Lease as additional rent ("Additional Rent"), (a) all other amounts and obligations which Tenant herein assumes or agrees to pay under Section 3.2 and otherwise; (b) interest at the rate of ten percent (10%) per annum on such of the foregoing amounts and obligations as are payable to Landlord and are not paid within ten (10) days after the due date (or, if a demand therefor is required by the terms of this Lease, then within ten days after the date of such demand), from the due date or the date of such demand, as the case may be, until payment thereof; (c) a late charge of Ten Dollars (\$10.00) per day ~~after the tenth day.~~ In the event of any failure on the part of Tenant to pay Fixed Rent or Additional Rent, Landlord shall have all the rights, powers and remedies provided for in this Lease or at law or in equity or otherwise in the case of non-payment of Basic Rent..

3.2. Additional Rent under Certain Conditions. Tenant agrees to pay to Landlord Additional Rent under certain conditions, as follows:

(a) If at any time or times after 18 months from the date hereof, the Project is, for a period of six consecutive months, less than 75% (net rentable space) occupied by physicians (none of whom offer primary services in radiology, laboratory, or physical or respiratory therapy) and/or oral surgeons under leases having initial terms of not less than five years, then beginning on the first day of the seventh such month, Tenant shall pay to Landlord monthly Additional Rent as provided in Section 3.3, which monthly Additional Rent shall be due and payable thereafter throughout the Lease Term or until such 75% occupancy

as provided above has been maintained for a period of three consecutive months, in which case Additional Rent under this Section 3.2(a) shall terminate, subject to reinstitution if and when the condition herein specified is subsequently applicable.

(b) If the Improvements have not been expanded by Tenant within five years after initial occupancy thereof to contain at least 15,000 square feet of net rentable office space, then beginning on the first day of the sixth year of the Lease Term, Tenant shall pay to Landlord monthly Additional Rent as provided in Section 3.3, which monthly Additional Rent shall be due and payable thereafter throughout the Lease Term.

(c) Provided, however, that Tenant shall not be required to pay double Additional Rent hereunder at any one time.

3.3. Amount of Additional Rent. Promptly upon the occurrence of an event described in Section 3.2 and under the circumstance described in Schedule B, Tenant shall commence paying to Landlord monthly Additional Rent of \$1,500.00, which amount shall be the Additional Rent for the first consecutive six (6) month period under this Section 3.3. When Additional Rent is due under Section 3.2 or Schedule B, Landlord shall appoint within ten (10) days an MAI appraiser, and Tenant shall, within fifteen (15) days thereafter appoint an MAI appraiser. The two appraisers so appointed shall, within ten (10) days after appointment of Tenant's appraiser, select a third MAI appraiser. Each appraiser shall appraise the fair monthly rental value of the Property (assuming it to be unimproved) under a 45 year ground lease containing provisions for subordination similar to Section 25 of this Lease. The monthly Additional Rent shall be the greater of (a) \$1,500.00 or (b) the average of such three appraisals. Upon receipt of the three appraisals, and the determination of Additional Rent under the preceding sentence, Tenant, commencing with the seventh consecutive month under this Section 3.3, shall pay to Landlord such Additional Rent determined hereunder. Additional Rent shall increase by 3-1/2% every twelve months after the commencement thereof. Additional Rent shall be redetermined as provided herein every five years (assuming Tenant has been continuously obligated to pay Additional Rent during the preceding five years).

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Each party shall bear the costs and expenses of the appraiser appointed by such party and one-half of the costs and expenses of the third appraiser.

4. LANDLORD'S OPTIONS TO PURCHASE AND RIGHT OF FIRST REFUSAL. Landlord shall have the options to purchase the Project from Tenant and the Right of First Refusal to purchase the Project on the terms and conditions set forth in Schedule B attached hereto. Schedule B also provides for Additional Rent under specified circumstances.

5. NO COUNTERCLAIM, ABATEMENT, ETC. Fixed Rent, Additional Rent and all other sums payable by Tenant hereunder shall be paid without notice, demand, counterclaim, setoff, deduction or defense and without abatement, suspension, deferment, diminution or reduction, and the obligations and liabilities of Tenant hereunder shall in no way be released, discharged or otherwise affected (except as expressly provided herein) by reason of: (a) any damage to or destruction of or any Taking of the Project or any part thereof; (b) any restriction or prevention of or interference with any use of the Project or any part thereof; (c) any title defect or encumbrance or any eviction from the Project or any part thereof by title paramount or otherwise; (d) any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceeding relating to Landlord, or any action taken with respect to this Lease by any trustee or receiver of Landlord, or by any court, in any such proceeding; (e) any claim which Tenant has or might have against Landlord; (f) any failure on the part of Landlord to perform or comply with any of the terms hereof or of any other agreement with Tenant; or (g) any other occurrence whatsoever, whether similar or dissimilar to the foregoing; whether or not Tenant shall have notice or knowledge of any of the foregoing. Except as expressly provided herein, Tenant waives all rights now or hereafter conferred by statute or otherwise to quit, terminate or surrender this Lease or the Project or any part thereof, or to any abatement, suspension, deferment, diminution or reduction of Fixed Rent, Additional Rent or any other sum payable by Tenant hereunder.

6. STATE OF TITLE TO PROPERTY. Tenant is fully familiar with the state of title to the Property, and agrees that the Property complies in all respects with all requirements of this Lease. *should have rep of Title*

7. MAINTENANCE AND REPAIRS. Tenant, at its expense, will keep the Property and Improvements and the adjoining

sidewalks, curbs, vaults and vault space, if any, streets and ways in good and clean order and condition and will promptly make all necessary or appropriate repairs, replacements and re-newals thereof, whether interior or exterior, structural or non-structural, ordinary or extraordinary, foreseen or unforeseen. All repairs, replacements and renewals shall be equal in quality and class to the original work. Tenant waives any right created by law now or hereafter in force to make repairs to the Property at Landlord's expense. Tenant, at its expense, will do or cause others to do every act necessary or appropriate for the preservation and safety of the Property and Improvements by reason of or in connection with any excavation or other building operation upon the Property or any adjoining property, including, without limitation, all shoring of foundations and walls of the Improvements or of the ground adjacent thereto, whether or not the owner of the Property shall be required by any legal requirement to take such action or be liable for failure to do so.

8. ALTERATIONS AND ADDITIONS. If not at the time in default under this Lease, Tenant at its expense may make reasonable alterations of and additions to the Property and Improvements or any part thereof, provided that any alteration or addition (a) shall not change the general character of the Property and Improvements, or reduce the fair market value thereof below its value immediately before such alteration or addition, or impair its usefulness or change its use. (b) is effected with due diligence, in a good and workmanlike manner and in compliance with all legal requirements and insurance requirements, (c) is promptly and fully paid for by Tenant, and (d) is made, in case the estimated cost of such alteration or addition exceeds \$10,000, under the supervision of an architect or engineer satisfactory to Landlord and in accordance with plans, specifications and cost estimates approved by Landlord and only after Tenant shall have furnished to Landlord, if requested, a performance bond or other security satisfactory to Landlord.

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9. IMPOSITIONS. Subject to Section 12 relating to contests, Tenant will pay all Impositions before any interest, penalty, fine or cost may be added for non-payment, and will furnish to Landlord for inspection within ten (10) days after written request, official receipts of the appropriate taxing authority

or other proof satisfactory to Landlord evidencing such payment. If by law any Imposition may be paid in installments, Tenant shall be obligated to pay only those installments as they become due from time to time before any interest, penalty, fine or cost may be added thereto; and any Imposition relating to the fiscal period of the taxing authority, part of which is included within the term of this Lease and a part of which extends beyond such term shall, if Tenant shall not be in default under this Lease, be apportioned between Landlord and Tenant as of the expiration of the term of this Lease; however, Tenant shall not be entitled to receive any apportionment if Tenant shall be in default in the performance of any of Tenant's covenants, agreements or undertakings provided in this Lease. If at any time during the term of this Lease the methods of taxation prevailing at the commencement of the term hereof shall be altered so that any new tax, assessment, levy (including but not limited to any municipal, state or federal levy), Imposition or charge, or any part thereof shall be measured by or be based in whole or in part upon the Property (except in connection with allocation of income among two or more states) and shall be imposed upon the Landlord, then all such taxes, assessments, levies, Impositions or charges, or the part thereof to the extent that they are so measured or based, shall be deemed to be included within the term "Impositions" for the purposes hereof, to the extent that such Impositions would be payable if the Property were the only property of Landlord subject to such Impositions, and Tenant shall pay and discharge the same as herein provided in respect of the payment of Impositions.

10. COMPLIANCE, ETC.

10.1. Compliance with Requirements, etc. Subject to Section 12 relating to contests, Tenant, at its expense, will promptly and diligently (a) comply with all legal requirements and insurance requirements, whether or not compliance therewith shall require structural changes in the Improvements or interfere with the use and enjoyment of the Property or any part thereof, (b) procure, maintain and comply with all permits, licenses, franchises and other authorizations required for any use of the Property or any part thereof then being made, including, without limitation, all permits, licenses and franchises which Tenant is required to obtain for the proper erection, installation, operation and maintenance of the Improvements or any part thereof, and (c) comply with any instruments of record at the time in force affecting the Property or any part thereof.

10.2. Recording. From time to time at the request of Landlord, Tenant at its expense will (a) record such documents, file such continuation statements, pay such fees and comply with such laws and regulations as are necessary to preserve and protect the rights of Landlord under the Lease and (b) furnish to Landlord an opinion of counsel with respect to the adequacy of such filing and recording.

11. LIENS, ETC. Tenant will not directly or indirectly create or permit to be created or to remain, and will discharge any mortgage, lien, security interest, encumbrance or charge on, pledge of or conditional sale or other title retention agreement with respect to the Property or any part thereof, Tenant's interest therein or Fixed Rent, Additional Rent or any other sum payable under this Lease, other than (a) this Lease and Occupancy Leases, (b) a Mortgage, (c) liens for Impositions not yet payable, or payable without the addition of any fine, penalty, interest or cost for non-payment, or being contested as permitted by Section 12, (d) Permitted Exceptions, and (e) liens of mechanics, materialmen, suppliers or vendors, or rights thereto, incurred in the ordinary course of business for sums which under the terms of the related contracts are not at the time due, provided that adequate provision for the payment thereof shall have been made.

