

AFTER RECORDING PLEASE RETURN TO:

Carla F. Fenswick, Esq.
Waller Lansden Dortch & Davis, LLP
511 Union Street
Suite 2700
Nashville, TN 37219

ASSIGNMENT AND ASSUMPTION OF HOSPITAL LEASE

THIS ASSIGNMENT AND ASSUMPTION OF HOSPITAL LEASE (this “**Assignment**”) is entered into on October 31, 2017, to be effective at 12:01 a.m. on November 1, 2017 (the “**Effective Time**”), by and between Sebring Hospital Management Associates, LLC, a Florida limited liability company (“**Assignor**”), and Sebring Health Services, LLC, a Delaware limited liability company (“**Assignee**”). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed thereto in that certain Asset Purchase Agreement dated July 21, 2017, by and among Assignor, Assignee, and certain affiliates of Assignor and Assignee (the “**Agreement**”).

RECITALS

A. Pursuant to the Agreement, Assignor has agreed to sell to Assignee, and Assignee has agreed to purchase from Assignor, the Purchased Assets, including that certain First Amended and Restated Lease Agreement dated as of January 1, 1995, as amended by that certain Release of Lease dated March 8, 2007, that certain First Amendment to Lease Agreement dated as of September 23, 2011, that certain Second Amendment to Lease Agreement dated as of September 23, 2013, and that certain Third Amendment to Lease Agreement dated as of October 1, 2014 (collectively, the “**Hospital Lease**”), by and between the Highlands County Hospital District, as Lessor (“**Landlord**”), and Assignor, as Lessee, whereby Assignor leases from Landlord certain real property described on Exhibit A attached hereto and made a part hereof (the “**Land**”), the hospital facility located on the Land, which has a street address of 3600 South Highlands Avenue, Sebring, Florida and is known as Highlands Regional Medical Center and certain appurtenant and related interests as more particularly described in the Hospital Lease (collectively, the “**Leased Premises**”).

B. Pursuant to the Agreement, Assignor has agreed to transfer to Assignee, and Assignee has agreed to accept from Assignor, all of Assignor’s interest in the Hospital Lease, and Assignee has agreed to assume the future payment and performance of the Hospital Lease.

C. The parties hereto are entering this Assignment to satisfy a condition to the Closing of the Contemplated Transactions (as defined in the Agreement) in accordance with the Agreement.

NOW, THEREFORE, in consideration of the foregoing premises, the mutual covenants and other agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee hereby agree as follows:

1.Assignment. Assignor hereby sells, assigns, transfers and conveys unto Assignee and its successors and assigns all of Assignor's right, title and interests in, to and under the Hospital Lease as of the Effective Time.

2.Assumption. By execution hereof, Assignee accepts assignment of, agrees to and hereby does assume the future payment and performance of the Hospital Lease, including Assignor's obligations under the Hospital Lease that arise and are attributable to periods from and after the Effective Time, and agrees to be bound by all the terms, covenants and conditions of the Hospital Lease to be performed and observed under the Hospital Lease from and after the Effective Time. The parties agree and acknowledge that Assignor shall have no obligations or liabilities under the Hospital Lease in respect of matters accruing from and after the Effective Time and that Assignee shall have no obligations or liabilities under the Hospital Lease in respect of matters arising or accruing prior to the Effective Time.

3.Assignor's Warranties. This Assignment is made pursuant to the Agreement and is subject to the terms and conditions thereof. Assignor's representations and warranties set forth in the Agreement respecting the Hospital Lease are incorporated herein by reference and shall survive the execution and delivery of this Assignment for the period of time set forth in the Agreement. Nothing set forth herein is intended to expand, limit or otherwise modify the rights of the parties as set forth in the Agreement. In the event of any inconsistencies between the terms of this Assignment and the terms of the Agreement, the parties agree that the terms of the Agreement shall control.

4.Irrevocable Assignment. Assignor's assignment and Assignee's assumption pursuant to this Assignment are made for good and valuable consideration, the receipt and sufficiency of which are acknowledged, and are coupled with an interest; therefore, the assignment and assumption contained herein are irrevocable.

5.Remedies. Assignor's and Assignee's remedies with respect to any claim arising from a breach of this Assignment shall be as set forth in the Agreement.

6.Entire Agreement. This Assignment supersedes any and all prior agreements, either oral or written, between the parties with respect to the subject matter of this Assignment (including any term sheet or similar agreement or document relating to the transaction contemplated hereby) other than any such agreements included in the Agreement. This Assignment, together with the Agreement, constitutes the entire agreement between the parties with respect to the subject matter hereof.

7.Waiver. Any term or condition of this Assignment may be waived at any time by the party which is entitled to the benefit thereof. Any such waiver must be in writing and must be duly executed by such party. A waiver on one occasion shall not be deemed to be a waiver of the same or any other breach, provision or requirement on any other occasion.

8.Amendment. This Assignment may be modified or amended only by a written instrument duly executed by each of the parties hereto.

9.Multiple Counterparts; Recording. This Assignment may be executed in two or more counterparts, each and all of which shall be deemed an original and all of which together shall

constitute but one and the same instrument. The facsimile signature of any party to this Assignment or any agreement or certificate delivered in connection with the consummation of the Contemplated Transactions or a PDF copy of the signature of any party to this Assignment or any agreement or certificate delivered in connection with the consummation of the Contemplated Transactions delivered by electronic mail for purposes of execution or otherwise, is to be considered to have the same binding effect as the delivery of an original signature on an original contract. Notwithstanding the foregoing, however, Assignor and Assignee agree that this Assignment will be recorded in the Official Records of Highlands County, Florida. Therefore, Assignor and Assignee will each provide at least one original counterpart of this Assignment for recording.

10.No Third Party Beneficiary. The terms and provisions of this Assignment are intended solely for the benefit of the parties hereto and their respective permitted successors or assigns, and it is not the intention of the parties to confer third party beneficiary rights upon any other Person or entity.

11.Binding Effect. This Assignment shall be binding upon and will inure to the benefit of the parties and their respective permitted successors and assigns.

12.Governing Law. This Assignment shall be governed by and construed in accordance with the applicable Laws of the State of Florida without giving effect to any choice or conflicts of law provision or rule thereof that would result in the application of the applicable Laws of any other jurisdiction other than the applicable Laws of the United States of America, where applicable.

13.Construction. Wherever from the context it appears appropriate, each term stated in either the singular or the plural shall include the singular and the plural, and pronouns stated in the masculine, the feminine or the neuter gender shall include the masculine, feminine and neuter. No provision of this Assignment shall be interpreted for or against either party hereto on the basis that such party was the draftsman of such provision, each party having participated equally in the drafting hereof, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Assignment.

14.Headings. The headings used in this Assignment have been inserted for convenience and do not constitute provisions to be construed or interpreted in connection with this Assignment.

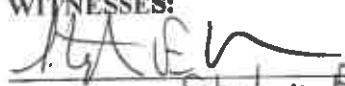
15.Severability; Invalid Provisions. If any provision of this Assignment is held to be illegal, invalid or unenforceable under any present or future Law and if the rights or obligations of Assignor or Assignee under this Assignment will not be materially and adversely affected thereby, (a) such provision will be fully severable; (b) this Assignment will be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof; (c) the remaining provisions of this Assignment will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance herefrom; and (d) in lieu of such illegal, invalid or unenforceable provision, there will be added automatically as a part of this Assignment a legal, valid and enforceable provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible.

16. Successors and Assigns. This Assignment and the terms and provisions hereof shall inure to the benefit of and shall be binding upon, the respective successors and assigns of Assignor and Assignee.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Assignment or caused this Assignment to be executed by their duly authorized representatives as of the Effective Time.

WITNESSES:


Printed Name: Stephen E. Berkley

Printed name: CHAD COTTINGHAM

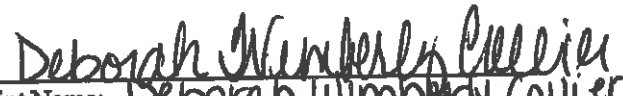
ASSIGNOR:

Sebring Hospital Management Associates, LLC,
a Florida limited liability company

By: 
Terry H. Hendon
Vice President

STATE OF TENNESSEE
COUNTY OF Williamson

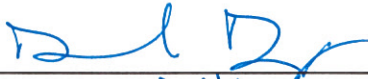
The Foregoing instrument was acknowledged before me this 25 day of October, 2017, by Terry H. Hendon, as Vice President of Sebring Hospital Management Associates, LLC, a Florida limited liability company, on behalf of said limited liability company. He is personally known to me or produced _____ as identification.


Print Name: Deborah Wimberly Collier
Notary Public
My Commission Expires: 8-15-17
Commission Number: _____



IN WITNESS WHEREOF, the parties hereto have executed this Assignment or caused this Assignment to be executed by their duly authorized representatives as of the Effective Time.

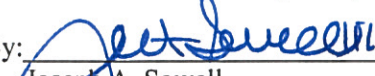
WITNESSES:


Printed Name: David Dize


Printed name: Janine Berryhill

ASSIGNEE:

Sebring Health Services, LLC,
a Delaware limited liability company

By: 
Joseph A. Sowell
Senior Vice President

STATE OF TENNESSEE
COUNTY OF DAVIDSON

The Foregoing instrument was acknowledged before me this 23rd day of October, 2017, by Joseph A. Sowell, as Senior Vice President of Sebring Health Services, LLC, a Delaware limited liability company, on behalf of said limited liability company. He is personally known to me or produced _____ as identification.



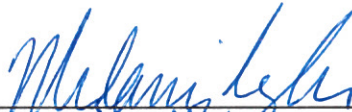

Print Name: Melanie Lyke
Notary Public
My Commission Expires: July 5, 2021
Commission Number: _____

Exhibit A

PARCEL 1:

ALL OF DAY DIVISION, ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK 2, PAGE 92, PUBLIC RECORDS OF HIGHLANDS COUNTY, FLORIDA, TOGETHER WITH THAT PORTION OF JAMES STREET SHOWN ON THE PLAT OF SAID DAY DIVISION HERETOFORE VACATED THAT TRAVERS THE ABOVE-DESCRIBED PREMISES, LESS AND EXCEPT THAT PART OF THE SW 1/4 OF THE NW 1/4 OF SECTION 4 TOWNSHIP 35 SOUTH, RANGE 29 EAST, DESCRIBED AS FOLLOWS: BEGIN AT THE SW CORNER OF THE SAID SW 1/4 OF THE NW 1/4 SECTION 4 AND RUN EAST ALONG THE SOUTH BOUNDARY THEREOF 322.56 FEET; THENCE NORTH 46°56' WEST A DISTANCE OF 437.01 FEET TO THE WEST BOUNDARY OF SAID SW 1/4 OF THE NW 1/4 OF SECTION 4; THENCE SOUTH ALONG THE SAID WEST BOUNDARY A DISTANCE OF 303.16 FEET TO THE POINT OF BEGINNING, AND LESS AND EXCEPT THE WEST 20 FEET OF THE SOUTH 1/2 OF LOT 1 AND THE WEST 20 FEET OF LOTS 2 THROUGH 12, INCLUSIVE, OF SAID DAY DIVISION.

SUBJECT TO EASEMENT FOR COUNTY ROAD PURPOSES OVER AND ACROSS THE FOLLOWING DESCRIBED PARCEL, TO-WIT: A STRIP OF LAND 56.65 FEET IN WIDTH, MORE PARTICULARLY DESCRIBED AS FOLLOWS: FOR THE POINT OF BEGINNING COMMENCE AT THE NORTHWEST CORNER OF THE SW 1/4 OF THE NW 1/4 OF SECTION 4, TOWNSHIP 35 SOUTH, RANGE 29 EAST; THENCE RUN EAST ALONG THE NORTH BOUNDARY OF SAID SW 1/4 OF SAID NW 1/4 A DISTANCE OF 471.08 FEET, MORE OR LESS, TO THE NORTHWEST CORNER OF THE NORTH TWO ACRES OF THE EAST SIX ACRES OF THE WEST ONE HALF OF THE SW 1/4 OF THE NW 1/4 OF SAID SECTION 4; THENCE RUN SOUTHERLY A DISTANCE OF 56.65 FEET; THENCE RUN WESTERLY ALONG A LINE PARALLEL TO THE NORTH BOUNDARY OF SAID SW 1/4 OF SAID NW 1/4 A DISTANCE OF 471.08 FEET; MORE OR LESS TO THE WEST LINE OF SAID SECTION 4; THENCE RUN NORTHERLY ALONG SAID WEST LINE OF SAID SECTION 4 A DISTANCE OF 56.65 FEET TO THE POINT OF BEGINNING.

PARCEL 2:

PARCELS 1, 2, 3, 4, 10 AND 11 OF W. E. TAUBERT UNRECORDED SUBDIVISION, RECORDED IN O. R. BOOK 356, PAGE 233, PUBLIC RECORDS OF HIGHLANDS COUNTY, FLORIDA, LYING IN SECTION 4, TOWNSHIP 35 SOUTH, RANGE 29 EAST, HIGHLANDS COUNTY, FLORIDA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE SE CORNER OF THE WEST 1/2 OF THE SW 1/4 OF THE NW 1/4 OF SAID SECTION 4 AND RUN NORTH FOR A DISTANCE OF 879.10 FEET; THENCE RUN SOUTH 88°33'00" WEST FOR A DISTANCE OF 86.50 FEET FOR POINT OF BEGINNING; THENCE CONTINUE SOUTH 88°33'00" WEST FOR A DISTANCE OF 111.08 FEET; THENCE SOUTH 0°01'34" WEST A DISTANCE OF 365.20 FEET; THENCE NORTH

88°33'00" EAST A DISTANCE OF 111.24 FEET; THENCE NORTH A DISTANCE OF 365.20 FEET TO P.O.B.,

AND

BEGIN AT THE SE CORNER OF THE WEST 1/2 OF THE SW 1/4 OF THE NW 1/4 OF SAID SECTION 4, AND RUN NORTH FOR A DISTANCE OF 514.24 FEET FOR A POINT OF BEGINNING, THENCE CONTINUE NORTH A DISTANCE OF 243.35 FEET; THENCE SOUTH 88°33'00" WEST A DISTANCE OF 86.50 FEET; THENCE SOUTH A DISTANCE OF 243.24 FEET; THENCE NORTH 88°33'00" EAST A DISTANCE OF 86.50 FEET TO P.O.B.

THE NORTH 1/4 OF THE NORTH TWO (2) ACRES OF THE EAST SIX (6) ACRES OF THE WEST 1/2 OF THE SW 1/4 OF THE NW 1/4 OF SECTION 4, TOWNSHIP 35 SOUTH RANGE 29 EAST.

PARCEL 3:

THE NORTH 1/4 OF THE NORTH (2) ACRES OF THE EAST SIX (6) ACRES OF THE WEST ONE-HALF (W 1/2) OF THE SOUTHWEST ONE-QUARTER (SW 1/4) OF THE NORTHWEST ONE-QUARTER (NW 1/4) IN SECTION 4, TOWNSHIP 35 SOUTH, RANGE 29 EAST, HIGHLANDS COUNTY, FLORIDA.

LESS AND EXCEPT that portion of the above-described property as set forth in that certain Release of Lease recorded in Official Records Book 4060, page 1428, of the Public Records of Highlands County, Florida, more particularly described as follows:

Tract 1: Commencing at the intersection of the east right-of-way of Highlands Avenue (formerly State Road 17-A) with the northeasterly right-of-way of U.S. 27, and the Point of Beginning; thence N 00° 51' 24" W along said Highlands Avenue east right-of-way, also being the basis of bearings for the proposed Sebring Parkway, a distance of 1002.08'; thence N 87° 27' 06" E, a distance of 66.01' to a point of cusp being the point of curve of a curve concave to the southeast, having the following elements; a radius of 35.00', a delta of 88° 18' 30", along an arc length of 53.94' to the point of tangency; thence S 00° 51' 24" E, a distance of 214.92' to a point; thence S 89° 08' 36" W, a distance of 7.00' to a point; thence S 00° 51' 24" E, a distance of 776.99' to a point at the northeasterly right-of-way of U.S. 27; thence N 48° 24' 24" W along said northeasterly right-of-way of U.S. 27, a distance of 33.90' to the Point of Beginning, containing 27,332 square feet, or 0.63 acres.

Tract 2: Commencing at the intersection of the east right-of-way of Highlands Avenue (formerly State Road 17-A) with the northeasterly right-of-way of U.S. 27; thence S 48° 24' 24" W, 33.90' along said northeasterly right-of-way of U.S. 27 to a point at the proposed east right-of-way of the Sebring Parkway and the northeasterly right-of-way of U.S. 27; thence N 00° 51' 24" W, a distance of 103.88' along said proposed east right-of-way of the Sebring Parkway, also being the basis of bearings, to the Point of Beginning of a proposed drainage easement; thence N 89° 08' 36" E, a distance of 407.25'; thence N 00° 56' 41" W, a distance of 180.46' to a point, thence N 87° 27' 27" E, a distance of 197.92' to a point; thence N 00° 59' 48" W, a distance of 25.01' to a

point; thence S 87° 27' 27" W, a distance of 222.91' to a point; thence S 00° 56' 41" E, a distance of 179.73' to a point; thence S 89° 08' 36" W, a distance of 382.21' to a point at the proposed east right-of-way of the Sebring Parkway; thence S 00° 51' 24" E, a distance of 25.00' along said proposed east right-of-way of the Sebring Parkway, to the Point of Beginning, containing 19,631.02 square feet, or 0.451 acres.

GUARANTY

THIS GUARANTY is made and given effective 1 November 2017 by GALEN HOLDCO, LLC, a Delaware limited liability company ("**Guarantor**") in favor of Highlands County Hospital District ("**Lessor**") upon the following terms, conditions and considerations.

1. **Hospital Lease.** This guaranty applies to that certain First Amended and Restated Lease Agreement dated as of January 1, 1995, a First Amendment to Lease Agreement dated as of September 23, 2011, a Second Amendment to Lease Agreement dated as of September 23, 2013 and a Third Amendment to Lease Agreement dated as of October 1, 2014 (collectively, the "**Lease**") all pertaining to the Highlands Regional Medical Center, Sebring, Florida.
2. **Assignment.** The Hospital Lease is being assigned to Sebring Health Services, LLC ("**Lessee**").
3. **Inducement.** This Guaranty is made and given to induce the Lessor to consent to the Assignment of the Lease to Lessee.
4. **Consideration for this Guaranty.** Consideration for this Guaranty is the Consent to Assignment of the Lease given by Lessor, and other good and valuable consideration, the sufficiency of which will no longer be questioned.
5. **Guaranty.** Galen Holdco, LLC as Guarantor hereby guarantees to the Highlands County Hospital District, as Lessor, and its successors and assigns the payment of all rent and the performance of all of the terms, covenants and conditions of the Lease by Lessee. Guarantor also consents to any extensions of time or changes in the manner of payment or performance of any of the terms, covenants and conditions of the Lease, consents to any assignments or subletting of the Lease by Lessor, and consents to any modifications of the Lease, all without notice to the Guarantor.

A signature transmitted by electronic mail or facsimile will be considered an original.

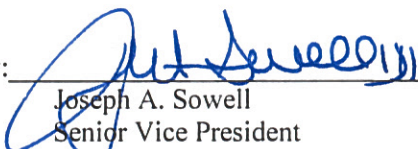
Signed and delivered in the
presence of:



Printed Name: David Diaz


Printed Name: Janine Berryhill

GALEN HOLDCO, LLC, a Delaware
limited liability company

By: 
Joseph A. Sowell
Senior Vice President
Date: October ____, 2017

APPLICATION FOR CONSENT TO ASSIGNMENT OF HOSPITAL LEASE (Highlands Regional Medical Center)

Sebring Hospital Management Associates, LLC, a Florida limited liability company ("**Lessee**") and Sebring Health Services, LLC, a Delaware limited liability company ("**Buyer**"), request that the HIGHLANDS COUNTY HOSPITAL DISTRICT, a dependent special district, under Chapter 2004-458, Laws of Florida (2004), acting through its Board of Commissioners ("**Lessor**"), consent to the assignment of that certain First Amended and Restated Lease Agreement dated January 1, 1995 (the "**Original Lease**"), amended by that certain First Amendment to Lease Agreement, dated September 23, 2011 (the "**First Amendment**"), by that certain Second Amendment to Lease Agreement, dated September 23, 2013 (the "**Second Amendment**"), that certain Third Amendment to Lease Agreement dated October 1, 2014 (the "**Third Amendment**"), and the Release of Lease dated March 8, 2007, (the "**Release**"), (the Original Lease, First Amendment, Second Amendment, Third Amendment and Release are referred to collectively herein as the "**Hospital Lease**") to the Buyer. The Hospital Lease pertains to the occupancy and use of certain real property and other assets (the "**Premises**"), including but not limited to the hospital operated as Highlands Regional Medical Center (the "**Hospital**"). The Hospital has a street address of 3600 South Highlands Avenue, Sebring, Florida 33870.