12. PERMITTED CONTESTS.

12.1. Tenant, at its expense, may contest, after prior written notice to Landlord, by appropriate legal proceedings conducted in good faith and with due diligence, the amount of validity or application, in whole or in part, of any Imposition or any Legal Requirement or the application of any instrument of record, provided that a) Tenant shall first make all contested payments, under protest if it desires, unless such proceedings shall suspend the collection thereof from Landlord, from Fixed Rent, Additional Rent and any other sums payable under this Lease and from the Property, (b) neither the Property

nor any part thereof or interest therein nor any such Rents or other sums would be in any danger of being sold, forfeited, lost or interfered with, (c) in the case of a Legal Requirement, Tenant would not be in any danger of any additional civil or any criminal liability for failure to comply therewith and the Property would not be subject to the Imposition of any lien as a result of such failure, and (d) Tenant shall have deposited with Landlord the amount so contested and unpaid, together with all interest and penalties in connection therewith and all charges that may or might be asserted against or become a charge on the Property or any part thereof in such proceedings.

12.2. Upon the termination of any such proceedings, it shall be the obligation of Tenant to pay the amount of such Imposition or part thereof as finally determined in such proceedings, the payment of which may have been deferred during the prosecution of such proceedings, together with any costs, fees (including counsel fees), interest, penalties or other liabilities in connection therewith, and, upon such payment, Landlord shall return, without interest, any amount deposited with it with respect to such Imposition as aforesaid, provided, however, that Landlord shall, if requested by Tenant, disburse said moneys on deposit with it direct to the imposing authority to whom such Imposition is payable. If, at any time during the continuance of such proceedings, Landlord shall deem the amount deposited as aforesaid insufficient, Tenant shall, upon demand, make an additional deposit, as aforesaid, of such additional sums as Landlord reasonably may request, and upon failure of Tenant so to do, the amount theretofore deposited may be applied by Landlord to the payment, removal and discharge of such Imposition, and the interest and penalties in connection therewith and any costs, fees (including counsel fees) or other liability accruing in any such proceedings, and the balance, if any, shall be returned to Tenant and the deficiency, if any, shall be paid by Tenant to Landlord on demand.

12.3. Tenant shall have a right to seek a reduction in the valuation of the Property assessed for tax purposes and to prosecute any action or proceeding in connection therewith. Provided Tenant is not then in default, Tenant shall be authorized to collect any tax refund obtained by reason thereof and to retain the same. In the event Tenant shall be in default and Landlord should, by reason thereof, collect any tax refund, then Landlord shall retain and apply the same against any sums due by Tenant to Landlord then owing or thereafter to become due thereunder.

12.4. Landlord shall not be required to join in any proceedings referred to in Section 12 unless the provisions of any law, rule or regulation at the time in effect shall require that such proceedings be brought by and/or in the name of Landlord or any owner of the Land, in which event Landlord shall join in such proceedings or permit the same to be brought in its name. Landlord shall not ultimately be subject to any liability for the payment of any costs or expenses in connection with any such proceedings, and Tenant will indemnify and save harmless Landlord from any such costs and expenses.

12.5. Landlord agrees that whenever Landlord's cooperation is required in any of the proceedings brought by Tenant as aforesaid, Landlord will reasonably cooperate therein, provided same shall not entail any cost or expense to Landlord.

12.6. Any certificate, advice or bill of the appropriate official designated by law to make or issue the same or to receive payment of any Imposition, of non-payment of such Imposition shall be prima facie evidence that such Imposition is due and unpaid at the time of the making or issuance of such certificates, advice or bill, at the time or date stated therein.

13. DEPOSITS FOR IMPOSITIONS. In order to ensure the payment of all Impositions, insurance premiums on insurance policies required to be carried by Tenant under Section 19 hereof, Tenant agrees to deposit with Landlord on the first day of each and every month during the term hereof one-twelfth (1/12) of (a) all Impositions for one year then in effect as estimated by Landlord, and (b) total annual insurance premiums required to be paid by Tenant under Section 19 hereof. Tenant shall deposit with Landlord, at least thirty (30) days prior to the due date of any Imposition and insurance premium, such additional amount as may be necessary to pay each such charge.

Landlord shall hold the money so deposited in a special account to be held as trust funds for the purpose of paying the charges for which such amounts have been deposited as they become due, and Landlord shall apply the aforesaid deposits for such purpose not later than the last day on which any such charges may be paid without penalty or interest. If at any time the amount of any Imposition is increased or Landlord receives information that such Imposition will be increased and if the monthly deposits then being made by the Tenant for this purpose (if continued) would not make up a fund sufficient to pay such Imposition thirty (30) days prior to its due date, said monthly deposits shall thereupon be increased and Tenant shall deposit immediately on demand sufficient monies so that the monies then on hand for the payment of said Imposition plus the increased payments and such additional sum demanded shall be sufficient so that Landlord shall have received from Tenant adequate amounts to pay such Imposition at least thirty (30) days before such Imposition becomes due and payable. For the purpose of determining whether Landlord has on hand sufficient monies to pay any particular Imposition or insurance premiums at least thirty (30) days prior to the due date therefor, deposits for each category of Imposition and for each different insurance policy shall be treated separately, it being the intention that Landlord shall not be obligated to use monies deposited for the payment of an item not yet due and payable to the payment of an item that is due and payable. Notwithstanding the foregoing, it is understood and agreed (a) that deposits provided for hereunder may be held by Landlord in a single bank account, and (b) that Landlord at its option may, if Tenant fails to make any deposit required hereunder, use deposits for one item for the payment of another item then due and payable. In the event this Lease shall be terminated by reason of any default by Tenant, all deposits then held by Landlord shall be applied on account of any and all sums due by Tenant under this Lease and Tenant shall forthwith pay the resulting deficiency. Upon demand, Landlord agrees to forward to Tenant proof of payment of any Imposition or forwarding to any Mortgagee. If, pursuant to the terms of the First Mortgage, there is a provision for the deposit of any of the foregoing items in installments in advance with the Mortgagee, the amounts required to be deposited with such Mortgagee shall be

so deposited by Tenant, and Tenant shall be relieved of its obligation to deposit same with Landlord as hereinabove provided.

In the event of a sale or transfer subject to this Lease of the fee title to the land, Landlord shall have the right to transfer to the grantee or transferee of the fee title the above deposits, subject, however, to the provisions hereof and the seller or transferor shall be deemed to be released from all liability with respect to all said deposits and Tenant agrees to look to the transferee or grantee solely with respect thereto, and the provisions hereof shall apply to every further transfer of assignment of the said deposits to a new landlord.

Tenant will, if required by a Mortgagee, make the deposits required by this Section 13 (or substantially equivalent thereto) to such Mortgagee, in which case no such deposit will be required to be made with Landlord.

14. NO CLAIMS AGAINST LANDLORD, ETC. Nothing contained in this Lease shall constitute any consent or request by Landlord, express or implied, for the performance of any labor or services or the furnishing of any materials or other property in respect of the Property or any part thereof, nor as giving Tenant any right, power or authority to contract for or permit the performance of any labor or services or the furnishing of any materials or other property in such fashion as would permit the making of any claim against Landlord.

15. INDEMNIFICATION BY TENANT. Tenant will protect, indemnify and save harmless Landlord from and against all liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses (including, without limitation, attorneys' fees and expenses, but excluding any income or excess profits or franchise taxes of Landlord determined on the basis of general income or revenue or any interest or penalties in respect thereof) imposed upon or incurred by or asserted against Landlord or the Property by reason of the occurrence or existence of any of the following and whether or not resulting from any negligent act or omission of Landlord:

(a) ownership of the Property or any interest therein, or receipt of any rent or other sum therefrom, (b) any accident, injury to or death of persons (including workmen) or loss of or damage to property occurring on or about the Property or any part thereof or the adjoining sidewalks, curbs, vaults and vault space, if any, streets or ways, (c) any use, non-use or condition of the Property or any part thereof or the adjoining sidewalks, curbs, vaults and vault space, if any, streets or ways, (d) any failure on the part of Tenant to perform or comply with any of the terms of this Lease, or (e) performance of any labor or services or the furnishing of any materials or other property in respect to the Property or any part thereof. In case any action, suit or proceeding is brought against Landlord by reason of any such occurrence, Tenant, upon Landlord's request, will at Tenant's expense resist and defend such action, suit or proceeding, or cause the same to be resisted and defended by counsel designated by Tenant and approved by Landlord. The obligations of Tenant under this Section 15 shall survive any termination of this Lease and any conveyance of the Property.

16. UTILITY SERVICES. Tenant will pay or cause to be paid for all public or private utility services (including hookup) and all sprinkler systems and protective services at any time rendered to or in connection with the Property or any part thereof, will comply with all contracts relating to any such services, and will do all other things required for the maintenance and continuance of all such services. Landlord agrees to grant, execute and deliver, without cost and upon written request by Tenant, utility and sewer easements, rights of way and conveyances, on the Property in connection with the proposed construction, development and use of the Property by Tenant, from time to time.

17. QUIET ENJOYMENT. Landlord covenants that Tenant, upon paying the Fixed Rent, Additional Rent and other charges herein provided for and upon performing and complying with all covenants, agreements, terms and conditions of this Lease on its part to be performed or complied with, shall not be hindered or molested by Landlord in its enjoyment of the Property.

18. TENANT'S EQUIPMENT. All Tenant's Equipment shall be the property of Tenant or an Occupancy Tenant, as the case may be, provided that (a) upon the occurrence of an Event of Default, Landlord shall, to the extent permitted by Law, have (in addition to all other rights) a right of distress for rent and a lien on all Tenant's Equipment (other than Tenant's Equipment not owned by Tenant) then on the Property

as security for all Fixed Rent, Additional Rent, and other sums payable under this Lease, and (b) any Tenant's equipment (other than Occupancy Tenant's Equipment) not removed by Tenant at its expense within thirty (30) days after any repossession of the Property (whether or not this Lease has been terminated) shall be considered abandoned by Tenant and may be appropriated, sold, destroyed, or otherwise disposed of by Landlord without notice to Tenant and without obligation to account therefor; and Tenant will pay Landlord, upon demand, all costs and expenses incurred by Landlord in removing, storing or disposing of any of Tenant's Equipment. Tenant will immediately repair at its expense all damage to the Property caused by any removal of Tenant's Equipment therefrom, whether effected by Tenant or any other Person. Landlord shall not be responsible for any loss of or damage to Tenant's Equipment. The ownership of Occupancy Tenant's Equipment shall be governed by the terms of the applicable Occupancy Lease.

19. INSURANCE.

19.1. Risks to be Insured. Tenant, at its expense, will maintain with insurers approved by Landlord:

(a) insurance with respect to the Improvements against loss or damage by fire, lightning, windstorm, hail, explosion, riot, riot attending a strike, civil commotion, aircraft, vehicles, smoke and other risks from time to time included under "extended coverage" policies, in an amount equal to at least 100% of the full replacement value of the Improvements and in any event in an amount sufficient to prevent Landlord or Tenant from becoming a co-insurer of any partial loss under the applicable policies, which shall be written on a replacement cost basis;

(b) public liability and property damage insurance applicable to the Property in amounts approved from time to time by Landlord (which amounts at the date hereof shall be, in the case of public liability, \$100,000 per person and \$300,000 per accident, and, in the case of property damage, \$100,000);

(c) explosion insurance in respect to any steam and pressure boilers and similar apparatus located on the Property in amounts approved by Landlord (which amount at the date hereof shall be \$100,000 per person and \$300,000 per accident);

(d) war risk insurance when and to the extent obtainable from the United States Government or any agency thereof;

(e) appropriate workmen's compensation or other insurance against liability arising from claims of workmen in respect of and during the period of any work on or about the Property; and

(f) insurance against such other hazards and in such amounts as is customarily carried by owners and operators of similar properties, and as Landlord may reasonably require for its protection.

Tenant will comply with such other requirements as Landlord or any Mortgagee may from time to time reasonably request for the protection by insurance of their respective interests.

19.2. Policy Provisions. All insurance maintained by Tenant pursuant to Section 19 shall: (a) except for workmen's compensation insurance, name Landlord, Tenant and any Mortgagee as insureds, as their respective interests may appear, and shall include an effective waiver by the insured of all rights of subrogation against any named insured or such insured's interest in the Property or any income derived therefrom; (b) provide that all insurance proceeds for losses of less than \$1,000 shall be adjusted by the Tenant, and all insurance proceeds for losses of such amount or more, except for workmen's compensation insurance which shall be adjusted by Tenant, shall be adjusted by Landlord and Tenant jointly, subject to the approval of any Mortgagee; (c) provide that, except in the case of public liability and workmen's compensation insurance (or liability insurance obtained in lieu of workmen's compensation insurance), insurance proceeds shall be payable to Landlord for the benefit of Landlord, Tenant and any Mortgagee, as their respective interests may appear; (d) provide that any losses shall be payable notwithstanding any act or failure to act or negligence of Landlord or Tenant or any other Person; (e) provide that no cancellation, reduction in amount or material change in coverage thereof shall be effective until at least 30 days after receipt by Landlord, Tenant and Mortgagee of written notice thereof; and (f) be reasonably satisfactory to Landlord and any Mortgagee in all other respects. Any such insurance may, at Tenant's option, be provided through a blanket policy or policies.

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19.3. Delivery of Policies. Upon the execution of this Lease and thereafter not less than ten (10) days prior to the expiration date of any policy delivered pursuant to this Section 19, Tenant will deliver to Landlord the original of any policy or renewal policy, as the case may be, required by this Lease, bearing notations evidencing the payment of premiums, except that, in lieu of any such policy, Tenant may deliver a certificate of the insurer, satisfactory to Landlord in substance and in form, as to the issuance and effectiveness of such policy and the amount of coverage afforded thereby accompanied by a copy of such policy.

19.4. Tenant shall not violate or permit to be violated any of the conditions or provisions of any such policy, and Tenant shall so perform and satisfy the requirements of the companies writing such policies that at all times companies of good standing satisfactory to Landlord shall be willing to write and/or continue such insurance.

19.5. The premiums on all insurance policies shall be apportioned between Landlord and Tenant in such manner that Landlord shall reimburse Tenant for the aggregate unearned premiums on all such policies in force at the expiration of the term of this Lease provided, however, that Tenant shall not be entitled to receive any such reimbursement if Tenant shall be in default in the performance of any of Tenant's covenants, agreements and undertakings in this Lease provided.

20. DAMAGE TO OR DESTRUCTION OF PROPERTY.

20.1. Tenant to Give Notice. If the Property shall be destroyed or damaged in whole or in part by fire or other casualty (including any casualty for which insurance was not obtained or obtainable) of any kind or nature, ordinary or extraordinary, foreseen or unforeseen, Tenant shall give to Landlord immediate written notice thereof.

20.2. Restoration. Tenant, at its own cost and expense, whether or not such damage or destruction shall have been insured, and whether or not insurance proceeds, if any, shall be sufficient for the purpose, and whether or not the Mortgagee shall permit such insurance proceeds to be used for such repairs, alterations, restorations, replacement and rebuilding, shall promptly repair, alter, restore, replace and rebuild the same, at least to the extent of the value and as nearly as possible to the character of the Property existing immediately prior to such occurrence; and Landlord shall in no event be called upon to repair, alter, replace or rebuild such Improvements, or portion thereof, nor to pay any of the costs or expenses thereof. If Tenant shall fail or neglect to restore, repair, replace and rebuild with reasonable diligence the Improvements, or portion thereof, so damaged or destroyed, or having so commenced such restoration, repair, replacement and rebuilding shall fail to complete the same with reasonable diligence in accordance with the terms of this Lease, or if prior to the completion of any such restoration, repair, replacement and rebuilding by Tenant, this Lease shall expire or be terminated for any reason, Landlord may complete the same at Tenant's expense, and Landlord's expense in so doing shall be due and payable by Tenant to Landlord immediately with interest thereon at the rate of ten (10) percent per annum from the date of each payment by Landlord. All work shall be done in accordance with the provisions of this Lease.

20.3. Application of Insurance Proceeds. Insurance proceeds received by Landlord on account of any damage to or destruction of the Property or any part thereof (less the costs, fees and expenses incurred by Landlord, Tenant and any Mortgagee in the collection thereof, including, without limitation, adjuster's fees and expenses and attorneys' fees and expenses) shall be applied as follows unless otherwise required by the Permanent Lender:

(a) Net insurance proceeds on account of any damage to or destruction of the Property or any part thereof shall, unless Tenant is in default hereunder or under the Mortgage, be paid to Tenant or as Tenant may direct, from time to time as Restoration progresses, to pay (or reimburse Tenant for) the cost of Restoration, upon written request of Tenant accompanied by evidence, satisfactory to Landlord and any Mortgagee, that the amount requested has been paid or is then

due and payable and is properly a part of such cost, and that the balance of said proceeds after making the payment requested will be sufficient to pay the balance of the cost of Restoration. Upon receipt by Landlord and any Mortgagee of evidence satisfactory to them that Restoration has been completed and the cost thereof paid in full, and that there are no mechanics' or similar liens for labor or materials supplied in connection therewith, the balance, if any, of such proceeds shall, unless Tenant is in default hereunder or under the Mortgage, be paid to Tenant or as Tenant may direct.

(b) Any insurance proceeds held by Landlord on any termination of the Lease Term and not required to be paid to Tenant pursuant to this Section 20 and shall be paid to and retained by Landlord.

21. TAKING. Unless otherwise required by the Permanent Lender:

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21.1. Tenant to Give Notice, etc. In case of a Taking of all of any part of the Property, or the commencement of any proceeding or negotiations which might result in such Taking, Tenant will promptly give written notice thereof to Landlord and any Mortgagee, generally describing the nature and extent of such Taking or the nature of such proceedings and negotiations and the nature and extent of the Taking which might result therefrom, as the case may be. Landlord and Tenant shall jointly file and prosecute a claim for an award, and the award and other payments on account of a Taking shall be paid to Landlord and Tenant jointly.

21.2. Total Taking. In case of a Taking (other than for temporary use) of the fee of the entire Property, this Lease shall terminate as of the date of such Taking. In case of a Taking (other than for temporary use) of (a) such perpetual easement of the entire Property, or (b) such a substantial part of the Property as shall result, in the good faith judgment of Tenant in the Property remaining after such Taking (even if Restoration were made) being unsuitable for the use contemplated in Section Tenant may, at its option, terminate this Lease by written notice to Landlord given within ten (10) days after such Taking, as of a date specified in such notice within thirty (30) days after such Taking. Any Taking of the Property of the character referred to in this Section 21.2, which results in the termination of this Lease, is referred to as a "Total Taking".

21.3. Partial Taking. In case of a Taking of the Property other than a Total Taking, (a) this Lease shall remain in full force and effect as to the portion of the Property remaining immediately after such Taking, without any abatement or reduction of Fixed Rent, Additional Rent or any other sum payable hereunder, and (b) Tenant, whether or not the awards or payments, if any, on account of such Taking shall be sufficient for the purpose, at its expense, will promptly commence and complete, subject to Unavoidable Delays, Restoration of the Property as nearly as possible to its value, condition and character immediately prior to such Taking, except for any reduction in area caused thereby, provided that, in case of a Taking for temporary use, Tenant shall not be required to effect Restoration until such Taking is terminated.

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21.4. Applications of Awards and Other Payments. Awards and other payments on account of a Taking (less costs, fees and expenses incurred by the Landlord, Tenant and any Mortgagee in the collection thereof) shall be applied as follows:

(a) Net awards and payments received on account of a Taking other than a Taking for temporary use or a Total Taking shall be held and applied to pay the cost of Restoration of the Property, such application to be made substantially as provided in the first sentence of paragraph (a) of Section 20.3, with respect to insurance proceeds. The balance, if any, shall be divided between Landlord and Tenant in the proportion of 20% to the Landlord and 80% to the Tenant.