Lessee and Buyer, with full knowledge that Lessor is relying upon the truth, accuracy and completeness of the statements made by Lessee and Buyer herein, hereby certify, represent and warrant to Lessor that:

1. Lessee has entered into an Asset Purchase Agreement pursuant to which Lessee and its affiliates will sell to Buyer, the Hospital Lease. It is currently anticipated that the effective date of this transaction will be on or about November 1, 2017 (the "Closing"). In connection with and subject to the Closing, Lessee will assign all of its rights and interests under the Hospital Lease to Buyer, as assignee, and Buyer will assume all of the rights and obligations of Lessee under the Lease arising after the date of the assignment.

2. Lessee represents that a true and correct copy of the Hospital Lease and all exhibits, amendments, renewals and extensions thereto, is attached hereto as **Exhibit "A"** and made a part hereof. Except as set forth in **Exhibit "A"**, the Hospital Lease has not been modified, changed, altered, supplemented or amended in any way, nor have any provisions been altered.

3. The Hospital Lease is valid and is in full force and effect, constitutes the entire agreement between Lessor and Lessee with respect to the Premises, and there are no other agreements between Lessor and Lessee, either oral or written, with respect to the Premises.

4. The current term of the Hospital Lease began January 1, 1995 (the "Commencement Date") and the expiration date of such term is July 31, 2027. Lessee has no options to renew or extend the term of the Lease.

5. Lessee has paid to Lessor the entire "Extension Term Prepaid Rent" as defined in Section 4 of the Third Amendment. All payments of Basic Rent to the Hospital Lease through and including the date hereof have been paid in full. The current Basic Rent payable under the Hospital

Lease is ²⁰¹⁸ \$320,000.00 per Lease Year, which has been paid through July 31, ~~2017~~. Lessee's obligation under Section 2 of the Second Amendment to make the quarterly payments and applicable sales tax payments described therein has expired.

6. Lessor is holding a security deposit in the amount of \$0.00 on behalf of Lessee, and as of the date hereof, no portion of such security deposit has been applied toward Lessee's obligations under the Lease.

7. No notice of termination has been given by Lessor or Lessee with respect to the Hospital Lease.

Buyer with full knowledge that Lessor is relying upon the truth, accuracy and completeness of the statements made by Buyer hereby certifies, represents and warrants to Lessor that:

1. Simultaneously with the assignment of the Hospital Lease by Lessee and the assumption of the Hospital Lease by the Buyer, Galen Holdco, LLC, a Delaware limited liability company ("Galen"), shall guaranty the performance by the Buyer of all terms of the Hospital Lease and the payment by the Buyer of all sums required under the Hospital Lease to the Hospital District.

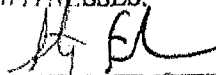
2. Buyer represents and warrants that as of the date of this document, Galen has approximately 19 billion USD of total assets, 11 billion USD of revenue, and 1 billion USD of net income and does not have any debt.

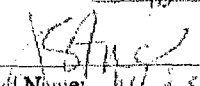
Lessee and Buyer each represent with respect to the undersigned individual that executes this instrument on behalf of each of the respective parties that each such undersigned individual is duly authorized to execute this **Application for Consent to Assignment of Hospital Lease** on behalf of Lessee, or Buyer, as applicable.

[Signatures begin on the following page]

IN WITNESS WHEREOF, Lessee has executed this Application for Consent to Assignment of Hospital Lease on this 10th day of October, 2017.

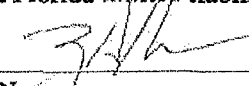
WITNESSES:


Printed Name: Stephen E. Berkley


Printed Name: Julie Simpson

LESSEE:

Sebring Hospital Management Associates,
LLC, a Florida limited liability company,

By: 
Printed Name: Terry H. Hendon
Title: Vice President

IN WITNESS WHEREOF, Buyer has executed this Application for Consent to Assignment of Hospital Lease on this 10th day of October, 2017.

WITNESSES:

Melanie Lyke
Printed Name: Melanie Lyke

David Diaz
Printed Name: David Diaz

BUYER:

Sebring Health Services, LLC, a Delaware limited liability company.

By: Gregg Gherken
Printed Name: Gregg Gherken
Title: Vice President

EXHIBIT A

Lease

[Attach copy of the Lease and all modifications, amendments, renewals and extensions.]

**FIRST AMENDED AND RESTATED
LEASE AGREEMENT**

THIS FIRST AMENDED AND RESTATED LEASE AGREEMENT, made and entered into as of this 1st day of January, 1995, by and between:

THE BOARD OF COMMISSIONERS OF THE HIGHLANDS COUNTY HOSPITAL DISTRICT, A CORPORATE BODY POLITIC CREATED UNDER CHAPTER 62-2232, LAWS OF FLORIDA, HEREINAFTER REFERRED TO AS LESSOR

AND

SEBRING HOSPITAL MANAGEMENT ASSOCIATES, INC., A FLORIDA CORPORATION, HEREINAFTER REFERRED TO AS LESSEE

WHEREAS, the Lessor and Lessee are parties to that certain 20-year Lease Agreement dated as of January 24, 1985 (the "Lease Agreement"), governing Highlands Regional Medical Center, Sebring, Florida; and

WHEREAS, the parties are desirous of redefining their respective rights and obligations under the above Lease Agreement; and

WHEREAS, in exchange for a 20-year extension of the lease term set out in this above Lease Agreement (or an extension until July 31, 2025), Lessee would be willing to commence payment immediately of an annual rental amount; and

WHEREAS, the parties further desire to set aside and waive Lessor's obligations regarding Prepaid Rent upon early termination of the Lease Term; and

WHEREAS, both parties acknowledge and affirm that each has totally, completely and satisfactorily complied with all of their respective duties and obligations under the Lease Agreement.

NOW, THEREFORE, in consideration for the Rent herein and other premises herein, the parties hereby agree as follows:

ARTICLE 1 DEFINITIONS

The following are definitions in addition to those made elsewhere in this First Amended and Restated Lease Agreement.

1.1 "Extended Lease" shall refer to this document.

1.2 "Lease Agreement" shall refer to the original Lease between the parties dated January 24, 1985 and all amendments thereto.

1.3 "Lease Extension Date" shall be January 1, 1995.

1.4 "Extended Lease Term" shall mean a period commencing upon the execution of this Lease and ending at Midnight on July 31, 2025.

1.5 "Lease Year" shall mean a twelve month period commencing on August 1 of any year and subsequent anniversaries thereof.

1.6 "Permitted Premises Use" shall mean the operation of the business of an acute care hospital and other licensed health related activities.

1.7 "Premises" shall refer to the real property more particularly described on Exhibit A attached hereto and made a part hereof as though set forth herein, together with the improvements thereon, including parking areas, access roads and driveways, and the furniture, furnishings, fixtures, and equipment contained therein or used in connection therewith or with the operation of the Hospital and all other governmental licenses, permits and authorizations required to operate the Hospital and all rights, privileges, and easements appurtenant thereto.

1.8 "Improvements" shall mean all buildings, structures, fixtures, landscapings, utility lines, roads, driveways, fences, parking areas, contiguous and adjacent and entry rights, and all other improvements to the Premises owned by Lessor and located in and upon the Premises.

1.9 "Hospital" shall refer to the Highlands Regional Medical Center, Sebring, Florida.

1.10 "Lessee's Personal Property" shall refer to property kept or maintained on the Premises to which Lessee has legal and/or equitable title.

1.11 "Termination" shall mean the surrender of possession of the premises to Lessor and vacating of same by Lessee at any time prior to the expiration of the Extended Lease Term for any reason.

ARTICLE 2 EXECUTION OF LEASE

Lessor hereby demises, rents and lets to Lessee and Lessee hereby leases, rents and hires from Lessor all of the Lessor's right, title and interest in and to the Premises upon the terms and conditions herein contained. This Extended Lease is subject to all valid easements and restrictions of record that do not prohibit Lessee's occupancy and use of the Premises as herein provided.

ARTICLE 3 USE AND CONTROL OF PREMISES

3.1 Hospital Services and Related Activities.

Lessee shall use the premises only for Permitted Premises Use, as defined in Article 1.6 herein. During the Extended Lease Term, Lessee shall operate a 126 bed acute care hospital and related activities on the Premises in conformity with Lessor's enabling act requirements to provide care to its District and in connection therewith shall have the exclusive right to use and control the entire Hospital operations, including, but not limited to, administration, services, finances, medical and non-medical staffing, equipment, inventory, furnishings, supplies, renovation, and addition to or expansion of the Premises. Lessee shall comply with all laws and governmental regulations applicable to the operation and maintenance of the Premises. The Premises shall not be used for any illegal or unlawful purposes or for any purpose that is not a Permitted Premises Use.

3.2 Financial Statements and Reports.

Lessee shall furnish to the Lessor, as soon as practicable after the close of the fiscal year, an annual balance sheet and related statement showing the results of the operations of the Hospital during the fiscal year, certified by a public accounting firm.

ARTICLE 4 LEASE TERM

The Extended Lease Term shall commence upon the execution of this Extended Lease and shall continue through July 31, 2025.

ARTICLE 5 RENT

5.1 Basic Rent.

Commencing on January 1, 1995 and continuing through the Extended Lease Term, Lessee agrees to and shall pay Lessor as rent for the Premises, \$320,000 per Lease Year. For the portion of the Lease Year from January 1, 1995 through July 31, 1995, Lessee shall pay Lessor prorated rent in the amount of \$186,667. Payment of all rental payments shall be made pursuant to prior written instructions of Lessor. In addition to the herein stated Basic Rent and Other Obligations, the Lessee shall remit to the Lessor with the Basic Rent any applicable sales tax.

5.2 Other Obligations.

Any other obligation of Lessee which under the terms of this Extended Lease requires the payment of money to Lessor shall be construed as a rental obligation.

ARTICLE 6 INSURANCE

6.1 General Provisions.

Where permitted by the issuing insurance carrier, Lessor shall be named as an additional insured in the policies of insurance required by this Extended Lease to be acquired and maintained by Lessee, and no such policy shall be canceled or reduced in scope of coverage or amount of coverage without twenty (20) days written notice to Lessor. Certificates of Insurance evidencing the policies required herein shall be delivered by the Lessee to the Lessor.

6.2 Property Insurance.

During the Extended Lease Term, Lessee shall keep the Premises continuously insured for property damage, including windstorm and flood in an amount not less than actual replacement cost for a licensed 126 bed acute care hospital without deduction for physical depreciation.

6.3 Liability Insurance.

During the Extended Lease Term, Lessee shall maintain the following insurance coverage:

- (a) Comprehensive general liability insurance having limits of not less than \$1,000,000 for each occurrence for personal injury (including bodily injury and death),
- (b) Professional liability coverage having limits of not less than \$1,000,000 per claim and \$3,000,000 annual aggregate,
- (c) Liability insurance covering damage to property not belonging to Lessor with limits of not less than \$500,000,
- (d) Owned and non-owned motor vehicle liability insurance having limits of not less than \$500,000 for injury to persons or property arising out of the ownership, maintenance, use or occupancy of such motor vehicles,
- (e) Appropriate workers compensation coverage with Employer's liability coverage of at least \$1,000,000, and
- (f) Umbrella coverage on all liability insurance of \$5,000,000.

6.4 Compliance by Lessee.

It is agreed that Lessee shall be in compliance with the terms of this Article so long as the total limits of insurance herein required are provided, regardless of the allocation of such

limits among underlying or excess policies. Lessee shall also be deemed in compliance with this Article 6 should it, in its discretion, choose to self-insure all or any portion of the above risks so long as it complies with all aspects of Florida Law regarding such self-insurance.

6.5 Remedy for Noncompliance.

If Lessee shall fail to obtain and pay the premiums for any insurance policies providing the coverages specified in this Article, then Lessor may (but shall not be obligated to) obtain same and pay the premiums therefore, and the amount paid by Lessor shall be construed as additional rent which shall be immediately due and payable. In the alternative, Lessor may give notice of breach pursuant to Article 16.1.

6.6 Business Interruption Insurance.

It is understood that the Lessee may maintain business interruption insurance for its protection and any proceeds payable under any such policy shall be the sole property of the Lessee.

ARTICLE 7 FIRE AND CASUALTY DAMAGE

7.1 Notice of Damage.

If any part or all of the Premises should be damaged or destroyed by fire, storm or other casualty and the amount of damage exceeds the amount of dollars stated to be applicable in the standard "deductible clause" of the property insurance policy, Lessee shall give written notice thereof to Lessor within ten (10) days of the date the damage occurred.

7.2 Substantial Destruction

If the hospital building, which is part of the Premises, is substantially destroyed during the Extended Lease Term (subject to Lessor's rights to decline to rebuild in the last ten (10) years as set out below in this paragraph), by fire, storm or other casualty, to the extent the Premises cannot reasonably be used for an acute care Hospital, then Lessee shall rebuild the Hospital building and any other damaged portions of the Premises so that the Premises can be used to furnish substantially the same services as were furnished on the Premises prior to the substantial destruction. If after the first twenty (20) years the Premises are substantially destroyed and Lessor elects not to rebuild, then insurance proceeds shall be first used to demolish and clear the hospital site; and then the remaining insurance proceeds shall then be divided among Lessor and Lessee as their respective interests may appear giving full equitable value to Lessor's remainder interests in the Premises and Lessee's remaining period under the Extended Lease. Lessee shall have management responsibility for the demolition and clearing of the Hospital site.

7.3 Partial Destruction.

If the hospital building or other improvements are damaged by fire, storm or other casualty to the extent that a portion of, but not substantially all of, the Premises cannot be used for the purpose for which such portion was used prior to the casualty, the Lessee shall restore the Premises to the condition they were in prior to the casualty. In such event, Lessor shall make available or shall pay and deliver to Lessee any insurance proceeds paid to Lessor because of the casualty loss resulting in the partial destruction.

7.4 Joint Account for Insurance Proceeds. All insurance proceeds received for events described in Articles 7.2 and 7.3 shall be immediately deposited in a joint account in a mutually acceptable Florida qualified public depository and drawn upon pursuant to reconstruction of the Premises.

7.5 Obligations of Lessor.

Nothing in this Article shall be construed to obligate Lessor to expend funds beyond those received as insurance proceeds.

7.6 Extension of Extended Lease Term.

The Extended Lease Term shall be automatically extended for a period equal to the number of days during which the ordinary and usual operation of the Hospital is prevented by reason of the partial destruction of the Premises. In the event of substantial destruction of the Hospital building and the subsequent reconstruction of the Hospital under Paragraph 7.2, this Extended Lease shall be automatically extended for five (5) Lease Years. Any lease extension arising under the provisions of this Article shall be upon the same terms and conditions as are set forth in this Lease.

ARTICLE 8 UTILITIES

Lessee shall pay all charges for water, electricity, gas, sewer, telephone and all other utilities, which shall be used in or on, or are properly charged against the Premises during the term of this Extended Lease. Lessee shall not be in breach of this Extended Lease for failure to pay any charge reasonably contested so long as Lessee indemnifies Lessor against such charge.

ARTICLE 9 CARE OF PREMISES, ALTERATIONS, ADDITIONS, MAJOR CAPITAL IMPROVEMENTS

9.1 Care of Premises.

Lessee, at Lessee's expense, shall keep and maintain the Premises and Improvements, in good order and repair. Lessee shall do all things which from the character and use of the Premises would be reasonably necessary for proper Maintenance, repair and replacement thereof and in this respect without limiting the generality of the foregoing Lessee shall perform and furnish, at Lessee's expense, all painting, carpentry, redecorating, landscaping,

refurbishing, maintenance, servicing, repairing and replacement of all portions of the Premises. Lessee shall be responsible for the care, maintenance and repairs, renovation or restoration, if required, of the air conditioning, heating, mechanical, plumbing and electrical systems. The standard for measurement for Lessee's obligation shall be that required under state hospital licensure standards.

Lessee acknowledges that its obligations to repair, renovate, restore or replace extends to the roof of the Hospital structure. Both Lessor and Lessee acknowledge that certain improvements when necessary, from time to time, may require approval from the Florida Agency for Health Care Administration, or its successor agency, for a Certificate of Need or similar regulatory approval. Lessee will apply for, and use its best efforts to obtain, approvals necessary to effect such improvements. Failure of Lessee to maintain, repair or restore, as aforesaid, shall entitle the Lessors, after notice in the manner provided for in Article 21, (i) to seek specific performance, (ii) to enter onto said Premises and repair and maintain and to charge the Lessee therefor, and such charges properly made shall be construed as additional rent which shall be immediately due and payable, or (iii) give notice of breach to Lessee under Article 16.1 of this Extended Lease.

9.2 Alterations, Additions and Capital Improvements.

Lessee shall have the right to make alterations, additions and capital improvements to the Premises, with or without the prior approval of Lessor, provided they are architecturally consistent with the Improvements, and such shall be made in a good and workmanlike manner, and shall comply with all applicable governmental laws, regulations and requirements. Alterations, additions and capital improvements shall be made at the cost and expense of the Lessee. Lessee shall report to Lessor at least 60 days in advance any project wherein Lessee shall add to by construction or reduce by demolition the square footage of the Premises.

9.3 Other Capital Improvements. Lessee shall continue to maintain a modern, well-equipped Hospital operation in a substantially similar manner in which it has maintained and equipped the Hospital through the term of the Lease Agreement. Nothing herein shall require HMA to add any specific equipment or service or prevent HMA from discontinuing any particular service.

ARTICLE 10 LICENSURE AND GOVERNMENT APPROVAL

Lessee must, at all times when legally required during the Extended Lease Term, conduct its business pursuant to a valid license issued by the State of Florida or its successor licensing entity authorizing the Lessee to operate a 126 bed acute care hospital on the Premises. Any reduction by Lessee in the number of licensed beds in the Hospital shall require the prior written consent of the Lessor.

Lessee shall cause the appropriate licensing authority to renew the license by which Hospital is allowed to operate, and shall do all things reasonably required by said licensing authority to obtain said renewal.

ARTICLE 11 ACCESS

Lessor and its agent shall have access at reasonable times and upon reasonable notice for the purpose of inspection of the Premises or of making repairs, additions or alterations, but this right shall not be construed as an agreement on the part of Lessor to make repairs.

ARTICLE 12 GOVERNMENTAL FEES

All fees due any governmental unit, including without limitation, units of any city, county, state or federal government, on account of the operation of the Hospital, shall be paid by Lessee. Lessee shall not be in breach of this Lease for failure to pay any such charge so long as Lessee indemnifies Lessor against such charge.

ARTICLE 13 QUIET ENJOYMENT

Subject to the terms and provisions of this Extended Lease, on payment of the rent and other charges hereunder due from Lessee and Lessee's maintaining the required licenses and the Hospital's certification under Medicare and Medicaid, Lessee shall lawfully, peaceably and quietly have, hold, occupy and enjoy the Premises and any appurtenant rights granted to Lessee under this Extended Lease during the Extended Lease Term without hindrance or ejection by Lessor or any person lawfully claiming under Lessor, and without interference by the Lessor in the operation of the Hospital.

ARTICLE 14 SUB-LEASE AND ASSIGNMENT

This Extended Lease may not be assigned nor may the Premises be sub-leased without the prior written consent of Lessor, which consent shall not be unreasonably withheld.

Notwithstanding the above (and as relates only to an entity that owns any other acute care hospital in Highlands County, Florida), in the event Lessee shall be reorganized with or shall be merged or consolidated with, or sell its assets to any entity that owns any other acute care hospital in Highlands County, Florida which shall, as the result of such reorganization, merger, consolidation or sale, succeed to substantially all of the assets and business of Lessee, Lessor shall be granted an option to terminate Lessee's rights under this Extended Lease upon the payment to Lessee of the fair market value of such rights, determined pursuant to the appraisal procedures set forth in the following paragraph, and upon the other terms set forth in the following paragraph.

Within ninety (90) days following the date that Lessor has notice of an event which would activate the option granted hereunder, Lessor may exercise its option to terminate Lessee's rights hereunder by giving notice to that effect to Lessee. If Lessor and Lessee cannot mutually agree on the value of Lessee's rights, such value shall be established by an appraisal supplied by a mutually agreed upon appraiser with a nationally recognized reputation in the health care industry. Payment shall be made in cash and shall be delivered to Lessee at closing following the receipt by the parties of the final appraiser's report. The parties shall conclude the termination of Lessee's rights hereunder, including payment to

Lessee as described above, within one hundred fifty (150) days from Lessor's notice of the qualifying event. If the termination is not concluded, and payment is not received by Lessee within such one hundred fifty (150) day period, Lessor will be deemed to have declined to exercise its option granted hereunder. Lessee shall, upon receipt of such payment, execute and deliver to Lessor any documentation reasonably requested by Lessor to evidence the termination of the Extended Lease.

In the event that Lessor declines to exercise the option granted hereunder, or ninety (90) days passes from receipt by Lessor of notice of Lessee's applicable reorganization, merger, consolidation or sale, Lessor shall be deemed to have consented to the assignment by Lessee of its rights as tenant hereunder to its successor, and such successor shall automatically and without the necessity of any further assignment become and be considered the tenant under this Extended Lease in accordance with and subject to all of the terms, provisions and conditions hereof.