(b) Net awards and payments received on account of a Taking for temporary use shall be held and applied, first, to the payment of Fixed Rent and Additional Rent becoming due hereunder and, second, to the payment of the monthly installments of combined interest and principal becoming due on the indebtedness secured by the Mortgage, if any, until such Taking for temporary use is terminated and Restoration, if any, has been completed, provided that, if any portion of any such award or payment is made by reason of any damage to or destruction of the Property, such portion shall be held and applied as provided in the first sentence of paragraph (a) of this Section 21.4. The balance, if any, of such awards and payments shall, unless Tenant is in default hereunder, be paid to Tenant.

(c) Net awards and payments received on account of a Total Taking shall be allocated as follows: 80% of the award shall be allocated to Tenant. Tenant's Mortgagee shall be paid out of Tenant's 80% share. In the event the unpaid principal balance of such Mortgagee exceeds Tenant's 80% share, then such excess shall be paid to the Mortgagee out of Landlord's 20% share,

with Landlord retaining the entire remainder, if any, of Landlord's share; provided, however, that if the Mortgage results from a refinancing by Tenant within six months of the Total Taking, Landlord shall be entitled to 20% of the net awards and payments received, with no portion thereof paid to Tenant's Mortgagee. In the event that Tenant's interest under this Lease is subject to any Mortgage, all amounts payable to Tenant, other than amounts payable for Restoration) pursuant to paragraphs (a) and (c) of this Section 21.4 shall be paid to Mortgagee to be applied by Mortgagee in accordance with the terms of the Mortgage.

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control* 21.5. Award if Tenant in Default. Notwithstanding the foregoing, if at the time of any Taking or at any time thereafter, Tenant shall be in default under this Lease and such default shall be continuing, Landlord is hereby authorized and empowered, in the name and on behalf of Tenant and otherwise, to file and prosecute Tenant's claim, if any, for any award on account of any Taking and to collect such award and apply the same, after deducting all costs, fees and expenses incident to the collection thereof, to the curing of such default and any other then existing default under this Lease.

Contingent 22. ASSIGNMENT OF SUBRENTS, ETC. Subject to the requirements of the Permanent Lender, Tenant hereby irrevocably assigns to Landlord all rents due or to become due from any assignee of Tenant's interest hereunder and any subtenant or any tenant or occupant of the Property or any part thereof, together with the right to collect and receive such rents, provided that, so long as Tenant is not in default under this Lease, Tenant shall have the right to collect such rents for its own use and purposes. Upon any default by Tenant under this Lease, Landlord shall have absolute title to such rents and the absolute right to collect the same. Landlord shall

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apply to the Fixed Rent and Additional Rent due under this Lease the net amount (after deducting all costs and expenses incident to the collection thereof and the operation and maintenance, including repairs, of the Property) of any rents so collected and received by it. Tenant will not demand or accept from any subtenant, tenant or occupant of the Property, or any part thereof, any payment, prepayment or advance payment in respect of more than one rental period under the applicable sublease and in no event shall Tenant demand or accept any payment, prepayment or advance payment for a period exceeding one month, except for security deposits not excluding three months' rent.

23. FOREBEARANCE, ETC., RIGHT TO PERFORM TENANT'S COVENANTS.

23.1. Notice. In the event that Tenant's interest under this Lease is subject to any Mortgage, Landlord will give to Mortgagee a copy of each notice or other communication to Tenant hereunder at the time of giving such notice or communication to Tenant, and Landlord will give to Mortgagee a copy of each notice of any rejection of this Lease by any trustee in bankruptcy of Tenant. Landlord will not exercise any right, power or remedy with respect to any default hereunder, and no notice to Tenant of any such default and no termination of this Lease in connection therewith shall be effective unless Landlord has given to Mortgagee written notice or a copy of its notice to Tenant of such default or any such termination, as the case may be.

23.2. Forebearance by Landlord. Landlord will not exercise any right, power or remedy with respect to any default hereunder if

(a) in the case of a default in the payment of rent or other sums due hereunder, or any other default then susceptible of being cured by Mortgagee, Mortgagee shall immediately pay such rent or other sum, or cure said default, or

(b) in the case of any other default, (i) Mortgagee, within ten days after the giving by Landlord of notice of such default, gives written notice to the Landlord of Mortgagee's intention to foreclose its Mortgage, (ii) Mortgagee, within ten days after the giving of such notice of default by Landlord, commences foreclosure or similar proceedings under the Mortgage for the purpose of acquiring Tenant's interest in this Lease and thereafter diligently prosecutes the same, and (iii) either Mortgagee or any other purchaser of Tenant's interest under this Lease, within a reasonable time after the acquisition of such interest, cures all defaults hereunder susceptible of being cured by Mortgagee or such purchaser, provided that after notice from Mortgagee under (i) above, Landlord may (but shall be under no obligation to) by notice to Mortgagee and Tenant, require Tenant to assign its interest in this Lease to Mortgagee or its nominee and upon receipt of such notice, Tenant will so assign its interest without expense to Landlord or Mortgagee; provided further, that Landlord shall in no event be required to forbear hereunder unless Mortgagee shall promptly pay all rent and other sums due hereunder in respect of which there exists a default,

23.3. Performance on Behalf of Tenant. In the event Tenant shall fail to make any payment or perform any act required hereunder to be made or performed by Tenant, then Landlord or Mortgagee may, but shall be under no obligation to, after such notice to Tenant, if any, as may be reasonable under the circumstances, make such payment or perform such act with the same effect as if made or performed by Tenant. Entry by Landlord or Mortgagee upon the Property for such purpose shall not waive or release Tenant from any obligation or default hereunder (except in the case of any obligation or default which shall have been fully performed or cured by Mortgagee). Tenant shall reimburse (with ten percent interest) Landlord and Mortgagee for all sums so paid by Landlord or Mortgagee and all costs and expenses incurred by Landlord and Mortgagee in connection with the performance of any such act.

23.4. New Lease. In case (a) Tenant's interest hereunder shall be sold, assigned (other than for security purposes) or otherwise transferred pursuant to the exercise of any right, power or remedy by Mortgagee or pursuant to judicial proceedings, and satisfactory provision for indemnification of Landlord against any adverse claims arising out of or with respect to this Lease shall have been made, (b) no Fixed Rent, Additional Rent or other sums payable hereunder shall then be due and payable to Landlord, (c) Mortgagee or any other purchaser of Tenant's interest hereunder shall have arranged for the correction of any default susceptible of being corrected by the Tenant under the new Lease referred to herein, and (d) this Lease shall not have been terminated pursuant to the terms hereof by reason of a default, then Landlord, within thirty days after receiving written request therefor and upon payment of all expenses, including, without limitation, attorneys' fees and expenses, incident thereto, will execute and deliver a new lease of the Property to Mortgagee or its nominee, purchaser, assignee or transferee, as the case may be, for the remainder of the Lease Term, and, except for charges or encumbrances caused or suffered by Tenant, with the same terms as are contained herein and with priority equal to that hereof. Upon the execution and delivery of such new lease, Landlord, at the expense of the new Tenant, shall take such steps as shall be necessary to cancel and discharge this Lease of record and remove Tenant from the Property and the new Tenant shall be deemed to be the Landlord under any Occupancy Leases.

24. ASSIGNMENT, SUBLEASING.

24.1. Except as hereinafter specifically provided with regard to Mortgages, neither this Lease nor the interest of Tenant in this Lease, nor the interest of Tenant in any sublease, license or concession shall be sold, mortgaged, encumbered, assigned, or otherwise transferred, whether by operation of law, or otherwise, nor shall any of the issued of ourstanding capital stock of any corporation owning this Lease be sold, assigned or transferred, if such sale, assignment or transfer will result in a change of the controlling stock ownership of such corporation as

held by the stockholders thereof on the date when such corporation as held by the stockholders thereof on the date when such corporation became the owner of this Lease pursuant to the terms hereof, nor shall the controlling beneficial interests in any Land Trust owning this Lease be transferred, nor shall Tenant sublet or sublease the Property as an entirety or substantially as an entirety without, in each case, the written consent of Landlord first had and received.

24.2. Provided at the time of making such assignment Tenant is not in default in the payment of Rental and there is no existing and unremedied default on the part of Tenant under any of the other agreements, terms, covenants and conditions of this Lease on the part of Tenant to be performed as to which Landlord shall have served notice upon Tenant, there shall be no consent of Landlord required to any sale, assignment or transfer of any stock of any corporation owning this Lease, or the beneficial interest in this Lease, and Tenant may, without Landlord's consent, assign this Lease, provided the following requirements are satisfied:

(a) Landlord shall receive written notice of any proposed assignment, sale or transfer and the effective date thereof.

(b) The assignee or transferee shall, in a recordable instrument duly executed and acknowledged, assume the performance of all the terms, covenants and conditions on the part of Tenant to be performed. Provided that in the event of a subsequent reassignment, the assignor shall be relieved from the duties and obligations of this assumption when the new or substituted assignee shall have duly assumed the performance hereof.

(c) Any such assignment of this Lease shall be in writing duly executed and acknowledged by Tenant in proper form for recording.

(d) Any such assignment shall include the then unexpired balance of the term of this Lease together with all renewal terms thereof and all rights or renewal thereunder, and said assignment shall specifically include the entire interest of the Tenant in the Property.

(e) A duplicate original of such assignment and a duplicate original of such assumption agreement shall be delivered to Landlord not more than three days after the execution and delivery thereof.

(f) Landlord shall, within a reasonable time after the execution and delivery of the assignment, be furnished with proof of recording of the assignment and assumption agreement.

See - (g) Tenant shall have fully complied with the provisions of Schedule B attached hereto.

24.3. It shall be a condition of any such sale, assignment, transfer or conveyance of Tenant's interest in this Lease that any such assignee agree to be subject to and bound by all of the covenants, provisions and conditions of this Lease. Tenant shall remain liable for the payment of all rents and the performance of all of the terms, covenants, provisions and conditions set forth in this Lease unless specifically released therefrom in writing by the Landlord.

24.4. No assignment of this Lease except upon compliance with all of the foregoing provisions of this Section 24 shall have any validity.

24.5. Any consent by Landlord under Section 24.1 above shall apply only to the specific transaction thereby authorized and shall not relieve Tenant from the requirement of obtaining the prior written consent of Landlord to any further sale or assignment of this Lease or transfer of stock or beneficial trust interests as aforementioned.

24.6. Tenant shall and does hereby indemnify and agree to hold Landlord harmless from any and all liabilities, claims and causes of action arising under any terms and conditions of every sublease, license or concession agreement.

24.7. The fact that a violation or breach of any of the terms, provisions or conditions of this Lease, results from or is caused by an act or omission by any subtenant, licensee or concessionaire shall not relieve Tenant or Tenant's obligation to cure the same. Tenant shall take all necessary steps to prevent any such violation or breach.

24.8. If all or any part of the Property be sublet or occupied by anyone other than Tenant, Landlord may, after default by Tenant, collect subrent from any and all subrents or occupants, and apply the net amount collected to the net annual rent reserved herein, but no such collection shall be, or be deemed to be, a waiver of any agreement, term, covenant or condition of this Lease or the acceptance by Landlord of any subtenant or occupant as Tenant, or a release of Tenant from performance by Tenant of its obligations under this Lease.

24.9. To secure the prompt and full payment by Tenant of the Rental in this Lease reserved and the faithful performance by Tenant of all the other terms and conditions herein contained on its part to be kept and performed, Tenant hereby assigns, transfers and sets over unto Landlord, subject to the conditions hereinafter set forth and subject to an assignment of rents by Tenant to a Mortgagee, all of Tenant's right, title and interest in and to all subleases that may hereafter be made and in and to all concession agreements hereafter made affecting any part of the Property as well as any and all rentals or other moneys due guests in the Property, or any part thereof, and hereby confers upon Landlord, its agent or representative, a right of entry in and sufficient possession of the Property to permit and insure the collection by Landlord of said rentals and other moneys, and further agrees that the exercise of said right of entry and qualified possession by Landlord shall not constitute an eviction of Tenant from the Property or any portion thereof, and that should any said right of entry and possession be denied Landlord, its agent or representative, by any person whomsoever, Landlord may, in the exercise of said right, use all requisite force to gain and enjoy the same without responsibility or liability to Tenant, its servants, employees, guests or invitees, or any person whomsoever, Tenant hereby agreeing in said contingency to hold Landlord safe and harmless from any claim of any character by any person arising out of or in anywise in connection with the entry by Landlord and taking possession of the Property; provided, however, that such assignment shall become operative and effective only in the event that this Lease and the term hereof shall be cancelled or terminated pursuant to the terms, covenants and conditions hereof; or in the event of repossession under dispossess warrant or other re-entry of repossession by Landlord, under the provisions hereof, or in the event Tenant is in default beyond the applicable grace period for the curing thereof, and then only as to such subleases and concession agreements that Landlord may elect to take over and assume.

24.10. Promptly upon Landlord's demand, Tenant to furnish Landlord with a photostatic copy of each sublease made for space in the Property.

25. MORTGAGING OF LEASE BY TENANT - SUBORDINATION.

25.1. Permanent Lender; Subordination.

(a) The parties understand and agree that the Tenant will use its best efforts to arrange for a permanent mortgage loan from an Institutional Investor (the "Permanent Lender") with respect to the Improvements and to secure such permanent mortgage loan and Tenant will give the Permanent Lender a security interest in the Tenant's interest in this Lease and in the Improvements. Such security interest will be evidenced by a Mortgage in favor of the Permanent Lender. The Landlord agrees to subordinate all of its right, title and interest in the Property, including its fee simple interest, and in the Improvements to the Mortgage of the Permanent Lender (and any mortgage of a construction lender) so that such Mortgage shall grant to the Permanent Lender (and the construction lender) a security interest in the Property and in the Improvements superior to that of the Landlord.

(b) The aforesaid subordination by the Landlord is expressly conditioned upon the following: (i) the agreement of the Permanent Lender to provide the Landlord with notice of defaults by the Tenant under the permanent Mortgage, or the Note or Notes secured thereby, or under any other agreement or security instrument executed in connection with such permanent financing and to give the Landlord at least ten (10) days in which to cure any such default; (ii) the mortgage loan shall be in a principal amount of not more than 100% of the cost of construction of the Improvements (including "hard" and "soft" costs, and any development fees not to exceed \$50,000.00) and shall provide for level amortization in equal monthly installments over not less than fifteen years and not more than thirtyfive years; and (iii) the mortgage loan shall be on such other terms and conditions as Landlord, in its sole discretion, may approve. In the event, within six months after the date hereof, Tenant obtains a commitment for a Permanent Loan which satisfies (i) and (ii) above, and Landlord does not approve such loan pursuant to (iii) above, then this Lease shall be terminated and Landlord shall promptly reimburse Tenant for bona fide out-of-pocket expenses incurred by Tenant in connection with the Improvements, construction and design thereof and Tenant's efforts to obtain the Permanent Loan and a construction loan not to exceed \$25,000 for architectural expenses, \$10,000 for financing efforts and \$5,000 of miscellaneous expenses. Tenant shall provide to Landlord reasonable supporting documentation relating to the incurring and payment of such expenses. Landlord agrees to

give the Permanent Lender notice of any default by the Tenant under this Lease and to give the Permanent Lender at least ten (10) days in which to cure the same.

25.2. Additional Financing. The Tenant agrees that, except for the loan from the Permanent Lender and a related construction loan described in Section 25.1 of this Lease, the Tenant will not undertake additional financing or refinancing of the Improvements except as follows: Landlord shall subordinate to the lender's Mortgage as provided in Section 25.1(a) upon any refinancing if (a) the provisions of Section 25.1(b)(i) are satisfied, and (b) the principal amount of such refinancing does not exceed 100% of the fair market value of the existing and proposed Improvements to be constructed with all or a part of the refinancing loan proceeds. "Fair market value" shall be determined by use of the appraisal procedure provided in Section 3.3, except that the subject of the appraisals shall be the fair market value of existing and, if applicable, proposed Improvements. Refinancing under this Section 25.2 may be accomplished by Tenant, subject to the provisions of Section 25.2, from time to time.

25.3. Except for the Mortgages referred to in Sections 25.1 and 25.2, no mortgage or assignment of mortgage, entire or partial, of this Lease and any renewal hereof, shall be binding upon Landlord in the enforcement of its rights and remedies in this Lease and in any renewals hereof and by law provided.

26. PERMITTED USE: NO UNLAWFUL OCCUPANCY.

26.1. Subject to the provisions of law, Tenant will use not less than 75% of the Improvements as and for an office building for physicians' and oral surgeons' offices; and no such physicians' offices shall offer primary services in the areas of radiology, laboratory, or physical therapy or respiratory therapy. The remaining 25% of the Improvements shall be used in like manner or, in the discretion of Tenant, for general office uses, none of which shall be offensive. The provisions of the first sentence of this Section 26 shall remain in effect only so long as Shallowford Community Hospital is licensed and operated primarily as a general hospital.

26.2. Tenant shall not use or occupy, nor permit or suffer, the Property or any part thereof to be used or occupied for any unlawful or illegal business, use or purpose, nor for any business, use or purpose deemed disreputable or extra hazardous, nor in such manner as to constitute a nuisance of any kind, nor for any purpose or in any way in violation of the certificate of occupancy or of any present or future governmental laws, ordinances, requirements, orders, directions, rules or regulations. Tenant shall immediately upon the discovery of any such unlawful, illegal, disreputable or extra hazardous use, take all necessary steps, legal and equitable, to compel the discontinuance of such use and to oust and remove any subtenants, occupants or other persons guilty of such unlawful, illegal, disreputable or extra hazardous use.

26.3. Tenant will not suffer any act to be done or any condition to exist on the Property or any portion thereof or any building or improvement now or hereafter erected thereon, or any article to be brought thereon, which may be dangerous, unless safeguarded as required by law, or which may, in law, constitute a nuisance, public or private, or which may make void or voidable any insurance then in force on the Property.

26.4. Tenant shall not suffer or permit the Property or any portion thereof to be used by the public as such, without restriction or in such manner as might reasonably tend to impair Landlord's title to the Property or any portion thereof, or in such manner as might reasonably make possible a claim or claims of adverse usage or adverse possession by the public, as such, or of implied dedication of the Property or any portion thereof.

27. EVENTS OF DEFAULT: TERMINATION. If any one or more of the following events ("Events of Default") shall occur:

(a) if Tenant shall fail to pay any Fixed Rent when and as the same becomes due and payable, and such failure shall continue for more than 30 days following written notice to Tenant; or

(b) if Tenant shall fail to pay any Additional Rent when and as the same becomes due and payable and such failure shall continue for more than 30 days following written notice to Tenant; or

(c) if Tenant shall fail to perform or comply with any other term hereof, such failure shall continue for more than 60 days after notice thereof from Landlord specifying such failure by tenant, and Tenant shall not, subject to Unavoidable delays, within such period commence with due diligence and dispatch the curing of such default, or, having so commenced, shall thereafter fail or neglect, for reasons other than Unavoidable Delays, to prosecute or complete with due diligence and dispatch, the curing of such default; or

(d) if Tenant shall default in the payment of any indebtedness for borrowed money secured by any lien on Tenant's interest in the Property (whether or not Tenant is personally liable for such indebtedness), or shall fail to perform or comply with any of the terms of such indebtedness, or of any instruments relating thereto, beyond any grace period provided with respect thereto, and such default shall not have been waived; or

(e) if Tenant shall make a general assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts as they become due or shall file a petition in bankruptcy, or shall be adjudicated a bankrupt or insolvent, or shall file a petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, or shall file an answer admitting or shall fail seasonably to contest the material allegations of a petition filed against it in any such proceeding, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of Tenant or any material part of its properties; or

(f) if, within sixty days after the commencement of any proceeding against Tenant seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such proceeding shall not have been dismissed, or if, within sixty days after the appointment without the consent

or acquiescence of Tenant, of any Trustee, receiver or liquidator of Tenant, or of any material part of its properties, such appointment shall not have been vacated; or

(g) if a final judgment for the payment of money shall be rendered against Tenant and, within sixty days after the entry thereof, such judgment shall not have been discharged or execution thereof stayed pending appeal, or if, within thirty days after the expiration of any such stay, such judgment shall not have been discharged;

then, and in any such event (regardless of the pendency of any proceeding which has or might have the effect of preventing Tenant from complying with the terms of this Lease), Landlord, at any time thereafter, may give a written termination notice to Tenant, and on the date specified in such notice this Lease shall terminate and the Lease Term shall expire and terminate by limitation, and all rights of Tenant under this Lease shall cease, unless before such date (i) all arrears of Fixed Rent, Additional Rent and all other sums payable by Tenant under this Lease (together with interest thereon at the rate of ten percent per annum) and all costs and expenses (including, without limitation, attorneys' fees and expenses) incurred by or on behalf of Landlord hereunder, shall have been paid by Tenant, and (ii) all other defaults at the time existing under this Lease shall have been fully remedied to the satisfaction of Landlord. Tenant shall reimburse Landlord for all costs and expenses incurred by or on behalf of Landlord (including, without limitation, attorneys' fees and expenses) occasioned by any default by Tenant under this Lease.