ARTICLE 15 LIENS, MORTGAGE, TAXES AND SPECIAL ASSIGNMENTS

15.1 Use as Security.

Neither Lessor nor Lessee shall sell, convey, mortgage, pledge or otherwise encumber or use as security any portion or all of the Premises or the Extended Lease subsequent to the execution of this Extended Lease.

15.2 Taxes and Special Assessments.

Lessee shall timely pay when due all taxes, assessments, and other charges, which relate to periods during the Extended Lease Term and which may be levied or imposed on the Premises. Lessee shall also pay, save, hold harmless and indemnify Lessor for real and personal property taxes levied, imposed or payable for the calendar year immediately following any termination of this Extended Lease, by reason of the Extended Lease of the Premises to the Lessor, unless such taxes would otherwise be the obligation of a successor lessee or purchaser. Provided, however, Lessee hereby expressly reserves all of its rights to contest said taxes, assessments or charges to the full extent of its applicable administrative or judicial remedies.

15.3 Liens-Indemnity.

The Premises will not be subject to liens or judgments on account of work done or materials, supplies or equipment furnished to Lessee.

Lessee shall indemnify Lessor against all mechanic's liens and other liens or judgments on account of work done for or materials, supplies or equipment furnished to Lessee or persons claiming under Lessee for maintenance, repairs, and alterations performed during the Extended Lease Term. Lessee shall take such action as may be required, including the payment of a sum into the Court or the posting of a bond to secure payment of any such lien, to cause any claim for such lien to be cleared prior to execution on judgment. The mere

filing or foreclosure of a lien against the Premises or a judgment entered thereon shall not constitute a default so long as the Lessee shall comply with this indemnity obligation.

ARTICLE 16 LESSEE'S DEFAULT AND REMEDIES THERETO

16.1 Material Events of Default.

The following shall constitute material events of default under this Extended Lease, upon the occurrence of which Lessor may elect to terminate this Extended Lease by written notice to Lessee as is hereinafter provided:

- (a) if Lessee shall fail to pay rent as specified in Article 5, and such failure to pay rent under Article 5 of this Extended Lease Agreement shall continue for a period for sixty (60) days after written notice thereof shall have been given to Lessee by the Lessor,
- (b) if Lessee shall lose or forfeit its license to operate the Hospital as an acute care hospital, or shall otherwise fail to operate the Premises as an acute care hospital,
- (c) if Lessee shall lose its Medicare certification,
- (d) if any voluntary or involuntary petition or similar pleading under any Act of Congress relating to bankruptcy is filed by or against Lessee, and if such proceeding shall not be dismissed before an adjudication in bankruptcy,
- (e) if Lessee fails to maintain the Premises pursuant to Article 9.1 and Lessee has been cited for such failure by the relevant licensure agency and has failed to comply with an approved deficiency correction plan within the time frame presented by relevant state regulations.

Provided, however, that if Lessee is notified by the appropriate authority or is otherwise informed that its operating license or Medicare certification has been lost, forfeited or revoked, then Lessee may take such action as it may deem necessary to seek reinstatement or recertification, including commencement or defense of such administrative and/or judicial proceedings as may be indicated, and the period of extension to cure such default shall continue until all of the administrative and/or judicial remedies of the Lessee have been exhausted and such proceedings have resulted in the final judicial determination that Lessee is not entitled to reinstatement, renewal or recertification, or that Lessee must surrender same, as the case may be. The saving provision stated in this paragraph shall apply only so long as Lessee shall be legally or judicially allowed to continue the operation of the Hospital without thereby being in violation of any order of a court of competent jurisdiction.

16.2 Notice of Material Default.

If Lessee shall fail to perform, observe or comply with any material terms, covenants, conditions, or provisions contained in Article 16.1 of this Extended Lease, binding upon Lessee, and any such failure shall continue for a period of sixty (60) days after written notice

thereof shall have been given to Lessee by the Lessor, then Lessor may have and exercise all legal and equitable remedies available under the laws of the State of Florida. Provided, however, that if Lessee shall proceed to cure any breach and such cure, if begun and prosecuted with due diligence cannot be completed within a period of sixty (60) days, then such period shall be increased to such extent as shall be necessary to enable Lessee to begin and complete such cure through the exercise of due diligence.

16.3 Indemnity for Breach.

Notwithstanding any inconsistent provision of this Article, if any breach of this Lease shall occur, and the Lessee shall fail to cure such breach in the manner specified herein, and such breach shall result only in monetary loss to the Lessor, then Lessee may elect to cure such breach by paying, indemnifying and holding Lessor harmless from and against such loss within thirty (30) days from the final determination of such breach and such payment and indemnification shall have the same effect as if no breach had occurred, and the Extended Lease shall continue for the balance of the Extended Lease Term.

16.4 Causes Beyond Lessee's Control.

If either party shall be delayed or prevented from the performance of any act required by this Extended Lease by reason of acts of God, strikes, lockouts, or other cause, without fault and beyond the reasonable control of the Lessor or Lessee, performance of such act by such party shall be excused for the period of the delay; and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay, provided, however, nothing in this section shall excuse Lessee from the prompt payment of any rental or other charge required of Lessee except as may be expressly provided elsewhere in this Extended Lease.

16.5 Repossession of the Premises on Termination.

Upon termination of this Extended Lease as provided herein, the Lessor may proceed to enter into and repossess the Premises with process of law, assume (at Lessor's sole option) Lessee's equipment leases and acquire Lessee's personal property at its then book value (~~at Lessor's sole option~~) and remove Lessee's employees or property therefrom in such manner and in accordance with such procedures as a Court having jurisdiction may allow, without incurring any liability to Lessee or to any persons occupying or using the Premises for any damage caused or sustained by reason of such lawful entry or removal. Upon breach of the terms of this Extended Lease by Lessee under the provisions of this Article, Lessor shall have all the rights and remedies and obligations provided by law, except that where a specific remedy has been provided for in this Extended Lease such specific remedy shall be Lessor's sole remedy for such breach; provided that Lessee may continue to operate the Hospital and have possession of the Premises until it becomes legally obligated to surrender same by reason of a final non-appealable judicial determination in the courts of the State of Florida or at the level of the Circuit Court of Appeals if the applicable proceeding was commenced in a Federal District Court by an unrelated part.

16.6 Abandonment by Lessee.

If at any time during the Extended Lease Term, Lessee shall fail to operate the Hospital Premises as an acute care hospital for any period of seven (7) consecutive days and the Hospital Premises have not been partially or substantially destroyed as defined by Article 7 of this Agreement or such failure to operate as an acute care hospital was caused by some other event or occasion beyond the control of Lessee, then the Leased Premises shall be deemed to be abandoned and the Extended Lease terminated and Lessor shall be entitled to take immediate possession thereof, and all other legal and equitable remedies available under the laws of the State of Florida.

ARTICLE 17 EMINENT DOMAIN

If the entire Leased Premises, or such part thereof as renders the remaining portion unsuitable for use as a one hundred twenty-six (126) bed general hospital with adequate parking area, and vehicular and pedestrian access to the Leased Premises, is acquired by governmental or quasi-governmental authorities by the exercise of the power of eminent domain, then, upon written notice of Lessee's election so to do, given by Lessee to Lessor within thirty (30) days after receipt by Lessee of notice from Lessor that proceedings or negotiations with respect to such acquisition have begun, this Extended Lease shall terminate for all purposes (except enforcement of rights then accrued), at the time possession must be surrendered to such authority and the amount of the award shall be divided among Lessor and Lessee as their respective interests may appear giving full equitable value to Lessor's remaining interests in the Premises and to Lessee's remaining period under the Extended Lease.

ARTICLE 18 TIME FOR PERFORMANCE

18.1 Time is of the Essence.

Time is of the essence, and both parties agree to perform their obligations in a timely manner.

18.2 Delay.

No delay or failure on the part of either party in exercising or enforcing any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise of any other right, power or privilege.

18.3 No Waiver.

Waiver of any breach of a term, condition, or covenant of this Extended Lease by Lessor or Lessee shall be limited to the particular instance and shall not be deemed to waive future breaches of same or other terms, conditions or covenants.

ARTICLE 19 LESSOR HELD HARMLESS

Lessee agrees to save, indemnify and hold Lessor harmless for any claims, rights, liabilities or obligations arising out of Lessee's rights and duties under the Extended Lease and its operation of the Hospital subsequent to the execution of this Lease, except the liabilities or obligations of Lessor to Lessee.

ARTICLE 20 SURRENDER OF PREMISES-TRANSFER OF LICENSE AND CERTIFICATE OF NEED

Lessee shall, upon expiration of the Extended Lease Term or upon termination under Article 16, surrender the Premises to Lessor, including all buildings, replacements, alterations, and improvements constructed or placed by Lessor or Lessee thereon in good condition and repair, ordinary wear and tear excepted. Lessee shall cooperate in all reasonable requests of Lessor to assist in the transfer of all applicable Hospital licenses, permits and Certificates of Need required by Lessor to operate Hospital for its own account. Lessor may, at its sole option, assume Lessee's equipment leases and acquire Lessee's personal property at its then book value.

ARTICLE 21 NOTICE

Whenever in connection with this Extended Lease it shall be required or permitted that notice, demand, consent, approval or communication be given or served by either party to the other, it shall be given or served (with a copy to the attorney who Lessor and Lessee may from time to time designate in writing to review such notice) and shall be deemed not to have been duly given or served and shall be ineffectual unless in writing and forwarded by certified or registered mail, postage prepaid, addressed to Lessor or Lessee, and their duly designated attorneys, as follows:

If to Lessor: Chairman of the Board of the
Highlands County Hospital District
P.O. Box 1926
Sebring, Florida 33871-1926

If to Lessee: Sebring Hospital Management Associates, Inc.
Attention: President
5811 Pelican Bay Boulevard
Suite 500
Naples, Florida 33963

or to such other single address as either party may direct from time to time and shall be deemed given when deposited in the United States mail, postage prepaid.

ARTICLE 22 MISCELLANEOUS

22.1 Relationships of Parties.

Nothing contained in this Extended Lease shall be deemed or construed by the parties hereto or by any third person to create the relationship of principal and agent or partnership or joint venture or of any association between Lessor and Lessee, and no provision contained in this Extended Lease or any acts of the parties hereto shall be deemed to create any relationship between Lessor and Lessee other than the relationship of Lessor and Lessee.

22.2 Captions.

The captions for this Extended Lease are for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction.

22.3 Number and Gender.

The terms "Lessor" and "Lessee" wherever used herein shall be applicable to one or more persons or entities, as the case may be.

22.4 Rights and Remedies.

It is the intention of the parties to specifically set forth their respective rights and remedies in the specific provisions of this Extended Lease. However, where no specific remedy has been provided by the terms of this Extended Lease, both Lessor and Lessee shall retain their right to damages, specific performance or other appropriate relief. The party who successfully litigates any dispute arising under this Extended Lease shall be entitled to reasonable attorneys fees incurred at the trial or appellate level. Provided, that termination shall be a remedy only in the manner as specified in Article 16.

22.5 Multiple Originals.

This Extended Lease may be executed in several counterparts, each of which shall be deemed to be an original.

22.6 Successors and Heirs.

The covenants and agreements of this Extended Lease shall be binding upon and inure to the benefit of the heirs, legal representative, successors and assigns of any or all of the parties hereto, and the successor governing boards of Lessor and Lessee.

It is specifically understood that Lessor shall retain all rights and powers it now possesses or may possess in the future to alter, change, or terminate its existence as a Florida Body Politic and that this Extended Lease and Lessor's rights and obligations hereunder shall inure to the benefit to its legal successor under Florida law.

22.7 Cooperation Clause.

Lessor and Lessee agree to pursue and perform with all due diligence all acts, applications, authorizations and consents necessary or convenient to the fulfillment of the terms, covenants, conditions and provisions of this Extended Lease, and to execute any and all documents incident thereto.

22.8 Entire Agreement.

This Extended Lease substitutes and replaces the original Lease Agreement dated January 24, 1985 between the parties hereto, and this Extended Lease contains the entire agreement of Lessor and Lessee hereto with respect to the matters covered hereby, and no other agreement, proposal, bid, response, statement, or promise made by either, or to any employee, officer or agent of either, whether oral or written, which is not contained herein shall be binding or valid. No modification of this Extended Lease shall be binding on the parties unless it is in writing and executed by both Lessee and Lessor.

22.9 Severability Clause.

Each and every Article and provision of this Extended Lease is severable from each other Article or provision. If any Article or provision shall be determined to be invalid or in violation of any applicable law or regulation, the same may be amended to the extent needed to comply therewith and the existence of such invalid provision or violation shall not in any manner affect or invalidate any other Article or provision of this Extended Lease.

In the event that this Extended Lease shall be finally judicially determined to be invalid or in violation of any applicable law or regulation, then this entire Extended Lease shall be voided. Then, and in that event, the Lease and all prior amendments thereto (except for the provisions of Article 20 of the Lease and any other provisions dealing with repayment of prepaid rent, which are deemed waived) shall be and remain in full force and effect as if this Extended Lease had not been entered into, and the Lease shall not in any manner be affected or invalidated by such determination.

22.10 Lessor's Agreement Not to Employ Lessee's Employees.

During the term of this Extended Lease or within two (2) years after termination of this Extended Lease, Lessor agrees not to knowingly employ in any capacity any employee of Lessee or its corporate affiliates, (excluding current Hospital employees and present or future Hospital staff employees below the level of Executive or Associate Executive Director) including the management personnel who provide services to the Hospital during the Extended Lease Term in a management, consulting or service capacity, in the case of management personnel, or in the capacity of an Executive Director or Associate Executive Directors of Finance, Administration or Nursing. Lessor agrees that this provision is reasonable in its scope and is an inducement to Lessee to supply personnel who are qualified and competent. Lessor acknowledges it is aware that Lessee's employees have covenanted not to accept employment with Lessor.

In the event Lessor breaches the provisions referred to above, then Lessee shall be entitled to all legal and equitable remedies available under the laws of the State of Florida, including injunctive relief and damages.

Notwithstanding Lessee's Employees' personal covenants not to compete, this Article shall not be applicable and Lessee's Employees' personal covenants are waived, in the event that Lessee arbitrarily terminates this Extended Lease without cause, abandons the Premises, or this Extended Lease is terminated for cause pursuant to Article 16.

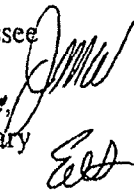
22.11 Applicable Law and Forum.

Validity and interpretation of this Extended Lease shall be determined under the laws of the State of Florida.

ARTICLE 23 CONDITIONS PRECEDENT TO LESSEE'S OBLIGATIONS

This Extended Lease is executed subject to the following express conditions precedent, any of which may be waived by Lessee:

23.1 Lessor's Authority to Execute Extended Lease.

Lessor shall deliver to Lessee a certificate in a form reasonably satisfactory to Lessee executed by an appropriate officer of the Lessor that it possesses the lawful power and authority to enter into this Extended Lease, ~~that by so doing it does not violate any state, local or federal rule, regulation or statute~~, and that it has performed any and all necessary enabling acts authorizing the execution of this Extended Lease and consummation of the transactions contemplated hereby. 

23.2 Litigation.

No litigation, administrative proceeding or investigation shall be pending which has been initiated with the purpose of enjoining or preventing the transactions herein contemplated or which may reasonably be expected to have the effect, if successfully prosecuted, of imposing liability upon Lessee or any of its officers or directors because of the consummation of the transactions herein contemplated.

23.3 Title to Real Estate.

Lessor agrees that representations to title in the Lease Agreement shall apply.

ARTICLE 24 HEALTH MANAGEMENT ASSOCIATES, INC.'S GUARANTY

This Extended Lease and the Lessor's obligations thereunder are contingent upon Lessee providing the Corporate Guaranty of its parent, Health Management Associates, Inc., guaranteeing Sebring Hospital Management Associates, Inc.'s obligations under this Extended Lease Agreement in a form reasonably satisfactory to Lessor's counsel.

IN WITNESS WHEREOF, the undersigned have executed this Extended Lease on the date hereinabove first mentioned.

ATTEST: Bruce J. Lybarger

Lessor
The Board of Commissioners of the
Highlands County Hospital District

By: [Signature]

ATTEST: Robert C. Smith

Lessee
Sebring Hospital Management
Associates, Inc.

By: Emil P. Holland

confidential
Craig Conti
Jan 27, 2017 18:28

STATE OF FLORIDA
COUNTY OF

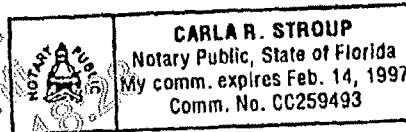
I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared James M. Gush well known to me to be the Chairman of The Board of Commissioners of the Highland County Hospital District, a Corporate Body Politic, and they severally acknowledged signing and delivering the same freely and voluntarily under the authority duly vested in them by said corporate body politic as the act and deed of the corporation and that the seal affixed hereto is the true seal of said corporate body politic.

WITNESS my hand and official seal in the County and State last aforesaid this 20th day of January, A.D. 1995.

Carla Stroup / Carla Stroup
Notary Public

My Commission Expires:

STATE OF FLORIDA
COUNTY OF

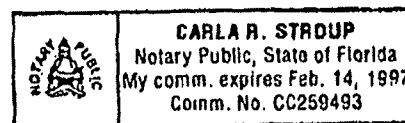


I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgements, personally appeared Carl O. Holland well known to me to be the Exec. Vice President of Sebring Hospital Management Associates, Inc., a Florida corporation authorized to do business in the State of Florida, and they severally acknowledged executing the same freely and voluntarily under authority duly vested in them by said corporation and that the seal affixed hereto is the true seal of said corporation.

Witness my hand and official seal in the County and State last aforesaid this 20th day of January, A.D. 1995.

Carla Stroup / Carla Stroup
Notary Public

My Commission Expires:



GUARANTY

In consideration of the execution of the within Extended Lease by THE BOARD OF Commissioners of the Highlands County Hospital District, the Lessor, at the request of Sebring Hospital Management Associates, Inc., as Lessee, the undersigned hereby guarantees to the Lessor, its successors and assigns, the payment of all rent and the performance of all the terms, covenants and conditions provided in said Extended Lease, hereby waiving all notices, called for therein, and consenting to any extensions of time or changes in the manner of payment or performance of any of the terms and conditions of the said Extended Lease that the Lessor may grant the Lessee, and further consenting to any authorized assignment of subletting of the said Extended Lease, and any modifications thereof, all without notice to the undersigned.

ATTEST: Rob E. Smith

HEALTH MANAGEMENT ASSOCIATES, INC.,
A Delaware Corporation

By: Emil P. Holland

confidential
Craig Conti
Jan 27, 2017 18:28

FIRST AMENDMENT TO LEASE AGREEMENT

THIS FIRST AMENDMENT to the Lease Agreement ("**First Amendment**") is made as of 23rd day of September, 2011, between the **Highlands County Hospital District**, a dependent special district, under Chapter 2004-458, Laws of Florida (2004), formerly under Chapter 62-2232, Laws of Florida (1962), ("**Lessor**") and **Sebring Hospital Management Associates, Inc.**, a Florida Corporation ("**Lessee**").

This Amendment is attached to and forms a part of the First Amended and Restated Lease dated as of, January 1, 1995 between the Lessor and Lessee pertaining to certain real property and other assets, including, but not limited to, the District Hospital operated as Highlands Regional Medical Center ("**Lease**"). To the extent the terms of this Amendment conflict with those contained in the Lease, the terms of this Amendment shall control.

1. **Defined Terms.** All capitalized terms used herein but not otherwise defined shall have the meaning ascribed to such terms in the Lease.
2. Section 5.1 of the Lease shall be deleted in its entirety and replaced with the following:

5.1 BASIC RENT. Commencing on January 1, 1995 and continuing through the extended lease term, Lessee agrees to and shall pay Lessor as rent for the Premises, \$320,000 per Lease Year. For the portion of the Lease Year from January 1, 1995 through July 31, 1995, Lessee shall pay Lessor prorated rent in the amount of \$186,667. Payment of this rental payment shall be made pursuant to prior written instructions of Lessor. In addition to the herein stated Basic Rent and Other Obligations, the Lessee shall remit to the Lessor with the Basic Rent any applicable sales tax.

Additionally, Lessee shall pay to Lessor rent in the amount of \$420,000.00, per quarter. The first such payment will be due within 10 days of execution of this Amendment (for the quarter July, August, and September, 2011). The following quarterly payments will be due on or before November 15, 2011, March 15, 2012, June 15, 2012, September 15, 2012, November 15, 2012, March 15, 2013, and June 15, 2013. Such payments shall be discontinued after payment of the June 15, 2013, payment, unless renegotiated by the parties. After which time, the quarterly sum described in this paragraph only (and no other amount outlined within this lease) shall no longer be payable. Lessee shall also pay all sales tax due on quarterly payments made pursuant to this lease.

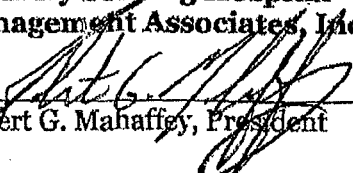
FIRST AMENDMENT TO LEASE AGREEMENT

3. **Ratification.** Except as expressly modified by the terms of this First Amendment, all other terms, covenants and provisions of the Lease are hereby ratified and confirmed and continue in full force and effect.

In Witness Whereof, the parties have duly executed this Amendment on the day and year first above written.

**SEBRING HOSPITAL
MANAGEMENT ASSOCIATES, LLC,
formerly Sebring Hospital
Management Associates, Inc.**

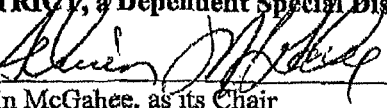
Printed Name: _____

By: 
Robert G. Mahaffey, President

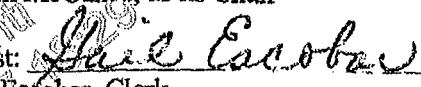
Printed Name: _____

**HIGHLANDS COUNTY HOSPITAL
DISTRICT, a Dependent Special District**

Printed Name: _____

By: 
Selvin McGahee, as its Chair

Printed Name: _____

Attest: 
Gail Escobar, Clerk

Guaranty

In consideration of the execution of the extended lease and this first amendment to lease agreement, and other good and valuable consideration, including the letters of agreement issued by the lessor to the state, and at the request of Sebring Hospital Management Associates, LLC (formerly, Sebring Hospital Management Associates, Inc.), as lessee, and the Highlands County Hospital District, as lessor, its successors and assigns, the undersigned guarantors (described below), hereinafter the "Guarantors" hereby guarantee to the lessor and its successors and assigns, the payment of all rent, and the performance of all of the terms, covenants and conditions of the first amended and restated lease agreement, and the foregoing first amendment to lease agreement. Guarantor also consents to any extensions of time or changes in the manner of payment or performance of any of the terms and conditions of the said lease, as amended, consents to any assignment or subletting by lessor of the lease as amended, and

FIRST AMENDMENT TO LEASE AGREEMENT

consents to any modifications of the lease as amended, all without notice to the guarantor.

The Guarantor is the following: HEALTH MANAGEMENT ASSOCIATES, INC., doing business in Florida as Health Management Associates, Inc. of Delaware, a corporation organized under the laws of Delaware.

A signature transmitted by facsimile shall be considered an original.

*Signed, sealed and delivered
In the presence of:*

HEALTH MANAGEMENT ASSOCIATES, INC.,
DOING BUSINESS IN FLORIDA AS HEALTH
MANAGEMENT ASSOCIATES, INC. OF
DELAWARE, a corporation organized under the
laws of Delaware

Shaina Rutherford
Printed name: Shaina Rutherford

Carla Arias
Printed name: Carla Arias

By: Timothy R. Parry
Timothy R. Parry, Senior Vice President
and General Counsel

confidential
Craig Conti
Jan 27, 2017 18:29

SECOND AMENDMENT TO LEASE AGREEMENT

THIS SECOND AMENDMENT, to the Lease Agreement ("Second Amendment") is made as of this 23rd day of September, 2013, between The Highlands County Hospital District Board, a dependent special district, under Chapter 2004-458, Laws of Florida (2004), formerly under Chapter 62-2232, Laws of Florida (1962), ("Lessor") and Sebring Hospital Management Associates, LLC, a Florida Corporation ("Lessee").

This Amendment is attached to and forms a part of the First Amended and Restated Lease dated as of, January 1, 1995 which was amended by the First Amendment to Lease Agreement dated September 23, 2011, between the Lessor and Lessee pertaining to certain real property and other assets, including, but not limited to, the District Hospital operated as Highlands Regional Medical Center ("Lease"). To the extent the terms of this Amendment conflict with those contained in the Lease, the terms of this Amendment shall control.

1. **Defined Terms.** All capitalized terms used herein but not otherwise defined shall have the meaning ascribed to such terms in the Lease.
2. Section 5.1 of the Lease shall be deleted in its entirety and replaced with the following:

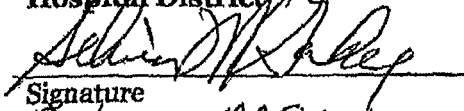
5.1 BASIC RENT. Commencing on January 1, 1995 and continuing through the extended lease term, Lessee agrees to and shall pay Lessor as rent for the Premises, \$320,000 per Lease Year. For the portion of the Lease Year from January 1, 1995 through July 31, 1995, Lessee shall pay Lessor prorated rent in the amount of \$186,667. Payment of this rental payment shall be made pursuant to prior written instructions of Lessor. In addition to the herein stated Basic Rent and Other Obligations, the Lessee shall remit to the Lessor with the Basic Rent any applicable sales tax.

Additionally, from July 1, 2011, through June 30, 2014, Lessee shall pay to Lessor rent in the amount of \$420,000.00, per quarter. The quarterly payments for the period from July 1, 2011 through June 30, 2013 have been made. The quarterly payment for the period from July 1, 2013 through September 30, 2013 will be made within ten (10) days from the date this Amendment is fully executed. Thereafter, payments for the remaining three quarters will be made as follows: on or before; October 1st, 2013, January 1st, 2014, and April 1st, 2014. Such payments shall be discontinued after payment for the quarter ending June 30, 2014, unless renegotiated by the parties. After which time, the quarterly sum described in this paragraph only (and no other amount outlined within this lease) shall no longer be payable. Lessee shall also pay all sales tax due on quarterly payments made pursuant to this lease.

3. **Ratification.** Except as expressly modified by the terms of this Second Amendment, all other terms, covenants and provisions of the Lease are hereby ratified and confirmed and continue in full force and effect.

In Witness Whereof, the parties have duly executed this Second Amendment on the day and year first above written.

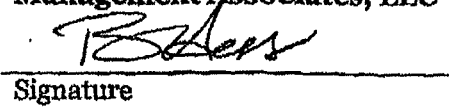
**The Highlands County
Hospital District**


Signature

Selvin McGhee
Printed Name

Chairman
Title

**Sebring Hospital
Management Associates, LLC**


Signature

Brian Hess
Printed Name

CEO
Title

confidential
Craig Conti
Jan 27, 2017 18:29

GUARANTY

In consideration of the execution of the extended lease and this second amendment to lease agreement, and other good and valuable consideration, including the letters of agreement issued by the lessor to the state, and at the request of Sebring Hospital Management Associates, LLC, as lessee, and the Highlands County Hospital District, as lessor, its successors and assigns, the undersigned guarantor (described below), hereinafter the "Guarantor" hereby guarantees to the lessor and its successors and assigns, the payment of all rent and the performance of all of the terms, covenants and conditions of the first amended and restated lease agreement, and the foregoing second amendment to lease agreement. Guarantor also consents to any extensions of time or changes in the manner of payment or performance of any of the terms and conditions of the said lease, as amended, consents to any assignment or subletting by lessor of the lease as amended, and consents to any modifications of the lease as amended, all without notice to the Guarantor.

The Guarantor is the following: HEALTH MANAGEMENT ASSOCIATES, INC., doing business in Florida as Health Management Associates, Inc. of Delaware, a corporation organized under the laws of Delaware.

A signature transmitted by facsimile shall be considered an original.

Signed, sealed and delivered
in the presence of:

Carina Arias
Signature

Carina Arias
Printed Name

Gray L. Decker
Signature

Gray L. Decker
Printed Name

Health Management
Associates, Inc. doing
business as Health
Management Associates Inc.
of Delaware, a corporation
organized under the laws of
Delaware

Robert E. Farnham
Signature

Robert E. Farnham
Printed Name

Senior Vice President Finance

THIRD AMENDMENT TO AND LEASE AGREEMENT

THIS THIRD AMENDMENT TO LEASE AGREEMENT (the "Third Amendment") is made as of the 1ST day of October, 2014 (the "Effective Date") between the **Highlands County Hospital District**, a dependent special district, under Chapter 2004-458, Laws of Florida (2004), formerly under Chapter 62-2232, Laws of Florida (1962), acting through its Board of Commissioners ("Lessor" or "District"), and **Sebring Hospital Management Associates, LLC**, a Florida limited liability company ("Tenant").

RECITALS:

A. Lessor and Lessee entered into a Lease Agreement dated January 24, 1985 (the "Lease Agreement"), as amended and replaced by the First Amended and Restated Lease Agreement dated as of January 1, 1995 (the "Extended Lease"), a First Amendment to Lease Agreement dated as of September 23, 2011 (the "First Amendment"), and a Second Amendment to Lease Agreement dated as of September 23, 2013 (the "Second Amendment") (collectively, the "Lease"), pertaining to certain real property and other assets including, but not limited to, the District Hospital operated as Highlands Regional Medical Center, as more particularly described in Section 1.7 of the Lease Agreement (the "Premises"); and

B. Lessor and Lessee desire to amend the Lease to extend the Term and modify the Rent, all in accordance with the terms and conditions of this Third Amendment.

IN CONSIDERATION of the foregoing Recitals and the mutual terms and conditions set forth below, the parties mutually agree as follows:

1. **Recitals.** The foregoing Recitals are true and correct and are hereby made a part hereof for all purposes.
2. **Defined Terms.** Any capitalized terms not defined herein shall have the meanings ascribed to them in the Lease.
3. **Term (Article 4).** Article 4 of the Extended Lease is hereby deleted in its entirety and replaced with the following:

ARTICLE 4 LEASE TERM

The Extended Lease Term that commenced on January 1, 1995 and expires on July 31, 2025, is hereby extended for an additional two (2) years ("Extension Term") and shall now expire and terminate on July 31, 2027, unless sooner terminated as provided in the Lease. The Extended Lease Term and Extension Term will be collectively referred to as the "Term."

4. **Rent (Article 5).** A new Section 5.3 is hereby added to the end of Article 5 immediately after Section 5.2 as follows:

5.3 Extension Term Prepaid Rent.

In exchange for Lessor agreeing to the Extension Term, Lessee agrees to pay Lessor prepaid rent in the amount of \$2,129,540.00 on or before October 15, 2014 ("Extension Term Prepaid Rent").

5. **Authority.** Lessor and Lessee each represent and warrant that, as of the date of this Third Amendment, they are each duly authorized and have the full power, right and authority to enter into this Third Amendment and to perform all of their respective obligations under this Third Amendment and the undersigned individuals executing this Third Amendment have the authority to execute and deliver this Third Amendment to the other party.

6. **Ratification.** Except as expressly modified by this Third Amendment, all terms, covenants, obligations and provisions of the Lease, as previously amended, shall remain unaltered, shall continue in full force and effect, and are hereby ratified, approved and confirmed by the parties in every respect. If the terms and conditions set forth in this Third Amendment shall directly conflict with any provision contained in the Lease, then this Third Amendment shall control.

7. **Headings.** The headings contained in this Third Amendment are for reference purposes only and shall not modify or affect this Third Amendment in any manner whatsoever.

8. **Severability.** Section 22.9 of the Extended Lease shall be incorporated herein by reference and shall apply to this Third Amendment.

9. **Construction.** Language of all parts of this Third Amendment shall be construed as a whole according to its fair meaning. The parties acknowledge and agree that this Third Amendment was initially prepared by counsel for Lessee solely as a convenience and that all parties and their counsel have read and have fully negotiated the language used in this Third Amendment. The parties acknowledge and agree that because all parties and their counsel participated in negotiations in drafting this Third Amendment, no rule of construction shall apply to this Third Amendment which construes any language, whether ambiguous, unclear or otherwise, in favor of or against any party by reason of that party's role in drafting this Third Amendment.

10. **Copy of Agreement Valid.** The Parties agree that executed copies and facsimile copies of this Third Amendment shall be valid and binding and that a signature transmitted by facsimile shall be considered an original.

11. **Entire Lease.** The Lease, as previously amended, and as amended by this Third Amendment, embodies the final, entire agreement between the parties with respect to the subject matter of this Third Amendment, and supersedes any and all prior agreements, representations, understandings and commitments, whether oral or written relating to this subject matter, and may not be contradicted or varied by evidence of prior, contemporaneous or subsequent oral agreements or discussions of or on behalf of the parties to this Third Amendment.

IN WITNESS WHEREOF, the undersigned parties have caused this Third Amendment to be duly executed as of the Effective Date.

LESSOR:

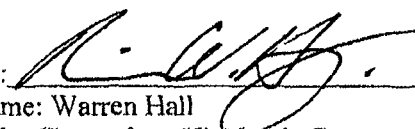
HIGHLANDS COUNTY HOSPITAL DISTRICT, a dependent special district

By and through its Board of Commissioners

Signed, sealed and delivered in the presence of:


Print Name: Gail Escobar


Print Name: Jeffrey L. Roth

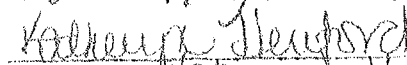
By: 
Name: Warren Hall
Title: Chair of the Highlands County Hospital District Board of Commissioners.

LESSEE:

SEBRING HOSPITAL MANAGEMENT ASSOCIATES, LLC, a Florida limited liability company

Signed, sealed and delivered in the presence of:


Print Name: Mary Ann Eckman


Print Name: Kathryn Hereford

By: 
Name: Martin G. Schweinhart
Title: Executive Vice President

GUARANTY

In consideration of the execution of the extended lease and this Third Amendment to Lease Agreement, and other good and valuable consideration, including the letters of agreement issued by the lessor to the state, and at the request of Sebring Hospital Management Associates, LLC, as lessee, and the Highlands County Hospital District, as lessor, its successors and assigns, the undersigned guarantor (described below), hereinafter the "Guarantor" hereby guarantees to the lessor and its successors and assigns, the payment of all rent and the performance of all of the terms, covenants and conditions of the first amended and restated lease agreement, and the foregoing second amendment to lease agreement. Guarantor also consents to any extensions of time or changes in the manner of payment or performance of any of the terms and conditions of the said lease, as amended, consents to any assignment or subletting by lessor of the lease as amended, and consents to any modifications of the lease as amended, all without notice to the Guarantor.

The Guarantor is the following: CHS/Community Health Systems, Inc., (a wholly-owned subsidiary of Community Health Systems, Inc.).

A signature transmitted by facsimile shall be considered an original.

Signed, sealed and delivered in the presence of:

Mary Ann Eckman
Print Name: Mary Ann Eckman

Kathryn Herford
Print Name: Kathryn Herford

CHS/Community Health Systems, Inc.

By: *Martin G. Schweinhart*
Name: Martin G. Schweinhart
Title: Executive Vice President
Administration

*HR
N/C*

RELEASE OF LEASE

THIS RELEASE OF LEASE is made this 8 day of march, 2007, by SEBRING HOSPITAL MANAGEMENT ASSOCIATES, INC., a Florida corporation (hereinafter "HMA SEBRING"), as Lessee, and HIGHLANDS COUNTY HOSPITAL DISTRICT BOARD OF COMMISSIONERS, a dependent special district of the State of Florida (hereinafter "DISTRICT"), as Lessor, upon the following terms and conditions:

WHEREAS, the parties entered into a long term unrecorded lease dated 24 January 1985 and amended by the First Amended and Restated Lease Agreement dated 1 January 1995 (collectively the "LEASE") regarding the land described on Exhibit "A" attached hereto;

WHEREAS, the parties agree that a portion of the above-described land is needed for the Sebring Parkway and that these renovations and improvements will benefit the remainder of the land described in Exhibit "A";

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. **Truth.** The foregoing representations are true and correct.
2. **Release.** HMA SEBRING hereby forever releases the property described on Exhibit "B" and "B-2" attached hereto and incorporated herein from the said LEASE.

EXECUTED BY THE PARTIES on the date first above written.

LESSEE:
SEBRING HOSPITAL MANAGEMENT
ASSOCIATES, INC., a Florida corporation

Adalisha Carrion
Printed Name: ADALISHA CARRION

Alicia Moneymaker
Printed Name: Alicia Moneymaker
Witnesses as to HMA Sebring

Bert C. Harris, III
Printed Name: _____
Title: President

Prepared By: Bert Harris, III.
401 Dal Hall Blvd
Lake Placid, Florida 33852

LESSOR:
HIGHLANDS COUNTY HOSPITAL DISTRICT
BOARD OF COMMISSIONERS

Linda S. Pierce
Printed Name: Linda S. Pierce
Linda S. Pierce
Printed Name: Linda S. Pierce
Witnesses as to Hospital District.

By: Selvin McGahee
Selvin McGahee, Chairman

Attest: Nancy Thomas
Nancy Thomas, Clerk

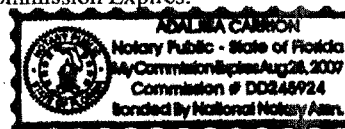
STATE OF FLORIDA
COUNTY OF HIGHLANDS

BEFORE ME the undersigned authority, personally appeared
of Sebring Hospital Management Associates, Inc. who acknowledges that he has authority to
execute said document on behalf of said corporation, and who is personally known to me or who
produced Empty ID as identification.

WITNESS my hand and official seal in the County and State last aforesaid this 8 day
of March, 2007



Adalysa Carrion
Notary Public, State of Florida at Large
Printed Name: ADALYSA CARRION
My Commission Expires:



STATE OF FLORIDA
COUNTY OF HIGHLANDS

BEFORE ME the undersigned authority, personally appeared Selvin McGahee as
Chairman and Nancy Thomas as Clerk of Highlands County Hospital District Board of
Commissioners, who acknowledge that they have the authority to execute said document on
behalf of said corporation, and who are personally known to me or who produced
as identification.

WITNESS my hand and official seal in the County and State last aforesaid this 5 day
of January, 2007.

(SEAL)

Linda S. Pierce
Notary Public, State of Florida at Large
Printed Name:
My Commission Expires: Linda L. Pierce



HIGHLANDS COUNTY HOSPITAL DISTRICT
REAL PROPERTY LEGAL DESCRIPTION

Highlands General Hospital:

All of Day Division, according to the plat thereof recorded in Plat Book 2, Page 92, Public Records of Highlands County, Florida, together with that portion of James Street shown on the Plat of said Day Division heretofore vacated that travers the above-described premises, LESS AND EXCEPT that part of the SW 1/4 of the NW 1/4 of Section 4, Township 35 South, Range 29 East, described as follows: Begin at the SW corner of the said SW 1/4 of the NW 1/4 of Section 4 and run East along the South boundary thereof 322.56 feet; thence North 46°56' West a distance of 437.01 feet to the west boundary of said SW 1/4 of the NW 1/4 of Section 4; thence south along the said west boundary a distance of 303.16 feet to the Point of Beginning, and LESS AND EXCEPT the West 20 feet of the South 1/2 of Lot 1 and the West 20 feet of Lots 2 through 12, inclusive, of said Day Division.

SUBJECT TO easement for County Road purposes over and across the following described parcel, to-wit: A strip of land 56.65 feet in width, more particularly described as follows: For the point of beginning commence at the Northwest corner of the SW 1/4 of the NW 1/4 of Section 4, Township 35 South, Range 29 East; thence run East along the north boundary of said SW 1/4 of said NW 1/4 a distance of 471.08 feet, more or less, to the Northwest corner of the North two acres of the East six acres of the West one half of the SW 1/4 of the NW 1/4 of said Section 4; thence run southerly a distance of 56.65 feet; thence run westerly along a line parallel to the North boundary of said SW 1/4 of said NW 1/4 a distance of 471.08 feet, more or less, to the West line of said Section 4; thence run northerly along said west line of said Section 4 a distance of 56.65 feet to the Point of Beginning.

AND,

Parcels 1, 2, 3, 4, 10 and 11 of W. E. TAUBERT Unrecorded Subdivision, recorded in O. R. Book 356, page 233, Public Records of Highlands County, Florida, lying in Section 4, Township 35 South, Range 29 East, Highlands County, Florida, more particularly described as follows:

Begin at the SE corner of the West 1/2 of the SW 1/4 of the NW 1/4 of said Section 4 and run North for a distance of 879.10 feet; thence run South 88°33'00" West for a distance

EXHIBIT "A"

(Page 1 of 2)

Cont...

of 86.50 feet for Point of Beginning; thence continue South 88°33'00" West for a distance of 111.08 feet; thence South 0°01'34" West a distance of 365.20 feet; thence North 88°33'00" East a distance of 111.24 feet; thence North a distance of 365.20 feet to P.O.B.,

AND

Begin at the SE corner of the West 1/2 of the SW 1/4 of the NW 1/4 of said Section 4, and run North for a distance of 514.24 feet for a Point of Beginning, thence continue North a distance of 243.34 feet; thence South 88°33'00" West a distance of 86.50 feet; thence South a distance of 243.24 feet; thence North 88°33'00" East a distance of 86.50 feet to P.O.B.

Medical Office Parcel

The North 1/4 of the North two (2) acres of the East six (6) acres of the West 1/2 of the SW 1/4 of the NW 1/4 of Section 4, Township 35 South, Range 29 East.