28. ENTRY BY LANDLORD. Landlord and its authorized representatives shall have the right to enter the Property at all reasonable times (a) for the purpose of inspecting the same or for the purpose of doing any work and to take all such action thereon as may be necessary or appropriate for any such purpose (but nothing contained in this Lease shall create or imply any duty on the part of Landlord to make any such inspection or do any such work), and (b) for the purpose of showing the Property to prospective purchasers or mortgagees, and at any time during a six-month period preceding the expiration of the Lease Term for the purpose of showing the same to prospective tenants, and within such six-month period so display on the Property advertisements for sale or letting if such advertisements do not interfere with the business then conducted on the Property. No such entry shall constitute an eviction of Tenant.

29. REPOSSESSION, ETC. If an Event of Default shall have occurred and be continuing, Landlord, whether or not the Lease Term shall have been terminated, may enter upon and repossess the Property or any part thereof by force, summary proceedings, ejectment or otherwise, and may remove Tenant and all other persons and any and all property therefrom. Landlord shall be under no liability for or by reason of any such entry, repossession or removal.

30. RELETTING. At any time or from time to time after the repossession of the Property or any part thereof, whether or not the Lease Term shall have been terminated, Landlord may (but shall be under no obligation to) relet the Property or any part thereof for the account of Tenant, in the name of Tenant or Landlord or otherwise, without notice to Tenant, for such term or terms (which may be greater or less than the period which would otherwise have constituted the balance of the Lease Term) and on such conditions (which may include concessions or free rent) and for such uses as Landlord, in its uncontrolled discretion, may determine, and may collect and receive the rents therefor. Landlord shall not be responsible or liable for any failure to relet the Property or any part thereof or for any failure to collect any rent due upon any such reletting.

31. SURVIVAL OF TENANT'S OBLIGATIONS: DAMAGES.

31.1. Termination of Lease not to Relieve Tenant of Obligations. No expiration or termination of the Lease Term by operation of law, or otherwise, and no repossession of the Property or any part thereof or otherwise, shall relieve Tenant of its liabilities and obligations hereunder, all of which shall survive such expiration, termination or repossession.

31.2. Current Damages. In the event of any such expiration, termination or repossession, Tenant will pay to Landlord all Fixed Rent, Additional Rent and other sums required to be paid by Tenant up to the time of such expiration, termination or repossession, and thereafter Tenant, until the end of what would have been the Lease Term, or the then current Renewal Term in the absence of such expiration, termination or repossession, and whether or not the Property or any part thereof shall have been relet, shall be liable to Landlord for, and shall pay to Landlord, as liquidated and agreed current damages for Tenant's default, (a) all Fixed Rent, Additional Rent and

other sums which would be payable under this Lease by Tenant in the absence of such expiration, termination or repossession, less (b) all net rents collected by Landlord from Occupancy Tenants plus the net proceeds, if any, of any reletting effected for the account of Tenant pursuant to Section 30, after deducting from such proceeds all Landlord's expenses in connection with such reletting (including, without limitation, all repossession costs, brokerage commissions, legal and accounting expenses, attorneys' fees and expenses, employees' expenses, promotional expenses, reasonable alteration costs, and expenses of preparation for such reletting). Tenant will pay such current damages monthly on the Rent Payment Dates applicable in the absence of such expiration, termination or repossession, and Landlord shall be entitled to recover the same from Tenant on each such Date.

31.3. Final Damages. At any time after any such expiration, termination or repossession, whether or not Landlord shall have collected any current damages as aforesaid, Landlord shall be entitled to recover from Tenant and Tenant will pay to Landlord on demand, as and for liquidated and agreed final damages for Tenant's default and in lieu of all current damages beyond the date of such demand, an amount equal to the excess, if any, of (a) all Fixed Rent, Additional Rent and other sums which would be payable under this Lease from the Date of such demand (or, if it be earlier, the date to which Tenant shall have satisfied in full its obligations under Section 31.2 to pay current damages) for what would be the then unexpired Lease Term or the current Renewal Term in the absence of such expiration, termination or repossession over (b) the then fair net rental value of the Property for the same period. Upon the payment of such final damages, this Lease if not already terminated shall be deemed terminated. If any statute or rule of law shall validly limit the amount of such liquidated final damages to less than the amount above agreed upon, Landlord shall be entitled to the maximum amount allowable under such statute or rule of law.

31.4. No Individual Liability. The provisions of this Lease to the contrary notwithstanding, Landlord covenants and agrees that neither Tenant nor any individual partner or shareholder of Tenant (if Tenant be a partnership or corporation) shall be liable in money damages to Landlord for any default by Tenant hereunder; and, upon Default, Landlord shall have recourse only against the Property, the Improvements, and the Lease rights of Tenant hereunder.

32. TENANT'S WAIVER OF STATUTORY RIGHTS. In the event of any termination of the Lease Term or any repossession of the Property, Tenant, so far as permitted by law, waives (a) any notice of re-entry or of the institution of legal proceedings to that end, (b) any right to redemption, re-entry, or repossession, (c) any right to a trial by jury in any proceeding or in any matter in any way connected with this Lease, and (d) the benefits of any laws now or hereafter in force exempting property from liability for rent or for debt.

33. NO WAIVER, ETC., BY LANDLORD OR TENANT. No failure by Landlord or Tenant to insist upon the strict performance of any term hereof or to exercise any right, power or remedy consequent upon a breach thereof, and no submission by Tenant or acceptance by Landlord of full or partial rent during the continuance of any such breach, shall constitute a waiver of any such breach or of any such term. No waiver of any breach shall affect or alter this Lease, which shall continue in full force and effect, or the respective rights of Landlord or Tenant with respect to any other then existing or subsequent breach. No foreclosure, sale or other proceeding under any Mortgage or any other mortgage with respect to the Property shall discharge or otherwise affect the obligations of Tenant hereunder.

34. LANDLORD'S REMEDIES, ETC., CUMULATIVE. Each right, power and remedy of Landlord provided for in this Lease or now or hereafter existing at law or in equity or by statute or otherwise shall be cumulative and concurrent and shall be in addition to every other right, power or remedy provided for in this Lease or now or hereafter existing at law or in equity or by statute or otherwise, and the exercise or beginning of the exercise by Landlord of any one or more of the rights, powers or remedies provided for in this Lease or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by Landlord of any or all such other rights, powers or remedies; provided, however, that this Section 34 shall not be construed to be in derogation of Section 31.4.

35. ACCEPTANCE OF SURRENDER. No modification, termination or surrender of this Lease or surrender of the Property or any part thereof or of any interest therein by Tenant shall be valid or effective unless agreed to and

accepted in writing by Landlord and Mortgagee, if any, and no act by any representative or agent of Landlord or any Mortgagee, other than such a written agreement and acceptance by Landlord and any Mortgagee, shall constitute an acceptance thereof.

36. NO MERGER OF TITLE. There shall be no merger of the leasehold estate created by this Lease with the fee estate in the Property by reason of the fact that the same person may own or hold (a) the leasehold estate created by this Lease or any interest in such leasehold estate, and (b) the fee estate in the Property or any interest in such fee estate; and no such merger shall occur unless and until all persons, including any Mortgagee, having any interest in (i) the leasehold estate created by this Lease, and (ii) the fee estate in the Property, shall join in a written instrument effecting such merger and shall duly record the same.

37. ESTOPPEL CERTIFICATE BY TENANT. Tenant will execute, acknowledge and deliver to Landlord, promptly upon request, a certificate certifying that (a) this Lease is unmodified and in full force and effect (or, if there have been modifications, that the Lease is in full force and effect, as modified, and stating the modifications), (b) the dates, if any, to which Fixed Rent, Additional Rent and other sums payable hereunder have been paid, and (c) no notice has been received by Tenant of any default which has not been cured, except as to defaults specified in said certificate. Any such certificate may be relied upon by any prospective purchaser or mortgagee of the Property or any part thereof.

38. ESTOPPEL CERTIFICATE BY LANDLORD. Landlord, within twenty days from receipt of written request from Tenant, will execute, acknowledge and deliver to Tenant or any Mortgagee, a certificate certifying (a) that this Lease is unmodified and in full force and effect (or, if there have been modifications, that this Lease is in full force and effect as modified, and stating the modifications), (b) that the dates, if any, to which Fixed Rent, Additional Rent and other sums payable hereunder have been paid, and (c) whether or not, to the knowledge of Landlord, there are then existing any defaults under this Lease (and if so, specifying the same). Any such certificate may be relied upon by any prospective transferee or mortgagee of Tenant's interest under this Lease. Failure and/or refusal by Landlord to deliver such certification within the above designated period shall be deemed to be a representation by Landlord that this Lease is unmodified and in full force and effect, and that Tenant is not in default under the terms and provisions of this Lease.

39. CONVEYANCE BY LANDLORD. In case the original or any successor Landlord shall convey or otherwise dispose of the Property, it shall thereupon be released from all liabilities and obligations of Landlord under this Lease (except those accruing prior to such conveyance or other disposition) and such liabilities and obligations shall be binding solely on the then owner of the Property; provided that Landlord shall convey Tenant's escrow deposits to any successor Landlord.

40. END OF LEASE TERM. Upon the expiration or other termination of the term of this Lease, Tenant shall quit and surrender to Landlord the Property in good order and condition, ordinary wear and tear excepted, and shall remove all Tenant's Equipment (other than Occupancy Tenants' Equipment) therefrom.