EXHIBIT "A"

EXHIBIT "B"

Highlands Regional Medical Center Right-of-Way Take

Commencing at the intersection of the east right-of-way of Highlands Avenue (formerly State Road 17-A) with the northeasterly right-of-way of U.S. 27, and the Point of Beginning; thence N 00° 51' 24" W along said Highlands Avenue east right-of-way, also being the basis of bearings for the proposed Sebring Parkway, a distance of 1002.08'; thence N 87° 27' 06" E, a distance of 66.01' to a point of cusp being the point of curve of a curve concave to the southeast, having the following elements; a radius of 35.00', a delta of 88° 18' 30", along an arc length of 53.94' to the point of tangency; thence S 00° 51' 24" E, a distance of 214.92' to a point; thence S 89° 08' 36" W, a distance of 7.00' to a point; thence S 00° 51' 24" E, a distance of 776.99' to a point at the northeasterly right-of-way of U.S. 27; thence N 48° 24' 24" W along said northeasterly right-of-way of U.S. 27, a distance of 33.90' to the Point of Beginning, containing 27,332 square feet, or 0.63 acres.

Together with a drainage easement to drain water from the Sebring Parkway and from the Highlands County Hospital District lands (and an easement to maintain the drainage facilities thereon), said easements being over, under and across the lands described on Exhibit "B-2").

EXHIBIT "B-2"

Highlands Regional Medical Center Proposed Drainage Easement

Commencing at the intersection of the east right-of-way of Highlands Avenue (formerly State Road 17-A) with the northeasterly right-of-way of U.S. 27; thence S 48° 24' 24" W, 33.90' along said northeasterly right-of-way of U.S. 27 to a point at the proposed east right-of-way of the Sebring Parkway and the northeasterly right-of-way of U.S. 27; thence N 00° 51' 24" W, a distance of 103.88' along said proposed east right-of-way of the Sebring Parkway, also being the basis of bearings, to the Point of Beginning of a proposed drainage easement; thence N 89° 08' 36" E, a distance of 407.25'; thence

N 00° 56' 41" W, a distance of 180.46' to a point, thence N 87° 27' 27" E, a distance of 197.92' to a point; thence N 00° 59' 48" W, a distance of 25.01' to a point; thence S 87° 27' 27" W, a distance of 222.91' to a point; thence S 00° 56' 41" E, a distance of 179.73' to a point; thence S 89° 08' 36" W, a distance of 382.21' to a point at the proposed east right-of-way of the Sebring Parkway; thence S 00° 51' 24" E, a distance of 25.00' along said proposed east right-of-way of the Sebring Parkway, to the Point of Beginning, containing 19,631.02 square feet, or 0.451 acres.

**LESSOR CONSENT AND ESTOPPEL CERTIFICATE
(Highlands Regional Medical Center)**

The undersigned, THE HIGHLANDS COUNTY HOSPITAL DISTRICT, a dependent special district, under Chapter 2004-458, Laws of Florida (2004), acting through its Board of Commissioners ("Lessor"), and Sebring Hospital Management Associates, LLC, a Florida limited liability company ("Lessee"), are parties to that certain First Amended and Restated Lease Agreement dated January 1, 1995 (the "Original Lease"), amended by that certain First Amendment to Lease Agreement, dated September 23, 2011 (the "First Amendment"), by that certain Second Amendment to Lease Agreement, dated September 23, 2013 (the "Second Amendment"), that certain Third Amendment to Lease Agreement dated October 1, 2014 (the "Third Amendment"), and the Release of Lease dated 8 March 2007 (the "Release"), (the Original Lease, First Amendment, Second Amendment, Third Amendment, and Release are referred to collectively herein as the "Lease"), with respect to Lessee's lease, occupancy and use of certain real property and other assets (the "Premises"), including but not limited to the hospital operated as Highlands Regional Medical Center (the "Hospital"). The Hospital has a street address of 3600 S. Highlands Avenue, Sebring, Florida 33870.

Lessee has entered into an Asset Purchase Agreement pursuant to which Lessee and its affiliates will sell to Sebring Health Services, LLC, a Delaware limited liability company ("Buyer"), substantially all of the assets used in connection with the operations of the Hospital. It is currently anticipated that the effective date of this transaction will be on or about November 1, 2017 (the "Closing"). In connection with and subject to the Closing, Lessee will assign all of its rights and interests under the Lease to Buyer, as assignee, and Buyer will assume all of the rights and obligations of Lessee under the Lease arising after the date of the assignment.

Lessor, with full knowledge that Buyer is relying upon the truth, accuracy and completeness of the statements made by Lessor herein, hereby certifies, represents and warrants to Buyer that:

1. A true and correct copy of the Lease and all exhibits, addenda, schedules, modifications, amendments, renewals and extensions thereto, is attached hereto as Exhibit A and made a part hereof. Except as set forth in Exhibit A, the Lease has not been modified, changed, altered, supplemented or amended in any way, nor have any provisions been altered.
2. The Lease is valid and is in full force and effect, constitutes the entire agreement between Lessor and Lessee with respect to the Premises, and there are no other agreements between Lessor and Lessee, either oral or written, with respect to the Premises.
3. The current term of the Lease began January 1, 1995 (the "Commencement Date") and the expiration date of such term is July 31, 2027. Lessee has no options to renew or extend the term of the Lease.
4. As of the date hereof, neither Lessee nor Lessor are in default under the Lease, nor, to the knowledge of Lessor, does any condition exist which could give either Lessee or Lessor the right to claim a default under the Lease. In particular without limiting the generality of the foregoing, Lessee is not in default of any of its obligations under Article 3 and Article 10 of the Lease.
5. Lessee has paid to Lessor the entire "Extension Term Prepaid Rent" as defined in Section 4 of the Third Amendment. All payments of Basic Rent, additional rent and any other payments of any kind due Lessor pursuant to the Lease through and including the date hereof have been paid in full. The current Basic Rent payable under the Lease is \$320,000 per Lease Year, which has been paid through July 31, 2018. Lessee's obligation under Section 2 of the Second Amendment to make the quarterly payments and applicable sales tax payments described therein has expired.

6. Lessor is holding a security deposit in the amount of \$0.00 on behalf of Lessee, and as of the date hereof, no portion of such security deposit has been applied toward Lessee's obligations under the Lease.

7. No notice of termination has been given by Lessor or Lessee with respect to the Lease.

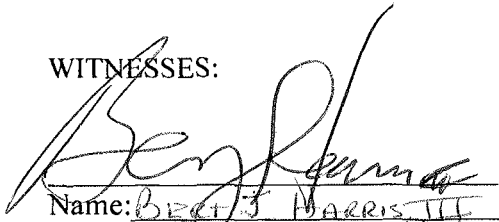
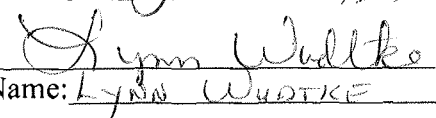
8. Lessor hereby consents to the assignment of the Lease by Lessee to Buyer. Lessor represents to Buyer that no other signature, consent or approval is required for the effective and valid assignment of the Lease from Lessee to Buyer.

9. To the knowledge of Lessor, Lessor is not identified on the list of specially designated nationals and blocked persons subject to financial sanctions that is maintained by the U.S. Treasury Department, Office of Foreign Assets Control and any other similar list maintained by the Office of Foreign Assets Control pursuant to any authorizing United States law, regulation or Executive Order of the President of the United States nor is Lessor subject to trade embargo or economic sanctions pursuant to any authorizing United States law, regulation or Executive Order of the President of the United States.

10. The undersigned individual is duly authorized to execute this Lessor Consent and Estoppel Certificate on behalf of Lessor.

IN WITNESS WHEREOF, Lessor has executed this Lessor Consent and Estoppel Certificate on this 7 day of OCTOBER, 2017.

WITNESSES:


Name: BRETT S. HARRIS III

Name: LYNN WUDTKE

LESSOR:
HIGHLANDS COUNTY HOSPITAL DISTRICT
By and through its Board of Commissioners

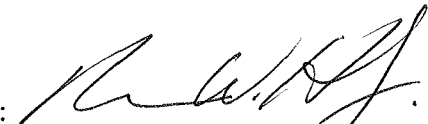
By: 
Name: R. WARREN HALL
Title: CHAIRMAN

EXHIBIT A

Lease

[Attach copy of the Lease and all modifications, amendments, renewals and extensions.]

**FIRST AMENDED AND RESTATED
LEASE AGREEMENT**

THIS FIRST AMENDED AND RESTATED LEASE AGREEMENT, made and entered into as of this 1st day of January, 1995, by and between:

THE BOARD OF COMMISSIONERS OF THE HIGHLANDS COUNTY HOSPITAL DISTRICT, A CORPORATE BODY POLITIC CREATED UNDER CHAPTER 62-2232, LAWS OF FLORIDA, HEREINAFTER REFERRED TO AS LESSOR

AND

SEBRING HOSPITAL MANAGEMENT ASSOCIATES, INC., A FLORIDA CORPORATION, HEREINAFTER REFERRED TO AS LESSEE

WHEREAS, the Lessor and Lessee are parties to that certain 20-year Lease Agreement dated as of January 24, 1985 (the "Lease Agreement"), governing Highlands Regional Medical Center, Sebring, Florida; and

WHEREAS, the parties are desirous of redefining their respective rights and obligations under the above Lease Agreement; and

WHEREAS, in exchange for a 20-year extension of the lease term set out in this above Lease Agreement (or an extension until July 31, 2025), Lessee would be willing to commence payment immediately of an annual rental amount; and

WHEREAS, the parties further desire to set aside and waive Lessor's obligations regarding Prepaid Rent upon early termination of the Lease Term; and

WHEREAS, both parties acknowledge and affirm that each has totally, completely and satisfactorily complied with all of their respective duties and obligations under the Lease Agreement.

NOW, THEREFORE, in consideration for the Rent herein and other premises herein, the parties hereby agree as follows:

ARTICLE 1 DEFINITIONS

The following are definitions in addition to those made elsewhere in this First Amended and Restated Lease Agreement.

1.1 "Extended Lease" shall refer to this document.

1.2 "Lease Agreement" shall refer to the original Lease between the parties dated January 24, 1985 and all amendments thereto.

1.3 "Lease Extension Date" shall be January 1, 1995.

1.4 "Extended Lease Term" shall mean a period commencing upon the execution of this Lease and ending at Midnight on July 31, 2025.

1.5 "Lease Year" shall mean a twelve month period commencing on August 1 of any year and subsequent anniversaries thereof.

1.6 "Permitted Premises Use" shall mean the operation of the business of an acute care hospital and other licensed health related activities.

1.7 "Premises" shall refer to the real property more particularly described on Exhibit A attached hereto and made a part hereof as though set forth herein, together with the improvements thereon, including parking areas, access roads and driveways, and the furniture, furnishings, fixtures, and equipment contained therein or used in connection therewith or with the operation of the Hospital and all other governmental licenses, permits and authorizations required to operate the Hospital and all rights, privileges, and easements appurtenant thereto.

1.8 "Improvements" shall mean all buildings, structures, fixtures, landscapings, utility lines, roads, driveways, fences, parking areas, contiguous and adjacent and entry rights, and all other improvements to the Premises owned by Lessor and located in and upon the Premises.

1.9 "Hospital" shall refer to the Highlands Regional Medical Center, Sebring, Florida.

1.10 "Lessee's Personal Property" shall refer to property kept or maintained on the Premises to which Lessee has legal and/or equitable title.

1.11 "Termination" shall mean the surrender of possession of the premises to Lessor and vacating of same by Lessee at any time prior to the expiration of the Extended Lease Term for any reason.

ARTICLE 2 EXECUTION OF LEASE

Lessor hereby demises, rents and lets to Lessee and Lessee hereby leases, rents and hires from Lessor all of the Lessor's right, title and interest in and to the Premises upon the terms and conditions herein contained. This Extended Lease is subject to all valid easements and restrictions of record that do not prohibit Lessee's occupancy and use of the Premises as herein provided.

ARTICLE 3 USE AND CONTROL OF PREMISES

3.1 Hospital Services and Related Activities.

Lessee shall use the premises only for Permitted Premises Use, as defined in Article 1.6 herein. During the Extended Lease Term, Lessee shall operate a 126 bed acute care hospital and related activities on the Premises in conformity with Lessor's enabling act requirements to provide care to its District and in connection therewith shall have the exclusive right to use and control the entire Hospital operations, including, but not limited to, administration, services, finances, medical and non-medical staffing, equipment, inventory, furnishings, supplies, renovation, and addition to or expansion of the Premises. Lessee shall comply with all laws and governmental regulations applicable to the operation and maintenance of the Premises. The Premises shall not be used for any illegal or unlawful purposes or for any purpose that is not a Permitted Premises Use.

3.2 Financial Statements and Reports.

Lessee shall furnish to the Lessor, as soon as practicable after the close of the fiscal year, an annual balance sheet and related statement showing the results of the operations of the Hospital during the fiscal year, certified by a public accounting firm.

ARTICLE 4 LEASE TERM

The Extended Lease Term shall commence upon the execution of this Extended Lease and shall continue through July 31, 2025.

ARTICLE 5 RENT

5.1 Basic Rent.

Commencing on January 1, 1995 and continuing through the Extended Lease Term, Lessee agrees to and shall pay Lessor as rent for the Premises, \$320,000 per Lease Year. For the portion of the Lease Year from January 1, 1995 through July 31, 1995, Lessee shall pay Lessor prorated rent in the amount of \$186,667. Payment of all rental payments shall be made pursuant to prior written instructions of Lessor. In addition to the herein stated Basic Rent and Other Obligations, the Lessee shall remit to the Lessor with the Basic Rent any applicable sales tax.

5.2 Other Obligations.

Any other obligation of Lessee which under the terms of this Extended Lease requires the payment of money to Lessor shall be construed as a rental obligation.

ARTICLE 6 INSURANCE

6.1 General Provisions.

Where permitted by the issuing insurance carrier, Lessor shall be named as an additional insured in the policies of insurance required by this Extended Lease to be acquired and maintained by Lessee, and no such policy shall be canceled or reduced in scope of coverage or amount of coverage without twenty (20) days written notice to Lessor. Certificates of Insurance evidencing the policies required herein shall be delivered by the Lessee to the Lessor.

6.2 Property Insurance.

During the Extended Lease Term, Lessee shall keep the Premises continuously insured for property damage, including windstorm and flood in an amount not less than actual replacement cost for a licensed 126 bed acute care hospital without deduction for physical depreciation.

6.3 Liability Insurance.

During the Extended Lease Term, Lessee shall maintain the following insurance coverage:

- (a) Comprehensive general liability insurance having limits of not less than \$1,000,000 for each occurrence for personal injury (including bodily injury and death),
- (b) Professional liability coverage having limits of not less than \$1,000,000 per claim and \$3,000,000 annual aggregate,
- (c) Liability insurance covering damage to property not belonging to Lessor with limits of not less than \$500,000,
- (d) Owned and non-owned motor vehicle liability insurance having limits of not less than \$500,000 for injury to persons or property arising out of the ownership, maintenance, use or occupancy of such motor vehicles,
- (e) Appropriate workers compensation coverage with Employer's liability coverage of at least \$1,000,000, and
- (f) Umbrella coverage on all liability insurance of \$5,000,000.

6.4 Compliance by Lessee.

It is agreed that Lessee shall be in compliance with the terms of this Article so long as the total limits of insurance herein required are provided, regardless of the allocation of such

limits among underlying or excess policies. Lessee shall also be deemed in compliance with this Article 6 should it, in its discretion, choose to self-insure all or any portion of the above risks so long as it complies with all aspects of Florida Law regarding such self insurance.

6.5 Remedy for Noncompliance.

If Lessee shall fail to obtain and pay the premiums for any insurance policies providing the coverages specified in this Article, then Lessor may (but shall not be obligated to) obtain same and pay the premiums therefore, and the amount paid by Lessor shall be construed as additional rent which shall be immediately due and payable. In the alternative, Lessor may give notice of breach pursuant to Article 16.1.

6.6 Business Interruption Insurance.

It is understood that the Lessee may maintain business interruption insurance for its protection and any proceeds payable under any such policy shall be the sole property of the Lessee.

ARTICLE 7 FIRE AND CASUALTY DAMAGE

7.1 Notice of Damage.

If any part or all of the Premises should be damaged or destroyed by fire, storm or other casualty and the amount of damage exceeds the amount of dollars stated to be applicable in the standard "deductible clause" of the property insurance policy, Lessee shall give written notice thereof to Lessor within ten (10) days of the date the damage occurred.

7.2 Substantial Destruction.

If the hospital building, which is part of the Premises, is substantially destroyed during the Extended Lease Term (subject to Lessor's rights to decline to rebuild in the last ten (10) years as set out below in this paragraph), by fire, storm or other casualty, to the extent the Premises cannot reasonably be used for an acute care Hospital, then Lessee shall rebuild the Hospital building and any other damaged portions of the Premises so that the Premises can be used to furnish substantially the same services as were furnished on the Premises prior to the substantial destruction. If after the first twenty (20) years the Premises are substantially destroyed and Lessor elects not to rebuild, then insurance proceeds shall be first used to demolish and clear the hospital site; and then the remaining insurance proceeds shall then be divided among Lessor and Lessee as their respective interests may appear giving full equitable value to Lessor's remainder interests in the Premises and Lessee's remaining period under the Extended Lease. Lessee shall have management responsibility for the demolition and clearing of the Hospital site.

7.3 Partial Destruction.

If the hospital building or other improvements are damaged by fire, storm or other casualty to the extent that a portion of, but not substantially all of, the Premises cannot be used for the purpose for which such portion was used prior to the casualty, the Lessee shall restore the Premises to the condition they were in prior to the casualty. In such event, Lessor shall make available or shall pay and deliver to Lessee any insurance proceeds paid to Lessor because of the casualty loss resulting in the partial destruction.

7.4 Joint Account for Insurance Proceeds. All insurance proceeds received for events described in Articles 7.2 and 7.3 shall be immediately deposited in a joint account in a mutually acceptable Florida qualified public depository and drawn upon pursuant to reconstruction of the Premises.

7.5 Obligations of Lessor.

Nothing in this Article shall be construed to obligate Lessor to expend funds beyond those received as insurance proceeds.

7.6 Extension of Extended Lease Term.

The Extended Lease Term shall be automatically extended for a period equal to the number of days during which the ordinary and usual operation of the Hospital is prevented by reason of the partial destruction of the Premises. In the event of substantial destruction of the Hospital building and the subsequent reconstruction of the Hospital under Paragraph 7.2, this Extended Lease shall be automatically extended for five (5) Lease Years. Any lease extension arising under the provisions of this Article shall be upon the same terms and conditions as are set forth in this Lease.

ARTICLE 8 UTILITIES

Lessee shall pay all charges for water, electricity, gas, sewer, telephone and all other utilities, which shall be used in or on, or are properly charged against the Premises during the term of this Extended Lease. Lessee shall not be in breach of this Extended Lease for failure to pay any charge reasonably contested so long as Lessee indemnifies Lessor against such charge.

ARTICLE 9 CARE OF PREMISES, ALTERATIONS, ADDITIONS, MAJOR CAPITAL IMPROVEMENTS

9.1 Care of Premises.

Lessee, at Lessee's expense, shall keep and maintain the Premises and Improvements, in good order and repair. Lessee shall do all things which from the character and use of the Premises would be reasonably necessary for proper Maintenance, repair and replacement thereof and in this respect without limiting the generality of the foregoing Lessee shall perform and furnish, at Lessee's expense, all painting, carpentry, redecorating, landscaping,

refurbishing, maintenance, servicing, repairing and replacement of all portions of the Premises. Lessee shall be responsible for the care, maintenance and repairs, renovation or restoration, if required, of the air conditioning, heating, mechanical, plumbing and electrical systems. The standard for measurement for Lessee's obligation shall be that required under state hospital licensure standards.

Lessee acknowledges that its obligations to repair, renovate, restore or replace extends to the roof of the Hospital structure. Both Lessor and Lessee acknowledge that certain improvements when necessary, from time to time, may require approval from the Florida Agency for Health Care Administration, or its successor agency, for a Certificate of Need or similar regulatory approval. Lessee will apply for, and use its best efforts to obtain, approvals necessary to effect such improvements. Failure of Lessee to maintain, repair or restore, as aforesaid, shall entitle the Lessors, after notice in the manner provided for in Article 21, (i) to seek specific performance, (ii) to enter onto said Premises and repair and maintain and to charge the Lessee therefor, and such charges properly made shall be construed as additional rent which shall be immediately due and payable, or (iii) give notice of breach to Lessee under Article 16.1 of this Extended Lease.

9.2 Alterations, Additions and Capital Improvements.

Lessee shall have the right to make alterations, additions and capital improvements to the Premises, with or without the prior approval of Lessor, provided they are architecturally consistent with the Improvements, and such shall be made in a good and workmanlike manner, and shall comply with all applicable governmental laws, regulations and requirements. Alterations, additions and capital improvements shall be made at the cost and expense of the Lessee. Lessee shall report to Lessor at least 60 days in advance any project wherein Lessee shall add to by construction or reduce by demolition the square footage of the Premises.

9.3 Other Capital Improvements. Lessee shall continue to maintain a modern, well-equipped Hospital operation in a substantially similar manner in which it has maintained and equipped the Hospital through the term of the Lease Agreement. Nothing herein shall require HMA to add any specific equipment or service or prevent HMA from discontinuing any particular service.

ARTICLE 10 LICENSURE AND GOVERNMENT APPROVAL

Lessee must, at all times when legally required during the Extended Lease Term, conduct its business pursuant to a valid license issued by the State of Florida or its successor licensing entity authorizing the Lessee to operate a 126 bed acute care hospital on the Premises. Any reduction by Lessee in the number of licensed beds in the Hospital shall require the prior written consent of the Lessor.

Lessee shall cause the appropriate licensing authority to renew the license by which Hospital is allowed to operate, and shall do all things reasonably required by said licensing authority to obtain said renewal.

ARTICLE 11 ACCESS

Lessor and its agent shall have access at reasonable times and upon reasonable notice for the purpose of inspection of the Premises or of making repairs, additions or alterations, but this right shall not be construed as an agreement on the part of Lessor to make repairs.

ARTICLE 12 GOVERNMENTAL FEES

All fees due any governmental unit, including without limitation, units of any city, county, state or federal government, on account of the operation of the Hospital, shall be paid by Lessee. Lessee shall not be in breach of this Lease for failure to pay any such charge so long as Lessee indemnifies Lessor against such charge.

ARTICLE 13 QUIET ENJOYMENT

Subject to the terms and provisions of this Extended Lease, on payment of the rent and other charges hereunder due from Lessee and Lessee's maintaining the required licenses and the Hospital's certification under Medicare and Medicaid, Lessee shall lawfully, peaceably and quietly have, hold, occupy and enjoy the Premises and any appurtenant rights granted to Lessee under this Extended Lease during the Extended Lease Term without hindrance or ejection by Lessor or any person lawfully claiming under Lessor, and without interference by the Lessor in the operation of the Hospital.

ARTICLE 14 SUB-LEASE AND ASSIGNMENT

This Extended Lease may not be assigned nor may the Premises be sub-leased without the prior written consent of Lessor, which consent shall not be unreasonably withheld.

Notwithstanding the above (and as relates only to an entity that owns any other acute care hospital in Highlands County, Florida), in the event Lessee shall be reorganized with or shall be merged or consolidated with, or sell its assets to any entity that owns any other acute care hospital in Highlands County, Florida which shall, as the result of such reorganization, merger, consolidation or sale, succeed to substantially all of the assets and business of Lessee, Lessor shall be granted an option to terminate Lessee's rights under this Extended Lease upon the payment to Lessee of the fair market value of such rights, determined pursuant to the appraisal procedures set forth in the following paragraph, and upon the other terms set forth in the following paragraph.

Within ninety (90) days following the date that Lessor has notice of an event which would activate the option granted hereunder, Lessor may exercise its option to terminate Lessee's rights hereunder by giving notice to that effect to Lessee. If Lessor and Lessee cannot mutually agree on the value of Lessee's rights, such value shall be established by an appraisal supplied by a mutually agreed upon appraiser with a nationally recognized reputation in the health care industry. Payment shall be made in cash and shall be delivered to Lessee at closing following the receipt by the parties of the final appraiser's report. The parties shall conclude the termination of Lessee's rights hereunder, including payment to

Lessee as described above, within one hundred fifty (150) days from Lessor's notice of the qualifying event. If the termination is not concluded, and payment is not received by Lessee within such one hundred fifty (150) day period, Lessor will be deemed to have declined to exercise its option granted hereunder. Lessee shall, upon receipt of such payment, execute and deliver to Lessor any documentation reasonably requested by Lessor to evidence the termination of the Extended Lease.

In the event that Lessor declines to exercise the option granted hereunder, or ninety (90) days passes from receipt by Lessor of notice of Lessee's applicable reorganization, merger, consolidation or sale, Lessor shall be deemed to have consented to the assignment by Lessee of its rights as tenant hereunder to its successor, and such successor shall automatically and without the necessity of any further assignment become and be considered the tenant under this Extended Lease in accordance with and subject to all of the terms, provisions and conditions hereof.

ARTICLE 15 LIENS, MORTGAGE, TAXES AND SPECIAL ASSIGNMENTS

15.1 Use as Security.

Neither Lessor nor Lessee shall sell, convey, mortgage, pledge or otherwise encumber or use as security any portion or all of the Premises or the Extended Lease subsequent to the execution of this Extended Lease.

15.2 Taxes and Special Assessments.

Lessee shall timely pay when due all taxes, assessments, and other charges, which relate to periods during the Extended Lease Term and which may be levied or imposed on the Premises. Lessee shall also pay, save, hold harmless and indemnify Lessor for real and personal property taxes levied, imposed or payable for the calendar year immediately following any termination of this Extended Lease, by reason of the Extended Lease of the Premises to the Lessor, unless such taxes would otherwise be the obligation of a successor lessee or purchaser. Provided, however, Lessee hereby expressly reserves all of its rights to contest said taxes, assessments or charges to the full extent of its applicable administrative or judicial remedies.

15.3 Liens-Indemnity.

The Premises will not be subject to liens or judgments on account of work done or materials, supplies or equipment furnished to Lessee.

Lessee shall indemnify Lessor against all mechanic's liens and other liens or judgments on account of work done for or materials, supplies or equipment furnished to Lessee or persons claiming under Lessee for maintenance, repairs, and alterations performed during the Extended Lease Term. Lessee shall take such action as may be required, including the payment of a sum into the Court or the posting of a bond to secure payment of any such lien, to cause any claim for such lien to be cleared prior to execution on judgment. The mere

filing or foreclosure of a lien against the Premises or a judgment entered thereon shall not constitute a default so long as the Lessee shall comply with this indemnity obligation.

ARTICLE 16 LESSEE'S DEFAULT AND REMEDIES THERETO

16.1 Material Events of Default.

The following shall constitute material events of default under this Extended Lease, upon the occurrence of which Lessor may elect to terminate this Extended Lease by written notice to Lessee as is hereinafter provided:

- (a) if Lessee shall fail to pay rent as specified in Article 5, and such failure to pay rent under Article 5 of this Extended Lease Agreement shall continue for a period for sixty (60) days after written notice thereof shall have been given to Lessee by the Lessor,
- (b) if Lessee shall lose or forfeit its license to operate the Hospital as an acute care hospital, or shall otherwise fail to operate the Premises as an acute care hospital,
- (c) if Lessee shall lose its Medicare certification,
- (d) if any voluntary or involuntary petition or similar pleading under any Act of Congress relating to bankruptcy is filed by or against Lessee, and if such proceeding shall not be dismissed before an adjudication in bankruptcy,
- (e) if Lessee fails to maintain the Premises pursuant to Article 9.1 and Lessee has been cited for such failure by the relevant licensure agency and has failed to comply with an approved deficiency correction plan within the time frame presented by relevant state regulations.

Provided, however, that if Lessee is notified by the appropriate authority or is otherwise informed that its operating license or Medicare certification has been lost, forfeited or revoked, then Lessee may take such action as it may deem necessary to seek reinstatement or recertification, including commencement or defense of such administrative and/or judicial proceedings as may be indicated, and the period of extension to cure such default shall continue until all of the administrative and/or judicial remedies of the Lessee have been exhausted and such proceedings have resulted in the final judicial determination that Lessee is not entitled to reinstatement, renewal or recertification, or that Lessee must surrender same, as the case may be. The saving provision stated in this paragraph shall apply only so long as Lessee shall be legally or judicially allowed to continue the operation of the Hospital without thereby being in violation of any order of a court of competent jurisdiction.

16.2 Notice of Material Default.

If Lessee shall fail to perform, observe or comply with any material terms, covenants, conditions, or provisions contained in Article 16.1 of this Extended Lease, binding upon Lessee, and any such failure shall continue for a period of sixty (60) days after written notice

thereof shall have been given to Lessee by the Lessor, then Lessor may have and exercise all legal and equitable remedies available under the laws of the State of Florida. Provided, however, that if Lessee shall proceed to cure any breach and such cure, if begun and prosecuted with due diligence cannot be completed within a period of sixty (60) days, then such period shall be increased to such extent as shall be necessary to enable Lessee to begin and complete such cure through the exercise of due diligence.

16.3 Indemnity for Breach.

Notwithstanding any inconsistent provision of this Article, if any breach of this Lease shall occur, and the Lessee shall fail to cure such breach in the manner specified herein, and such breach shall result only in monetary loss to the Lessor, then Lessee may elect to cure such breach by paying, indemnifying and holding Lessor harmless from and against such loss within thirty (30) days from the final determination of such breach and such payment and indemnification shall have the same effect as if no breach had occurred, and the Extended Lease shall continue for the balance of the Extended Lease Term.

16.4 Causes Beyond Lessee's Control.

If either party shall be delayed or prevented from the performance of any act required by this Extended Lease by reason of acts of God, strikes, lockouts, or other cause, without fault and beyond the reasonable control of the Lessor or Lessee, performance of such act by such party shall be excused for the period of the delay; and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay, provided, however, nothing in this section shall excuse Lessee from the prompt payment of any rental or other charge required of Lessee except as may be expressly provided elsewhere in this Extended Lease.

16.5 Repossession of the Premises on Termination.

Upon termination of this Extended Lease as provided herein, the Lessor may proceed to enter into and repossess the Premises with process of law, assume (at Lessor's sole option) Lessee's equipment leases and acquire Lessee's personal property at its then book value ~~at Lessor's sole option~~ and remove Lessee's employees or property therefrom in such manner and in accordance with such procedures as a Court having jurisdiction may allow, without incurring any liability to Lessee or to any persons occupying or using the Premises for any damage caused or sustained by reason of such lawful entry or removal. Upon breach of the terms of this Extended Lease by Lessee under the provisions of this Article, Lessor shall have all the rights and remedies and obligations provided by law, except that where a specific remedy has been provided for in this Extended Lease such specific remedy shall be Lessor's sole remedy for such breach; provided that Lessee may continue to operate the Hospital and have possession of the Premises until it becomes legally obligated to surrender same by reason of a final non-appealable judicial determination in the courts of the State of Florida or at the level of the Circuit Court of Appeals if the applicable proceeding was commenced in a Federal District Court by an unrelated part.

16.6 Abandonment by Lessee.

If at any time during the Extended Lease Term, Lessee shall fail to operate the Hospital Premises as an acute care hospital for any period of seven (7) consecutive days and the Hospital Premises have not been partially or substantially destroyed as defined by Article 7 of this Agreement or such failure to operate as an acute care hospital was caused by some other event or occasion beyond the control of Lessee, then the Leased Premises shall be deemed to be abandoned and the Extended Lease terminated and Lessor shall be entitled to take immediate possession thereof, and all other legal and equitable remedies available under the laws of the State of Florida.

ARTICLE 17 EMINENT DOMAIN

If the entire Leased Premises, or such part thereof as renders the remaining portion unsuitable for use as a one hundred twenty-six (126) bed general hospital with adequate parking area, and vehicular and pedestrian access to the Leased Premises, is acquired by governmental or quasi-governmental authorities by the exercise of the power of eminent domain, then, upon written notice of Lessee's election so to do, given by Lessee to Lessor within thirty (30) days after receipt by Lessee of notice from Lessor that proceedings or negotiations with respect to such acquisition have begun, this Extended Lease shall terminate for all purposes (except enforcement of rights then accrued), at the time possession must be surrendered to such authority and the amount of the award shall be divided among Lessor and Lessee as their respective interests may appear giving full equitable value to Lessor's remaining interests in the Premises and to Lessee's remaining period under the Extended Lease.

ARTICLE 18 TIME FOR PERFORMANCE

18.1 Time is of the Essence.

Time is of the essence, and both parties agree to perform their obligations in a timely manner.

18.2 Delay.

No delay or failure on the part of either party in exercising or enforcing any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise of any other right, power or privilege.

18.3 No Waiver.

Waiver of any breach of a term, condition, or covenant of this Extended Lease by Lessor or Lessee shall be limited to the particular instance and shall not be deemed to waive future breaches of same or other terms, conditions or covenants.

ARTICLE 19 LESSOR HELD HARMLESS

Lessee agrees to save, indemnify and hold Lessor harmless for any claims, rights, liabilities or obligations arising out of Lessee's rights and duties under the Extended Lease and its operation of the Hospital subsequent to the execution of this Lease, except the liabilities or obligations of Lessor to Lessee.

ARTICLE 20 SURRENDER OF PREMISES-TRANSFER OF LICENSE AND CERTIFICATE OF NEED

Lessee shall, upon expiration of the Extended Lease Term or upon termination under Article 16, surrender the Premises to Lessor, including all buildings, replacements, alterations, and improvements constructed or placed by Lessor or Lessee thereon in good condition and repair, ordinary wear and tear excepted. Lessee shall cooperate in all reasonable requests of Lessor to assist in the transfer of all applicable Hospital licenses, permits and Certificates of Need required by Lessor to operate Hospital for its own account. Lessor may, at its sole option, assume Lessee's equipment leases and acquire Lessee's personal property at its then book value.

ARTICLE 21 NOTICE

Whenever in connection with this Extended Lease it shall be required or permitted that notice, demand, consent, approval or communication be given or served by either party to the other, it shall be given or served (with a copy to the attorney who Lessor and Lessee may from time to time designate in writing to review such notice) and shall be deemed not to have been duly given or served and shall be ineffectual unless in writing and forwarded by certified or registered mail, postage prepaid, addressed to Lessor or Lessee, and their duly designated attorneys, as follows:

If to Lessor: Chairman of the Board of the
Highlands County Hospital District
P.O. Box 1926
Sebring, Florida 33871-1926

If to Lessee: Sebring Hospital Management Associates, Inc.
Attention: President
5811 Pelican Bay Boulevard
Suite 500
Naples, Florida 33963

or to such other single address as either party may direct from time to time and shall be deemed given when deposited in the United States mail, postage prepaid.

ARTICLE 22 MISCELLANEOUS

22.1 Relationships of Parties.

Nothing contained in this Extended Lease shall be deemed or construed by the parties hereto or by any third person to create the relationship of principal and agent or partnership or joint venture or of any association between Lessor and Lessee, and no provision contained in this Extended Lease or any acts of the parties hereto shall be deemed to create any relationship between Lessor and Lessee other than the relationship of Lessor and Lessee.

22.2 Captions.

The captions for this Extended Lease are for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction.

22.3 Number and Gender.

The terms "Lessor" and "Lessee" wherever used herein shall be applicable to one or more persons or entities, as the case may be.

22.4 Rights and Remedies.

It is the intention of the parties to specifically set forth their respective rights and remedies in the specific provisions of this Extended Lease. However, where no specific remedy has been provided by the terms of this Extended Lease, both Lessor and Lessee shall retain their right to damages, specific performance or other appropriate relief. The party who successfully litigates any dispute arising under this Extended Lease shall be entitled to reasonable attorneys fees incurred at the trial or appellate level. Provided, that termination shall be a remedy only in the manner as specified in Article 16.

22.5 Multiple Originals.

This Extended Lease may be executed in several counterparts, each of which shall be deemed to be an original.

22.6 Successors and Heirs.

The covenants and agreements of this Extended Lease shall be binding upon and inure to the benefit of the heirs, legal representative, successors and assigns of any or all of the parties hereto, and the successor governing boards of Lessor and Lessee.

It is specifically understood that Lessor shall retain all rights and powers it now possesses or may possess in the future to alter, change, or terminate its existence as a Florida Body Politic and that this Extended Lease and Lessor's rights and obligations hereunder shall inure to the benefit to its legal successor under Florida law.

22.7 Cooperation Clause.

Lessor and Lessee agree to pursue and perform with all due diligence all acts, applications, authorizations and consents necessary or convenient to the fulfillment of the terms, covenants, conditions and provisions of this Extended Lease, and to execute any and all documents incident thereto.

22.8 Entire Agreement.

This Extended Lease substitutes and replaces the original Lease Agreement dated January 24, 1985 between the parties hereto, and this Extended Lease contains the entire agreement of Lessor and Lessee hereto with respect to the matters covered hereby, and no other agreement, proposal, bid, response, statement, or promise made by either, or to any employee, officer or agent of either, whether oral or written, which is not contained herein shall be binding or valid. No modification of this Extended Lease shall be binding on the parties unless it is in writing and executed by both Lessee and Lessor.

22.9 Severability Clause.

Each and every Article and provision of this Extended Lease is severable from each other Article or provision. If any Article or provision shall be determined to be invalid or in violation of any applicable law or regulation, the same may be amended to the extent needed to comply therewith and the existence of such invalid provision or violation shall not in any manner affect or invalidate any other Article or provision of this Extended Lease.

In the event that this Extended Lease shall be finally judicially determined to be invalid or in violation of any applicable law or regulation, then this entire Extended Lease shall be voided. Then, and in that event, the Lease and all prior amendments thereto (except for the provisions of Article 20 of the Lease and any other provisions dealing with repayment of prepaid rent, which are deemed waived) shall be and remain in full force and effect as if this Extended Lease had not been entered into, and the Lease shall not in any manner be affected or invalidated by such determination.

22.10 Lessor's Agreement Not to Employ Lessee's Employees.

During the term of this Extended Lease or within two (2) years after termination of this Extended Lease, Lessor agrees not to knowingly employ in any capacity any employee of Lessee or its corporate affiliates, (excluding current Hospital employees and present or future Hospital staff employees below the level of Executive or Associate Executive Director) including the management personnel who provide services to the Hospital during the Extended Lease Term in a management, consulting or service capacity, in the case of management personnel, or in the capacity of an Executive Director or Associate Executive Directors of Finance, Administration or Nursing. Lessor agrees that this provision is reasonable in its scope and is an inducement to Lessee to supply personnel who are qualified and competent. Lessor acknowledges it is aware that Lessee's employees have covenanted not to accept employment with Lessor.

In the event Lessor breaches the provisions referred to above, then Lessee shall be entitled to all legal and equitable remedies available under the laws of the State of Florida, including injunctive relief and damages.

Notwithstanding Lessee's Employees' personal covenants not to compete, this Article shall not be applicable and Lessee's Employees' personal covenants are waived, in the event that Lessee arbitrarily terminates this Extended Lease without cause, abandons the Premises, or this Extended Lease is terminated for cause pursuant to Article 16.

22.11 Applicable Law and Forum.

Validity and interpretation of this Extended Lease shall be determined under the laws of the State of Florida.

ARTICLE 23 CONDITIONS PRECEDENT TO LESSEE'S OBLIGATIONS

This Extended Lease is executed subject to the following express conditions precedent, any of which may be waived by Lessee:

23.1 Lessor's Authority to Execute Extended Lease.

Lessor shall deliver to Lessee a certificate in a form reasonably satisfactory to Lessee executed by an appropriate officer of the Lessor that it possesses the lawful power and authority to enter into this Extended Lease, ~~that by so doing it does not violate any state, local or federal rule, regulation or statute~~, and that it has performed any and all necessary enabling acts authorizing the execution of this Extended Lease and consummation of the transactions contemplated hereby.

23.2 Litigation.

No litigation, administrative proceeding or investigation shall be pending which has been initiated with the purpose of enjoining or preventing the transactions herein contemplated or which may reasonably be expected to have the effect, if successfully prosecuted, of imposing liability upon Lessee or any of its officers or directors because of the consummation of the transactions herein contemplated.

23.3 Title to Real Estate.

Lessor agrees that representations to title in the Lease Agreement shall apply.

ARTICLE 24 HEALTH MANAGEMENT ASSOCIATES, INC.'S GUARANTY

This Extended Lease and the Lessor's obligations thereunder are contingent upon Lessee providing the Corporate Guaranty of its parent, Health Management Associates, Inc., guaranteeing Sebring Hospital Management Associates, Inc.'s obligations under this Extended Lease Agreement in a form reasonably satisfactory to Lessor's counsel.

IN WITNESS WHEREOF, the undersigned have executed this Extended Lease on the date hereinabove first mentioned.

ATTEST: Bruce J. Lybarger

Lessor
The Board of Commissioners of the
Highlands County Hospital District

By: [Signature]

ATTEST: Robb L. Smith

Lessee
Sebring Hospital Management
Associates, Inc.

By: Earl P. Holland

STATE OF FLORIDA
COUNTY OF

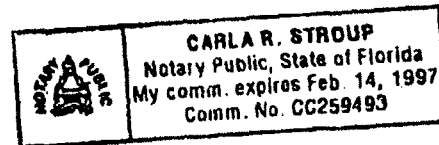
I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared James M. Wach well known to me to be the Chairman of The Board of Commissioners of the Highland County Hospital District, a Corporate Body Politic, and they severally acknowledged signing and delivering the same freely and voluntarily under the authority duly vested in them by said corporate body politic as the act and deed of the corporation and that the seal affixed hereto is the true seal of said corporate body politic.