41. PROVISIONS SUBJECT TO APPLICABLE LAW. All rights, powers and remedies provided herein may be exercised only to the extent that the exercise thereof does not violate any applicable law, and are intended to be limited to the extent necessary so that they will not render this Lease invalid, unenforceable or not entitled to be recorded under any applicable law. If any term of this Lease shall be held to be invalid, illegal or unenforceable, the validity of the other terms of this Lease shall in no way be affected thereby.

42. LANDLORD'S CONSENTS. It is understood and agreed that the granting of any consent by Landlord to Tenant to perform any act of Tenant requiring Landlord's consent under the terms of this Lease, or the failure on the part of Landlord to object to any such action taken by Tenant without Landlord's consent, shall not be deemed a waiver by Landlord of its rights to require such consent for any further similar act by Tenant, and Tenant hereby expressly covenants and warrants that as to all matters requiring Landlord's consent under the terms of this Lease Tenant shall secure such consent for each and every happening of the event requiring such consent, and shall not claim any waiver on the part of Landlord of the requirements to secure such consent.

43. NO ORAL AGREEMENTS. This Lease contains all the promises, agreements, conditions, inducements and understandings between Landlord and Tenant relative to the Property and there are no promises, agreements, conditions, understandings, inducements, warranties or representations, oral or written, expressed or implied, between them other than as herein set forth.

44. ARBITRATION. In such cases where this Lease expressly provides for the settlement of a dispute or question by arbitration, and only in such cases, the same shall be determined by arbitration conducted in Atlanta, Georgia, in accordance with the rule then obtaining of the American Arbitration Association, and judgment upon the award rendered may be entered in any court having jurisdiction thereof. In the event the American Arbitration Association shall not be then in existence, the party desiring arbitration shall appoint a disinterested person as arbitrator on its behalf and give notice thereof to the other party who shall, within fifteen days thereafter, appoint a second disinterested person as arbitrator on its behalf and give written notice thereof to the first party. The arbitrators thus appointed shall appoint a third disinterested person, and such three(3) arbitrators shall, as promptly as possible, determine the matter which is the subject of the arbitration. The decision of the majority of the arbitrators shall be conclusive and binding on all parties and judgment upon the award may be entered in any court having jurisdiction. If a party who shall have the right pursuant to the foregoing, to appoint an arbitrator, fails or neglects to do so, then and in such event the other party (or if the two arbitrators appointed by the parties shall fail within fifteen days after the appointment of the second arbitrator to appoint a third arbitrator, then either party) may apply to any court of competent jurisdiction to appoint such arbitrator. The expenses of arbitration shall be shared equally by Landlord and Tenant but each party shall be responsible for the fees of its own counsel. Landlord and Tenant agree to sign all documents and to do all other things necessary to submit any such matter or arbitration and further agree to, and hereby do, waive any and all rights they or either of them may at any time have to revoke their agreement hereunder to submit to arbitration and to abide by the decision rendered thereunder.

45. MEMORANDUM. Upon execution of this Lease, Landlord and Tenant shall execute and record in the DeKalb County real property records a Memorandum of this Lease, option to purchase and right of first refusal.

46. CONSTRUCTION OF IMPROVEMENTS. Tenant agrees promptly after execution of this Lease to construct the Improvements described on Schedule C to this Lease. The general contractor, the amount of the construction contract, the plans and specifications, the design, quality of materials and workmanship, and the terms of any general contract shall be subject to the approval, in all respects of Landlord, which approval shall not be unreasonably withheld. In connection with the construction of the Improvements, Tenant shall obtain all zoning and planning approvals, building permits and other licenses, consents and approvals necessary to construct the Improvements. Any provision of this Lease to the contrary notwithstanding, if the Improvements described on Schedule C have not been commenced by June 1, 1978, and substantially completed by June 1, 1979 (in either instance subject to Unavoidable Delay as hereinafter described), then Landlord shall have the right, upon five (5) days' written notice to Tenant, to terminate and cancel this Lease, without other or further obligation of Landlord to Tenant hereunder.

47. DEFINITIONS. As used in this Lease, the following terms have the following respective meanings:

Additional Rent: As defined in Section 3.

Project: The Medical Office Building to be constructed on the Property in accordance with the plans and specifications approved by Landlord.

Basic Rent: As defined in Section 2.1.

Default: Any condition or event which constitutes or which, after notice or lapse of time or both, would constitute an Event of Default.

Event of Default: As defined in Section 27.

Fixed Rent: As defined in Section 2.1.

Lease Term: As defined in Section 1.

Impositions: All taxes, assessments (including, without limitation, all assessments for public improvements or benefits, whether or not commenced or completed prior to the date hereof and whether or not to be completed within the term hereof), ground rents, water, sewer or similar rents, rates and charges, excises, levies, license fees, permit fees, inspection fees and other authorization fees and other charges in each case, whether general or special, ordinary or extraordinary, foreseen or unforeseen, of every character (including all interest and penalties thereon), which at any time during or in respect of the term hereof may be assessed, levied, confirmed or imposed on or in respect of or be a lien upon (a) the Property or any part thereof or any rent therefrom or any estate, right or interest therein, or (b) any occupancy, use or possession of or activity conducted on the Property or any part thereof, other than any income or excess profits tax imposed upon the Landlord's general income or revenues, but excluding any income or excess profits or franchise taxes of Landlord determined on the basis of general income or revenue or any interest or penalties in respect thereof.

Improvements: The improvements on the Property as described in the plans and specifications for the Project prepared by Pope/Pettefer Architects as submitted to and approved by Landlord.

Institutional Investor: An insurance company, savings bank, commercial bank (acting as trustee or otherwise), savings and loan association chartered by the United States, or trust company.

Insurance Requirements: All terms of an insurance policy covering or applicable to the Property or any part thereof, all requirements of the issuer of any such policy, and all orders, rules, regulations and other requirements of the National Board of Fire Underwriters (or any other body exercising similar function applicable to or affecting the Property or any part thereof or any use or condition of the Property or any part thereof.

Lease: This Lease, as at the time amended, modified or supplemented.

Legal Requirements: All laws, statutes, codes, acts, ordinances, orders, judgments, decrees, injunctions, rules and regulations, permits, licenses, authorizations, directions and requirements of all governments, departments, commissions, boards, courts, authorities, agencies, officials and officers, foreseen or unforeseen, ordinary or extraordinary, which now or at any time hereafter may be applicable to the Property or any part thereof, or any of the adjoining sidewalks, curbs, vaults, and vault space, if any, streets or ways, or any use or condition of the Property or any part thereof.

Mortgage: A first mortgage of Tenant's interest under this Lease, if the Mortgagee thereunder is an Institutional Investor.

Mortgagee: An Institutional Investor which is the mortgagee under the Mortgage.

Occupancy Lease: Any lease of any space constituting part of the Improvements.

Occupancy Tenant: Any tenant under any Occupancy Lease.

Occupancy Tenants' Equipment: All Tenants' Equipment which under the terms of any Occupancy Lease or otherwise is the property of an Occupancy Tenant.

Permitted Exceptions: As defined in Schedule A.

Person: An individual, a corporation, an association, a partnership, a joint venture, an organization, or other business entity, or a governmental or political unit or agency.

Property: As defined in Section 1.

Rent Payment Date: As defined in Section 2.1.

Restoration: As defined in Section 20.2.

Taking: A taking during the term hereof of all or any part of the Property, or any leasehold or other interest therein or right accruing thereto, as the result or in lieu or in anticipation of the exercise of the right of condemnation or eminent domain, or a change of grade affecting the Property or any part thereof.

Tenant's Equipment: All fixtures, machinery, apparatus, furniture, furnishings and other equipment and all temporary or auxiliary structures installed by or at the request of Tenant or any Occupancy Tenant, if any, in or about the Property or any part thereof, which (a) are not used and are not procured for use, in whole or in part, in connection with the operation, maintenance or protection of the Property, and (b) are removable without damage to the Property.

Total Taking: As defined in Section 21.2.

Unavoidable Delays: Delays due to strikes, acts of God, governmental restrictions, enemy action, riot, civil commotion, fire, unavoidable casualty or other causes beyond the control of Tenant, provided that no delay shall be deemed an Unavoidable Delay if the Property or any part thereof or interest therein, the Basic Rent, Additional Rent or any other sums payable under the Lease would be in any danger of being sold, forfeited, lost or interfered with, or if Landlord, Tenant or any Occupancy Tenant would be in any danger of being sold, forfeited, lost or interfered with, or if Landlord, Tenant or any Occupancy Tenant would be in danger of incurring any civil or criminal liability for failure to perform the required act. Lack of funds shall not be deemed a cause beyond the control of Tenant.

48. NOTICES, ETC. All notices and other communications hereunder shall be in writing and shall be deemed to have been given when mailed by first class registered or certified mail, postage prepaid, or delivered addressed (a) if to Tenant, c/o Fine & Block, 100 Colony Sq. Suite 1905, Atlanta, Ga. 303 or at such other address as Tenant shall have furnished in writing to Landlord, or (b) if to Landlord, 577 Mulberry Street, Macon, Georgia 31201, Attention: Treasurer, or at such other address as Landlord shall have furnished in writing to Tenant.

49. MISCELLANEOUS. This Lease may be changed, waived, discharged or terminated only by an instrument in writing signed by the party against which enforcement of such change, waiver, discharge or termination is sought. This Lease shall be binding upon and inure to the benefit of and be enforceable by the respective successors and assigns of the parties hereto. The headings in this Lease are for purposes of reference only and shall not limit or define the meaning hereof. This Lease may be executed in any number of counterparts, each of which is an original, but all of which shall constitute one instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed and their respective seals to be hereunto affixed and attested by their respective officers thereunto duly authorized.