WITNESS my hand and official seal in the County and State last aforesaid this 20th day of January, A.D. 1995.

Carla Stroup / Carla Stroup
Notary Public

My Commission Expires:

STATE OF FLORIDA
COUNTY OF

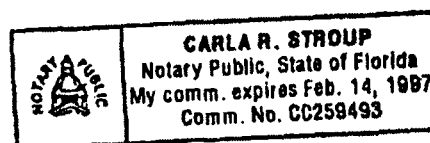


I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgements, personally appeared Carl O. Holland, well known to me to be the Exec. Vice President of Sebring Hospital Management Associates, Inc., a Florida corporation authorized to do business in the State of Florida, and they severally acknowledged executing the same freely and voluntarily under authority duly vested in them by said corporation and that the seal affixed hereto is the true seal of said corporation.

Witness my hand and official seal in the County and State last aforesaid this 20th day of January, A.D. 1995.

Carla Stroup / Carla Stroup
Notary Public

My Commission Expires:



GUARANTY

In consideration of the execution of the within Extended Lease by THE BOARD OF Commissioners of the Highlands County Hospital District, the Lessor, at the request of Sebring Hospital Management Associates, Inc., as Lessee, the undersigned hereby guarantees to the Lessor, its successors and assigns, the payment of all rent and the performance of all the terms, covenants and conditions provided in said Extended Lease, hereby waiving all notices, called for therein, and consenting to any extensions of time or changes in the manner of payment or performance of any of the terms and conditions of the said Extended Lease that the Lessor may grant the Lessee, and further consenting to any authorized assignment of subletting of the said Extended Lease, and any modifications thereof, all without notice to the undersigned.

ATTEST: Robt E. Smith

HEALTH MANAGEMENT ASSOCIATES, INC.,
A Delaware Corporation

By: Earl P. Holland

**THE BOARD OF COMMISSIONERS
OF THE HIGHLANDS COUNTY HOSPITAL DISTRICT**

OFFICER'S CERTIFICATE

The undersigned, to the best of his knowledge and belief, being an authorized representative of the Board of Commissioners of the Highlands County Hospital District, a corporate body politic created under Chapter 62-2232, laws of Florida, ("Lessor") does hereby certify pursuant to Section 23.1 of that certain First Amended and Restated Lease Agreement dated as of January 1, 1995 (the "Lease Agreement") by and between Lessor and Sebring Hospital Management Associates, Inc., a Florida Corporation ("Lessee"), that:

1. Lessor has the corporate power and authority to execute, deliver and perform its obligations under the Lease Agreement.

2. Lessor's execution and delivery of, and its performance of its obligation under, the Lease Agreement have been duly authorized by all necessary corporate action on the part of Lessor, and the Lease Agreement has been duly executed and delivered by Lessor.

3. The Lease Agreement is the valid and binding obligation of Lessor, enforceable against Lessor in accordance with its terms.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Certificate on the 20TH day of JAN, 1995.

By: _____

Its: CHAIRMAN

HIGHLANDS COUNTY HOSPITAL DISTRICT
REAL PROPERTY LEGAL DESCRIPTION

Highlands General Hospital:

All of Day Division, according to the plat thereof recorded in Plat Book 2, Page 92, Public Records of Highlands County, Florida, together with that portion of James Street shown on the Plat of said Day Division heretofore vacated that travers the above-described premises, LESS AND EXCEPT that part of the SW 1/4 of the NW 1/4 of Section 4, Township 35 South, Range 29 East, described as follows: Begin at the SW corner of the said SW 1/4 of the NW 1/4 of Section 4 and run East along the South boundary thereof 322.56 feet; thence North 46°56' West a distance of 437.01 feet to the west boundary of said SW 1/4 of the NW 1/4 of Section 4; thence south along the said west boundary a distance of 303.16 feet to the Point of Beginning, and LESS AND EXCEPT the West 20 feet of the South 1/2 of Lot 1 and the West 20 feet of Lots 2 through 12, inclusive, of said Day Division.

SUBJECT TO easement for County Road purposes over and across the following described parcel, to-wit: A strip of land 56.65 feet in width, more particularly described as follows: For the point of beginning commence at the Northwest corner of the SW 1/4 of the NW 1/4 of Section 4, Township 35 South, Range 29 East; thence run East along the north boundary of said SW 1/4 of said NW 1/4 a distance of 471.08 feet, more or less, to the Northwest corner of the North two acres of the East six acres of the West one half of the SW 1/4 of the NW 1/4 of said Section 4; thence run southerly a distance of 56.65 feet; thence run westerly along a line parallel to the North boundary of said SW 1/4 of said NW 1/4 a distance of 471.08 feet, more or less, to the West line of said Section 4; thence run northerly along said west line of said Section 4 a distance of 56.65 feet to the Point of Beginning.

AND,

Parcels 1, 2, 3, 4, 10 and 11 of W. E. TAUBERT Unrecorded Subdivision, recorded in O. R. Book 356, page 233, Public Records of Highlands County, Florida, lying in Section 4, Township 35 South, Range 29 East, Highlands County, Florida, more particularly described as follows:

Begin at the SE corner of the West 1/2 of the SW 1/4 of the NW 1/4 of said Section 4 and run North for a distance of 879.10 feet; thence run South 88°33'00" West for a distance

EXHIBIT "A"

(Page 1 of 2)

Cont...

of 86.50 feet for Point of Beginning; thence continue South 88°33'00" West for a distance of 111.08 feet; thence South 0°01'34" West a distance of 365.20 feet; thence North 88°33'00" East a distance of 111.24 feet; thence North a distance of 365.20 feet to P.O.B.,

AND

Begin at the SE corner of the West 1/2 of the SW 1/4 of the NW 1/4 of said Section 4, and run North for a distance of 514.24 feet for a Point of Beginning, thence continue North a distance of 243.34 feet; thence South 88°33'00" West a distance of 86.50 feet; thence South a distance of 243.24 feet; thence North 88°33'00" East a distance of 86.50 feet to P.O.B.

Medical Office Parcel

The North 1/4 of the North two (2) acres of the East six (6) acres of the West 1/2 of the SW 1/4 of the NW 1/4 of Section 4, Township 35 South, Range 29 East.

EXHIBIT "A"

(Page 2 of 2)

FIRST AMENDMENT TO LEASE AGREEMENT

THIS FIRST AMENDMENT to the Lease Agreement ("**First Amendment**") is made as of 23rd day of September, 2011, between the **Highlands County Hospital District**, a dependent special district, under Chapter 2004-458, Laws of Florida (2004), formerly under Chapter 62-2232, Laws of Florida (1962), ("**Lessor**") and **Sebring Hospital Management Associates, Inc.**, a Florida Corporation ("**Lessee**").

This Amendment is attached to and forms a part of the First Amended and Restated Lease dated as of, January 1, 1995 between the Lessor and Lessee pertaining to certain real property and other assets, including, but not limited to, the District Hospital operated as Highlands Regional Medical Center ("**Lease**"). To the extent the terms of this Amendment conflict with those contained in the Lease, the terms of this Amendment shall control.

1. **Defined Terms.** All capitalized terms used herein but not otherwise defined shall have the meaning ascribed to such terms in the Lease.

2. Section 5.1 of the Lease shall be deleted in its entirety and replaced with the following:

5.1 BASIC RENT. Commencing on January 1, 1995 and continuing through the extended lease term, Lessee agrees to and shall pay Lessor as rent for the Premises, \$320,000 per Lease Year. For the portion of the Lease Year from January 1, 1995 through July 31, 1995, Lessee shall pay Lessor prorated rent in the amount of \$186,667. Payment of this rental payment shall be made pursuant to prior written instructions of Lessor. In addition to the herein stated Basic Rent and Other Obligations, the Lessee shall remit to the Lessor with the Basic Rent any applicable sales tax.

Additionally, Lessee shall pay to Lessor rent in the amount of \$420,000.00, per quarter. The first such payment will be due within 10 days of execution of this Amendment (for the quarter July, August, and September, 2011). The following quarterly payments will be due on or before November 15, 2011, March 15, 2012, June 15, 2012, September 15, 2012, November 15, 2012, March 15, 2013, and June 15, 2013. Such payments shall be discontinued after payment of the June 15, 2013, payment, unless renegotiated by the parties. After which time, the quarterly sum described in this paragraph only (and no other amount outlined within this lease) shall no longer be payable. Lessee shall also pay all sales tax due on quarterly payments made pursuant to this lease.

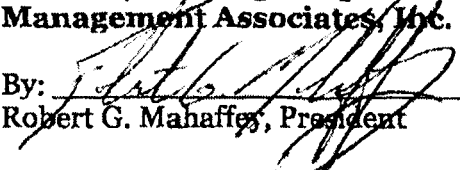
FIRST AMENDMENT TO LEASE AGREEMENT

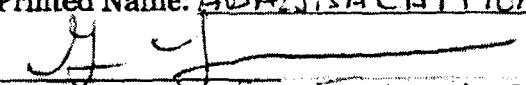
3. **Ratification.** Except as expressly modified by the terms of this First Amendment, all other terms, covenants and provisions of the Lease are hereby ratified and confirmed and continue in full force and effect.

In Witness Whereof, the parties have duly executed this Amendment on the day and year first above written.

**SEBRING HOSPITAL
MANAGEMENT ASSOCIATES, LLC,
formerly Sebring Hospital
Management Associates, Inc.**

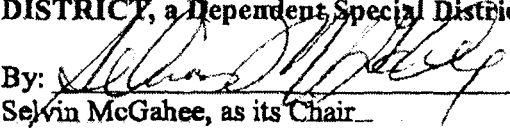

Printed Name: ADALYSA CARRION

By: 
Robert G. Mahaffey, President

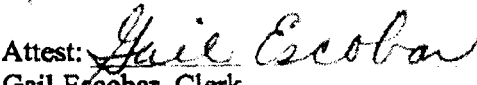

Printed Name: Eric Tugg-Warshorn

**HIGHLANDS COUNTY HOSPITAL
DISTRICT, a Dependent Special District**


Printed Name: Lucy Castillo

By: 
Selvin McGahee, as its Chair


Printed Name: Ruth Colman

Attest: 
Gail Escobar, Clerk

Guaranty

In consideration of the execution of the extended lease and this first amendment to lease agreement, and other good and valuable consideration, including the letters of agreement issued by the lessor to the state, and at the request of Sebring Hospital Management Associates, LLC (formerly, Sebring Hospital Management Associates, Inc.), as lessee, and the Highlands County Hospital District, as lessor, its successors and assigns, the undersigned guarantors (described below), hereinafter the "Guarantors" hereby guarantee to the lessor and its successors and assigns, the payment of all rent, and the performance of all of the terms, covenants and conditions of the first amended and restated lease agreement, and the foregoing first amendment to lease agreement. Guarantor also consents to any extensions of time or changes in the manner of payment or performance of any of the terms and conditions of the said lease, as amended, consents to any assignment or subletting by lessor of the lease as amended, and

FIRST AMENDMENT TO LEASE AGREEMENT

consents to any modifications of the lease as amended, all without notice to the guarantor.

The Guarantor is the following: HEALTH MANAGEMENT ASSOCIATES, INC., doing business in Florida as Health Management Associates, Inc. of Delaware, a corporation organized under the laws of Delaware.

A signature transmitted by facsimile shall be considered an original.

*Signed, sealed and delivered
In the presence of:*

Shaina Rutherford
Printed name: Shaina Rutherford
Carina Arias
Printed name: Carina Arias

HEALTH MANAGEMENT ASSOCIATES, INC.,
DOING BUSINESS IN FLORIDA AS HEALTH
MANAGEMENT ASSOCIATES, INC. OF
DELAWARE, a corporation organized under the
laws of Delaware

By: Timothy R. Parry
Timothy R. Parry, Senior Vice President
and General Counsel

SECOND AMENDMENT TO LEASE AGREEMENT

THIS SECOND AMENDMENT to the Lease Agreement ("Second Amendment") is made as of this 23rd day of September, 2013, between **The Highlands County Hospital District Board**, a dependent special district, under Chapter 2004-458, Laws of Florida (2004), formerly under Chapter 62-2232, Laws of Florida (1962), ("**Lessor**") and **Sebring Hospital Management Associates, LLC**, a Florida Corporation ("**Lessee**").

This Amendment is attached to and forms a part of the First Amended and Restated Lease dated as of, January 1, 1995 which was amended by the First Amendment to Lease Agreement dated September 23, 2011, between the Lessor and Lessee pertaining to certain real property and other assets, including, but not limited to, the District Hospital operated as Highlands Regional Medical Center ("**Lease**"). To the extent the terms of this Amendment conflict with those contained in the Lease, the terms of this Amendment shall control.

1. **Defined Terms.** All capitalized terms used herein but not otherwise defined shall have the meaning ascribed to such terms in the Lease.

2. Section 5.1 of the Lease shall be deleted in its entirety and replaced with the following:

5.1 BASIC RENT. Commencing on January 1, 1995 and continuing through the extended lease term, Lessee agrees to and shall pay Lessor as rent for the Premises, \$320,000 per Lease Year. For the portion of the Lease Year from January 1, 1995 through July 31, 1995, Lessee shall pay Lessor prorated rent in the amount of \$186,667. Payment of this rental payment shall be made pursuant to prior written instructions of Lessor. In addition to the herein stated Basic Rent and Other Obligations, the Lessee shall remit to the Lessor with the Basic Rent any applicable sales tax.

Additionally, from July 1, 2011, through June 30, 2014, Lessee shall pay to Lessor rent in the amount of \$420,000.00, per quarter. The quarterly payments for the period from July 1, 2011 through June 30, 2013 have been made. The quarterly payment for the period from July 1, 2013 through September 30, 2013 will be made within ten (10) days from the date this Amendment is fully executed. Thereafter, payments for the remaining three quarters will be made as follows: on or before; October 1st, 2013, January 1st, 2014, and April 1st, 2014. Such payments shall be discontinued after payment for the quarter ending June 30, 2014, unless renegotiated by the parties. After which time, the quarterly sum described in this paragraph only (and no other amount outlined within this lease) shall no longer be payable. Lessee shall also pay all sales tax due on quarterly payments made pursuant to this lease.

3. **Ratification.** Except as expressly modified by the terms of this Second Amendment, all other terms, covenants and provisions of the Lease are hereby ratified and confirmed and continue in full force and effect.

In Witness Whereof, the parties have duly executed this Second Amendment on the day and year first above written.

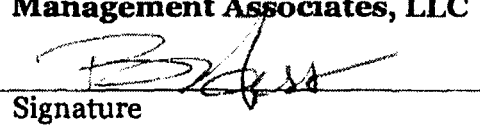
**The Highlands County
Hospital District**


Signature

Selvin McKee
Printed Name

Chairman
Title

**Sebring Hospital
Management Associates, LLC**


Signature

Brian Hess
Printed Name

CEO
Title

GUARANTY

In consideration of the execution of the extended lease and this second amendment to lease agreement, and other good and valuable consideration, including the letters of agreement issued by the lessor to the state, and at the request of Sebring Hospital Management Associates, LLC, as lessee, and the Highlands County Hospital District, as lessor, its successors and assigns, the undersigned guarantor (described below), hereinafter the "Guarantor" hereby guarantees to the lessor and its successors and assigns, the payment of all rent and the performance of all of the terms, covenants and conditions of the first amended and restated lease agreement, and the foregoing second amendment to lease agreement. Guarantor also consents to any extensions of time or changes in the manner of payment or performance of any of the terms and conditions of the said lease, as amended, consents to any assignment or subletting by lessor of the lease as amended, and consents to any modifications of the lease as amended, all without notice to the Guarantor.

The Guarantor is the following: HEALTH MANAGEMENT ASSOCIATES, INC., doing business in Florida as Health Management Associates, Inc. of Delaware, a corporation organized under the laws of Delaware.

A signature transmitted by facsimile shall be considered an original.

**Signed, sealed and delivered
in the presence of:**

Carina Arias

Signature

Carina Arias

Printed Name

Cheryl L. Decker

Signature

Cheryl L. Decker

Printed Name

**Health Management
Associates, Inc. doing
business as Health
Management Associates Inc.
of Delaware, a corporation
organized under the laws of
Delaware**

Robert E. Farnham

Signature

Robert E. Farnham

Printed Name

Senior Vice President Finance

THIRD AMENDMENT TO AND LEASE AGREEMENT

THIS THIRD AMENDMENT TO LEASE AGREEMENT (the "**Third Amendment**") is made as of the 1ST day of October, 2014 (the "**Effective Date**") between the **Highlands County Hospital District**, a dependent special district, under Chapter 2004-458, Laws of Florida (2004), formerly under Chapter 62-2232, Laws of Florida (1962), acting through its Board of Commissioners ("**Lessor**" or "**District**"), and **Sebring Hospital Management Associates, LLC**, a Florida limited liability company ("**Tenant**").

RECITALS:

A. Lessor and Lessee entered into a Lease Agreement dated January 24, 1985 (the "**Lease Agreement**"), as amended and replaced by the First Amended and Restated Lease Agreement dated as of January 1, 1995 (the "**Extended Lease**"), a First Amendment to Lease Agreement dated as of September 23, 2011 (the "**First Amendment**"), and a Second Amendment to Lease Agreement dated as of September 23, 2013 (the "**Second Amendment**") (collectively, the "**Lease**"), pertaining to certain real property and other assets including, but not limited to, the District Hospital operated as Highlands Regional Medical Center, as more particularly described in Section 1.7 of the Lease Agreement (the "**Premises**"); and

B. Lessor and Lessee desire to amend the Lease to extend the Term and modify the Rent, all in accordance with the terms and conditions of this Third Amendment.

IN CONSIDERATION of the foregoing Recitals and the mutual terms and conditions set forth below, the parties mutually agree as follows:

1. **Recitals.** The foregoing Recitals are true and correct and are hereby made a part hereof for all purposes.

2. **Defined Terms.** Any capitalized terms not defined herein shall have the meanings ascribed to them in the Lease.

3. **Term (Article 4).** Article 4 of the Extended Lease is hereby deleted in its entirety and replaced with the following:

ARTICLE 4 LEASE TERM

The Extended Lease Term that commenced on January 1, 1995 and expires on July 31, 2025, is hereby extended for an additional two (2) years ("**Extension Term**") and shall now expire and terminate on July 31, 2027, unless sooner terminated as provided in the Lease. The Extended Lease Term and Extension Term will be collectively referred to as the "**Term.**"

4. **Rent (Article 5).** A new Section 5.3 is hereby added to the end of Article 5 immediately after Section 5.2 as follows:

5.3 Extension Term Prepaid Rent.

In exchange for Lessor agreeing to the Extension Term, Lessee agrees to pay Lessor prepaid rent in the amount of \$2,129,540.00 on or before October 15, 2014 ("Extension Term Prepaid Rent").

5. **Authority.** Lessor and Lessee each represent and warrant that, as of the date of this Third Amendment, they are each duly authorized and have the full power, right and authority to enter into this Third Amendment and to perform all of their respective obligations under this Third Amendment and the undersigned individuals executing this Third Amendment have the authority to execute and deliver this Third Amendment to the other party.

6. **Ratification.** Except as expressly modified by this Third Amendment, all terms, covenants, obligations and provisions of the Lease, as previously amended, shall remain unaltered, shall continue in full force and effect, and are hereby ratified, approved and confirmed by the parties in every respect. If the terms and conditions set forth in this Third Amendment shall directly conflict with any provision contained in the Lease, then this Third Amendment shall control.

7. **Headings.** The headings contained in this Third Amendment are for reference purposes only and shall not modify or affect this Third Amendment in any manner whatsoever.

8. **Severability.** Section 22.9 of the Extended Lease shall be incorporated herein by reference and shall apply to this Third Amendment.

9. **Construction.** Language of all parts of this Third Amendment shall be construed as a whole according to its fair meaning. The parties acknowledge and agree that this Third Amendment was initially prepared by counsel for Lessee solely as a convenience and that all parties and their counsel have read and have fully negotiated the language used in this Third Amendment. The parties acknowledge and agree that because all parties and their counsel participated in negotiations in drafting this Third Amendment, no rule of construction shall apply to this Third Amendment which construes any language, whether ambiguous, unclear or otherwise, in favor of or against any party by reason of that party's role in drafting this Third Amendment.

10. **Copy of Agreement Valid.** The Parties agree that executed copies and facsimile copies of this Third Amendment shall be valid and binding and that a signature transmitted by facsimile shall be considered an original.

11. **Entire Lease.** The Lease, as previously amended, and as amended by this Third Amendment, embodies the final, entire agreement between the parties with respect to the subject matter of this Third Amendment, and supersedes any and all prior agreements, representations, understandings and commitments, whether oral or written relating to this subject matter, and may not be contradicted or varied by evidence of prior, contemporaneous or subsequent oral agreements or discussions of or on behalf of the parties to this Third Amendment.

IN WITNESS WHEREOF, the undersigned parties have caused this Third Amendment to be duly executed as of the Effective Date.