Witnesses:

Charter Medical Corporation

Maurice A. Lick
Peggy M. Carson
As to Landlord

By W. Woodward
As its Vice President
Landlord

[CORPORATE SEAL]

Attest:

H. Arthur Cifer
Assistant Secretary

Witnesses:

[Signature]
[Signature]
As to Tenant

Notary Public, Georgia, State at Large
My Commission Expires July 31, 1981

P & S ASSOCIATES,
a Georgia Limited Partnership

By: [Signature] General Partner
By: [Signature] Tenant General Part

SCHEDULE A

DESCRIPTION OF LAND

All that tract or parcel of land lying and being in Land Lot 344 of the 18th District of DeKalb County, Georgia, containing 2.84 acres, and being more particularly described as follows:

Beginning at a point on the southerly r/w of Pernoshal Court (60' r/w) 294.6 feet northeasterly from the intersection formed by the southeasterly r/w of Pernoshal Court (60' r/w) and the northeasterly r/w of North Shallowford Road (80' r/w) and running thence in an easterly direction along the southerly r/w of Pernoshal Court (60' r/w), and following the curvature thereof, a distance of 515.4 feet to a point; running thence S 26° 18' W a distance of 327.1 feet to a point; running thence N 87° 37' 30" a distance of 260.0 feet to a point; running thence S 63° 09' W a distance of 164.9 feet to a point on the northeasterly r/w of North Shallowford Road (80' r/w); running thence N 37° 56' W along the northeasterly r/w of North Shallowford Road (80' r/w) a distance of 20.0 feet to a point; running thence N 64° 55' E a distance of 52.7 feet to a point; running thence N 52° 03' 30" E a distance of 217.3 feet to a point; running thence N 06° 44' E a distance of 32.1 feet to a point; running thence N 37° 34' W a distance of 265.0 feet to the southerly r/w of Pernoshal Court (60' r/w) and the point of beginning.

Subject, however, to the following Permitted Exceptions:

- a. _____ Easement dated _____, 19____ recorded in _____ Book _____, page _____, Public Records of _____ County, _____.
- b. _____ Easement dated _____, 19____, recorded in _____ Book _____, page _____, Public Records of _____ County, _____.
- c. _____ dated _____, 19____, recorded in _____ Book _____, page _____, Public Records of _____ County, _____.

SCHEDULE A - PERMITTED EXCEPTIONS

- (1) Easement to Georgia Power Company dated August 5, 1943, recorded in Deed Book 588, page 165, DeKalb County Records, for general utility purposes.
- (2) Easement to DeKalb County, Georgia, dated February 20, 1969, recorded in Deed Book 2403, page 35, DeKalb County Records, for the North Shallowford Road Outfall Sewer.
- (3) Easement to Georgia Power Company dated August 5, 1943, recorded in Deed Book 588, page 165, DeKalb County Records.
- (4) Easement to Georgia Power Company dated December 8, 1964, recorded in Deed Book 1968, page 41, DeKalb County Records.
- (5) Easement to DeKalb County dated May 26, 1964, recorded in Deed Book 1885, page 298, DeKalb County Records, for the Vermack Road Outfall Sewer.
- (6) Easement on, over, across and through the Property for the maintenance, inspection, repair and replacement of those four light poles (and lights thereon) presently located along the western boundary line of the Property as shown on survey prepared for Charter Medical Corporation by Watts & Browning dated August 12, 1974, last revised August 26, 1977; together with an easement on, over, across, through and under the Property to use, maintain, inspect, repair and replace those certain two drainage pipes being approximately 18 inches and 36 inches in diameter, and presently located on the Property, said 18 inch pipe running from the western boundary of the Property in a northeasterly direction and being connected with said 36 inch pipe which continues in a southeasterly direction across the Property as shown on a topographical survey prepared for Hospital Investors, Inc. by Watts & Browning dated November 2, 1977, which surveys referred to above are incorporated herein by reference as if fully set forth herein.

SCHEDULE B

LANDLORD'S OPTIONS TO PURCHASE THE
PROPERTY (INCLUDING IMPROVEMENTS)
AND LANDLORD'S RIGHT OF FIRST REFUSAL

Landlord and Tenant agree as follows:

1. Landlord's Options to Purchase.

(a) Landlord shall have the option to purchase Tenant's entire interest in the Project, including the Improvements located on the Property described in Schedule A and Tenant's interest in the Lease, upon the occurrence of the following event: The Project is, at any time after eighteen (18) months from the date of the Lease, less than 75% occupied (on the basis of net rentable space) by physicians (none of whom offer primary services in radiology, laboratory or physical or respiratory therapy) and/or oral surgeons under leases having initial terms of not less than five years for a period of twelve (12) consecutive months.

(b) Landlord shall also have the option to purchase the interests described in (a) above at the end of the 25th year of the term of the Lease.

(c) Landlord shall have the right to exercise the option to purchase by giving Tenant sixty days' notice after the occurrence of the event described in (a) above, or, with respect to (b), notice sixty days before the end of the 25th year of the term of the Lease. Accompanying the written notice of the exercise of the option shall be the name of an MAI appraiser selected by Landlord. Tenant shall within ten days thereafter appoint a second MAI appraiser. Within ten days after the appointment of a second appraiser by Tenant, the two appraisers so selected and appointed shall select and appoint a third MAI appraiser. Each appraiser shall appraise the fair value of Tenant's right, title and interest in and to the Property and Improvements, and the purchase price shall be the greater of (a) the average of the three appraisals, or (b) \$100,000, but in no event less than the then unpaid principal balance of the Mortgage.

(d) Once exercised, the exercise of the option by Landlord shall be irrevocable, except that Landlord shall have the choice of revoking its exercise or continuing its exercise and receiving insurance proceeds should the Improvements be damaged or destroyed, whether such damages are insured against or otherwise,

during the period between the exercise of the option and the closing of the purchase.

(e) The purchase price shall be payable by Landlord by taking the Property subject to and Landlord assuming the Mortgage (if permitted by the terms thereof, otherwise payable in cash, plus an amount equal to any prepayment penalty thereunder), and payment to Tenant of cash in the amount of the excess, if any, of the purchase price over the outstanding principal balance of such mortgage.

(f) The purchase shall be closed at offices of Landlord's counsel in Atlanta on a date and time designated by Landlord, but within 70 days from the date of exercise of the option. Transfer of Tenant's rights, title and interest as described above will take place by Tenant's delivering to Landlord a general warranty deed, assignment of ground lease, bill of sale and all other documents reasonably necessary or desirable as determined by counsel to Landlord and Tenant, all of which shall be in recordable form and subject to the Permitted Exceptions, the Mortgage, and utility and sewer easements contemplated in this Lease. All title insurance charges, all escrow and closing charges, stamp and transfer and mortgage recording taxes shall be paid by Landlord at closing, except that Landlord shall not pay the fees and expenses of counsel to Tenant.

(g) After exercise of the option to purchase, Landlord shall not be obligated to close unless Tenant has and can convey good and marketable title to Tenant's entire interest in the Project, the Improvements and the Property, subject only to the Mortgage, Permitted Exceptions, and sewer and utility easements, as aforesaid.

2. Right of First Refusal.

If at any time during the Lease Term of any Renewal Term, Tenant receives a bona fide offer to purchase from Tenant all of Tenant's rights in and to the Property, the Project and the Improvements, Tenant shall, prior to accepting any such offer, give to Landlord prompt written notice of such offer (including the terms thereof), which notice shall state whether Tenant intends to accept such offer, in the event Landlord does not exercise its rights hereunder. Within 90 days after the giving of such notice, Tenant shall sell and convey to Landlord its entire interest in the Property, the Project and the Improvements on the purchase price and terms provided by such bona fide offer, if Landlord exercises his right of first refusal by giving written notice thereof to Tenant within 30 days after receipt of notice of an offer from Tenant. The procedure provided in this Section 2 shall be followed by Tenant with respect to each and

every bona fide offer to purchase received by Tenant. Tenant covenants and agrees that Tenant shall sell, convey or otherwise dispose of its interest in the Property, the Project and the Improvements to a party or parties other than Landlord only after complying with this Section 2.

The right of first refusal contained in the preceding paragraph shall not apply in case of a proposed transfer or sale of the interests therein described to an individual or entity who is or which is directly owned in a majority (51% or more) by active and admitting (including probationary) members of the medical staff of Shallowford Community Hospital, which members shall be either physicians or oral surgeons.

Upon any sale by Tenant of the interests described in the first paragraph of this item 2 of Schedule B, immediately upon the closing of such sale the new Tenant shall commence paying to Landlord throughout the remaining term of the Lease Additional Rent as provided in Section 3.3; but this paragraph shall not apply to a sale to an entity of the type described in the second paragraph of this item 2 of Schedule B. This paragraph shall apply to all sales of the interests described in the first paragraph of this item 2 whether by the original Tenant or any successor Tenant.

3. Specific Performance.

The parties agree that any failure by Tenant, for any reason whatsoever, to close a sale to Landlord as described in this Schedule B shall give Landlord the right to specific performance of Tenant's obligations under compulsion of equity since money damages could not sufficiently compensate for the injury to Landlord by such failure to perform.

FIRST AMENDMENT

This first Amendment ("Amendment") is entered into this 27 day of December, 1997, by and between Galen Hospitals of Texas, Inc., d/b/a Dunwoody Medical Center ("Landlord") as successor in interest to Charter Medical Corporation ("Charter") and P & S Associates ("Tenant").

WHEREAS, Charter and Tenant have entered into that certain Ground Lease dated November 15, 1977 ("Ground Lease"), which sets forth their respective rights, obligations and duties regarding the property more fully described in Schedule A to the Ground Lease.

WHEREAS, Landlord is the successor in interest to Charter for purposes of this Amendment and the Ground Lease; and,

WHEREAS, Landlord and Tenant desire to amend the terms of this Ground Lease.

NOW, THEREFORE, the Ground Lease is amended as follows:

1. Schedule B. The following paragraph should be added:

(h) Paragraph (a) - (g) notwithstanding, Landlord and Tenant agree that exercise of Landlord's option to purchase pursuant to this Schedule B shall be done subject to any leases between Tenant and any sub-tenant on the subject property in effect at the time the option is exercised.

Except as specifically amended herein, all terms and conditions of the Ground Lease shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment effective the day and year first written above.

WITNESS:

"LANDLORD"

Galen Hospital of Texas Inc.
DBA Dunwoody Medical Center
By: Thomas J. [Signature]

Title: CEO

WITNESS:

"TENANT"

P & S Associates

By: William E. Silver / [Signature]

Title: General Partner

Reviewed and Approved:

[Signature]
Senior Vice President

Approved As To Form:

[Signature]
Legal Counsel

1/8/97