LESSOR:

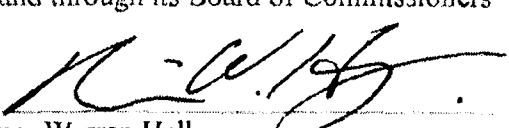
HIGHLANDS COUNTY HOSPITAL DISTRICT, a dependent special district

By and through its Board of Commissioners

Signed, sealed and delivered in the presence of:


Print Name: Gail Escobar


Print Name: Jeffrey L. Roth

By: 
Name: Warren Hall
Title: Chair of the Highlands County Hospital District Board of Commissioners.

LESSEE:

SEBRING HOSPITAL MANAGEMENT ASSOCIATES, LLC, a Florida limited liability company

Signed, sealed and delivered in the presence of:


Print Name: Mary Ann Eckman


Print Name: Kathryn Herold

By: 
Name: Martin G. Schweinhart
Title: Executive Vice President

GUARANTY

In consideration of the execution of the extended lease and this Third Amendment to Lease Agreement, and other good and valuable consideration, including the letters of agreement issued by the lessor to the state, and at the request of Sebring Hospital Management Associates, LLC, as lessee, and the Highlands County Hospital District, as lessor, its successors and assigns, the undersigned guarantor (described below), hereinafter the "Guarantor" hereby guarantees to the lessor and its successors and assigns, the payment of all rent and the performance of all of the terms, covenants and conditions of the first amended and restated lease agreement, and the foregoing second amendment to lease agreement. Guarantor also consents to any extensions of time or changes in the manner of payment or performance of any of the terms and conditions of the said lease, as amended, consents to any assignment or subletting by lessor of the lease as amended, and consents to any modifications of the lease as amended, all without notice to the Guarantor.

The Guarantor is the following: CHS/Community Health Systems, Inc., (a wholly-owned subsidiary of Community Health Systems, Inc.).

A signature transmitted by facsimile shall be considered an original.

Signed, sealed and delivered in the presence of:


Print Name: Mary Ann Eckman

Print Name: Robert H. Hendrick

CHS/Community Health Systems, Inc

By: 
Name: Martin G. Schweinhart
Title: Executive Vice President
Administration

4833-249-2182.3
27587.0013

MR
N/C

RELEASE OF LEASE

THIS RELEASE OF LEASE is made this 8 day of March, 2007, by SEBRING HOSPITAL MANAGEMENT ASSOCIATES, INC., a Florida corporation (hereinafter "HMA SEBRING"), as Lessee, and HIGHLANDS COUNTY HOSPITAL DISTRICT BOARD OF COMMISSIONERS, a dependent special district of the State of Florida (hereinafter "DISTRICT"), as Lessor, upon the following terms and conditions:

WHEREAS, the parties entered into a long term unrecorded lease dated 24 January 1985 and amended by the First Amended and Restated Lease Agreement dated 1 January 1995 (collectively the "LEASE") regarding the land described on Exhibit "A" attached hereto;

WHEREAS, the parties agree that a portion of the above-described land is needed for the Sebring Parkway and that these renovations and improvements will benefit the remainder of the land described in Exhibit "A";

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. **Truth.** The foregoing representations are true and correct.
2. **Release.** HMA SEBRING hereby forever releases the property described on Exhibit "B" and "B-2" attached hereto and incorporated herein from the said LEASE.

EXECUTED BY THE PARTIES on the date first above written.

LESSEE:
SEBRING HOSPITAL MANAGEMENT
ASSOCIATES, INC., a Florida corporation

Adalisha Carrion
Printed Name: ADALISHA CARRION

Bert Harris, III
Printed Name: _____
Title: President

Alicia Morey
Printed Name: Alicia Morey
Witnesses as to HMA Sebring

Prepared By: Bert Harris, III.
401 Dal Hall Blvd
Lake Placid, Florida 33852

LESSOR:
HIGHLANDS COUNTY HOSPITAL DISTRICT
BOARD OF COMMISSIONERS

Linda L. Pierce
Printed Name: Linda L. Pierce
Linda L. Pierce
Printed Name: Linda L. Pierce
Witnesses as to Hospital District.

By: Selvin McGahee
Selvin McGahee, Chairman
Attest: Nancy Thomas
Nancy Thomas, Clerk

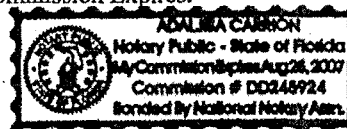
STATE OF FLORIDA
COUNTY OF HIGHLANDS

BEFORE ME the undersigned authority, personally appeared
of Sebring Hospital Management Associates, Inc. who acknowledges that he has authority to
execute said document on behalf of said corporation, and who is personally known to me or who
produced Empty ID as identification.

WITNESS my hand and official seal in the County and State last aforesaid this 8 day
of March, 2007



Adalysa Carrion
Notary Public, State of Florida at Large
Printed Name: ADALYSA CARRION
My Commission Expires:



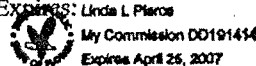
STATE OF FLORIDA
COUNTY OF HIGHLANDS

BEFORE ME the undersigned authority, personally appeared Selvin McGahee as
Chairman and Nancy Thomas as Clerk of Highlands County Hospital District Board of
Commissioners, who acknowledge that they have the authority to execute said document on
behalf of said corporation, and who are personally known to me or who produced
_____ as identification.

WITNESS my hand and official seal in the County and State last aforesaid this 5 day
of January, 2007.

(SEAL)

Linda L. Pierce
Notary Public, State of Florida at Large
Printed Name: _____
My Commission Expires: Linda L. Pierce



HIGHLANDS COUNTY HOSPITAL DISTRICT
REAL PROPERTY LEGAL DESCRIPTION

Highlands General Hospital:

All of Day Division, according to the plat thereof recorded in Plat Book 2, Page 92, Public Records of Highlands County, Florida, together with that portion of James Street shown on the Plat of said Day Division heretofore vacated that travers the above-described premises, LESS AND EXCEPT that part of the SW 1/4 of the NW 1/4 of Section 4, Township 35 South, Range 29 East, described as follows: Begin at the SW corner of the said SW 1/4 of the NW 1/4 of Section 4 and run East along the South boundary thereof 322.56 feet; thence North 46°56' West a distance of 437.01 feet to the west boundary of said SW 1/4 of the NW 1/4 of Section 4; thence south along the said west boundary a distance of 303.16 feet to the Point of Beginning, and LESS AND EXCEPT the West 20 feet of the South 1/2 of Lot 1 and the West 20 feet of Lots 2 through 12, inclusive, of said Day Division.

SUBJECT TO easement for County Road purposes over and across the following described parcel, to-wit: A strip of land 56.65 feet in width, more particularly described as follows: For the point of beginning commence at the Northwest corner of the SW 1/4 of the NW 1/4 of Section 4, Township 35 South, Range 29 East; thence run East along the north boundary of said SW 1/4 of said NW 1/4 a distance of 471.08 feet, more or less, to the Northwest corner of the North two acres of the East six acres of the West one half of the SW 1/4 of the NW 1/4 of said Section 4; thence run southerly a distance of 56.65 feet; thence run westerly along a line parallel to the North boundary of said SW 1/4 of said NW 1/4 a distance of 471.08 feet, more or less, to the West line of said Section 4; thence run northerly along said west line of said Section 4 a distance of 56.65 feet to the Point of Beginning.

AND,

Parcels 1, 2, 3, 4, 10 and 11 of W. E. TAUBERT Unrecorded Subdivision, recorded in O. R. Book 356, page 233, Public Records of Highlands County, Florida, lying in Section 4, Township 35 South, Range 29 East, Highlands County, Florida, more particularly described as follows:

Begin at the SE corner of the West 1/2 of the SW 1/4 of the NW 1/4 of said Section 4 and run North for a distance of 879.10 feet; thence run South 88°33'00" West for a distance

EXHIBIT "A"

(Page 1 of 2)

Cont...

of 86.50 feet for Point of Beginning; thence continue South 88°33'00" West for a distance of 111.08 feet; thence South 0°01'34" West a distance of 365.20 feet; thence North 88°33'00" East a distance of 111.24 feet; thence North a distance of 365.20 feet to P.O.B.,

AND

Begin at the SE corner of the West 1/2 of the SW 1/4 of the NW 1/4 of said Section 4, and run North for a distance of 514.24 feet for a Point of Beginning, thence continue North a distance of 243.34 feet; thence South 88°33'00" West a distance of 86.50 feet; thence South a distance of 243.24 feet; thence North 88°33'00" East a distance of 86.50 feet to P.O.B.

Medical Office Parcel

The North 1/4 of the North two (2) acres of the East six (6) acres of the West 1/2 of the SW 1/4 of the NW 1/4 of Section 4, Township 35 South, Range 29 East.

EXHIBIT "A"

EXHIBIT "B"

Highlands Regional Medical Center Right-of-Way Take

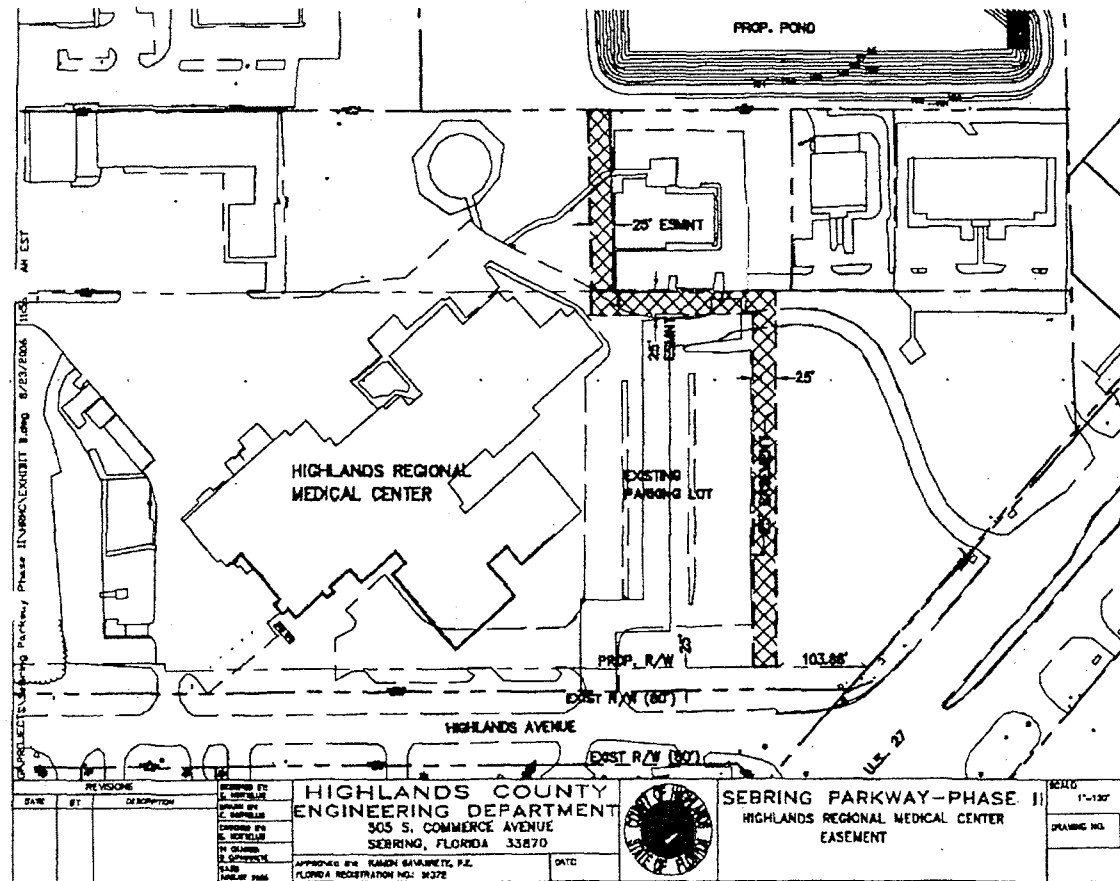
Commencing at the intersection of the east right-of-way of Highlands Avenue (formerly State Road 17-A) with the northeasterly right-of-way of U.S. 27, and the Point of Beginning; thence N 00° 51' 24" W along said Highlands Avenue east right-of-way, also being the basis of bearings for the proposed Sebring Parkway, a distance of 1002.08'; thence N 87° 27' 06" E, a distance of 66.01' to a point of cusp being the point of curve of a curve concave to the southeast, having the following elements; a radius of 35.00', a delta of 88° 18' 30", along an arc length of 53.94' to the point of tangency; thence S 00° 51' 24" E, a distance of 214.92' to a point; thence S 89° 08' 36" W, a distance of 7.00' to a point; thence S 00° 51' 24" E, a distance of 776.99' to a point at the northeasterly right-of-way of U.S. 27; thence N 48° 24' 24" W along said northeasterly right-of-way of U.S. 27, a distance of 33.90' to the Point of Beginning, containing 27,332 square feet, or 0.63 acres.

Together with a drainage easement to drain water from the Sebring Parkway and from the Highlands County Hospital District lands (and an easement to maintain the drainage facilities thereon), said easements being over, under and across the lands described on Exhibit "B-2").

EXHIBIT "B-2"

Highlands Regional Medical Center Proposed Drainage Easement

Commencing at the intersection of the east right-of-way of Highlands Avenue (formerly State Road 17-A) with the northeasterly right-of-way of U.S. 27; thence S 48° 24' 24" W, 33.90' along said northeasterly right-of-way of U.S. 27 to a point at the proposed east right-of-way of the Sebring Parkway and the northeasterly right-of-way of U.S. 27; thence N 00° 51' 24" W, a distance of 103.88' along said proposed east right-of-way of the Sebring Parkway, also being the basis of bearings, to the Point of Beginning of a proposed drainage easement; thence N 89° 08' 36" E, a distance of 407.25'; thence N 00° 56' 41" W, a distance of 180.46' to a point, thence N 87° 27' 27" E, a distance of 197.92' to a point; thence N 00° 59' 48" W, a distance of 25.01' to a point; thence S 87° 27' 27" W, a distance of 222.91' to a point; thence S 00° 56' 41" E, a distance of 179.73' to a point; thence S 89° 08' 36" W, a distance of 382.21' to a point at the proposed east right-of-way of the Sebring Parkway; thence S 00° 51' 24" E, a distance of 25.00' along said proposed east right-of-way of the Sebring Parkway, to the Point of Beginning, containing 19,631.02 square feet, or 0.451 acres.



LESSOR'S CONSENT TO ASSIGNMENT OF HOSPITAL LEASE

(Highlands Regional Medical Center)

THE HIGHLANDS COUNTY HOSPITAL DISTRICT, a dependent special district, under Chapter 2004-458, Laws of Florida (2004), acting through its Board of Commissioners ("**Lessor**"), and Sebring Hospital Management Associates, LLC, a Florida limited liability company ("**Lessee**"), are parties to that certain First Amended and Restated Lease Agreement dated January 1, 1995 (the "**Original Lease**"), amended by that certain First Amendment to Lease Agreement, dated September 23, 2011 (the "**First Amendment**"), by that certain Second Amendment to Lease Agreement, dated September 23, 2013 (the "**Second Amendment**"), that certain Third Amendment to Lease Agreement dated October 1, 2014 (the "**Third Amendment**"), and the Release of Lease dated March 8, 2007 (the "**Release**"), (the Original Lease, First Amendment, Second Amendment, Third Amendment and Release are referred to collectively herein as the "**Hospital Lease**"). The Hospital Lease pertains to the occupancy and use of certain real property and other assets (the "**Premises**"), including but not limited to the hospital operated as Highlands Regional Medical Center (the "**Hospital**"). The Hospital has a street address of 3600 South Highlands Avenue, Sebring, Florida 33870.

Lessee has entered into an Asset Purchase Agreement pursuant to which Lessee and its affiliates will sell to Sebring Health Services, LLC, a Delaware limited liability company ("**Buyer**"), the Hospital Lease. It is currently anticipated that the effective date of this transaction will be on or about November 1, 2017 (the "**Closing**"). In connection with and subject to the Closing, Lessee will assign all of its rights and interests under the Hospital Lease to Buyer, as assignee, and Buyer will assume all of the rights and obligations of Lessee under the Lease arising after the date of the assignment.

Lessor, with full knowledge that Buyer is relying upon the truth, accuracy and completeness of the statements made by Lessor herein, hereby certifies, represents and warrants to Buyer that:

1. A true and correct copy of the Hospital Lease and all exhibits, amendments, renewals and extensions thereto, is attached hereto as **Exhibit "A"** and made a part hereof. Except as set forth in **Exhibit "A"**, the Lease has not been modified, changed, altered, supplemented or amended in any way, nor have any provisions been altered.
2. The Hospital Lease is valid and is in full force and effect, constitutes the entire agreement between Lessor and Lessee with respect to the Premises, and there are no other agreements between Lessor and Lessee, either oral or written, with respect to the Premises.
3. The current term of the Hospital Lease began January 1, 1995 (the "**Commencement Date**") and the expiration date of such term is July 31, 2027. Lessee has no options to renew or extend the term of the Lease.
4. Lessee has paid to Lessor the entire "**Extension Term Prepaid Rent**" as defined in Section 4 of the Third Amendment. All payments of Basic Rent pursuant to the Hospital Lease through and including the date hereof have been paid in full. The current Basic Rent payable under the Hospital Lease is \$320,000.00 per Lease Year, which has been paid through July 31, 2018. Lessee's obligation under Section 2 of the Second Amendment to make the quarterly payments and applicable sales tax payments described therein has expired.

5. Lessor is holding a security deposit in the amount of \$0.00 on behalf of Lessee, and as of the date hereof, no portion of such security deposit has been applied toward Lessee's obligations under the Lease.

6. No notice of termination has been given by Lessor or Lessee with respect to the Hospital Lease.

7. Subject to the guaranty requirement in paragraph 8, below, Lessor hereby consents to the assignment of the Hospital Lease by Lessee to Buyer. Lessor represents to Buyer that no other signature, consent or approval is required for the effective and valid assignment of the Hospital Lease from Lessee to Buyer.

8. This consent to the assignment of the Hospital Lease given by the Lessor becomes effective only when the Hospital Lease Guaranty made and given by Galen Holdco, LLC, a Delaware limited liability company, is effective, executed and delivered to the Hospital District.

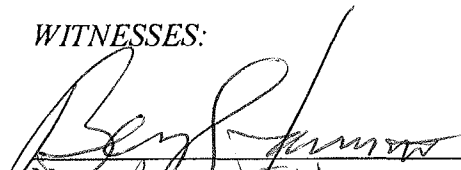
9. The undersigned individual is duly authorized to execute this Lessor Consent on behalf of Lessor.

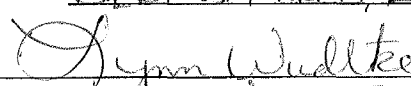
IN WITNESS WHEREOF, Lessor has executed this Lessor Consent on this 24 day of OCTOBER, 2017.

LESSOR:

HIGHLANDS COUNTY HOSPITAL DISTRICT
by and through its Board of Commissioners

WITNESSES:


Name: Bert W. Harris, III


Name: Lynn Wudtke

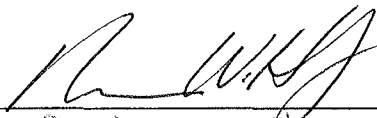
By: 
Name: R. WARREN HALL
Title: CHAIRMAN

EXHIBIT A

Lease

[Attach copy of the Lease and all modifications, amendments, renewals and extensions.]

**FIRST AMENDED AND RESTATED
LEASE AGREEMENT**

THIS FIRST AMENDED AND RESTATED LEASE AGREEMENT, made and entered into as of this 1st day of January, 1995, by and between:

THE BOARD OF COMMISSIONERS OF THE HIGHLANDS COUNTY HOSPITAL DISTRICT, A CORPORATE BODY POLITIC CREATED UNDER CHAPTER 62-2232, LAWS OF FLORIDA, HEREINAFTER REFERRED TO AS LESSOR

AND

SEBRING HOSPITAL MANAGEMENT ASSOCIATES, INC., A FLORIDA CORPORATION, HEREINAFTER REFERRED TO AS LESSEE

WHEREAS, the Lessor and Lessee are parties to that certain 20-year Lease Agreement dated as of January 24, 1985 (the "Lease Agreement"), governing Highlands Regional Medical Center, Sebring, Florida; and

WHEREAS, the parties are desirous of redefining their respective rights and obligations under the above Lease Agreement; and

WHEREAS, in exchange for a 20-year extension of the lease term set out in this above Lease Agreement (or an extension until July 31, 2025), Lessee would be willing to commence payment immediately of an annual rental amount; and

WHEREAS, the parties further desire to set aside and waive Lessor's obligations regarding Prepaid Rent upon early termination of the Lease Term; and

WHEREAS, both parties acknowledge and affirm that each has totally, completely and satisfactorily complied with all of their respective duties and obligations under the Lease Agreement.

NOW, THEREFORE, in consideration for the Rent herein and other premises herein, the parties hereby agree as follows:

ARTICLE 1 DEFINITIONS

The following are definitions in addition to those made elsewhere in this First Amended and Restated Lease Agreement.

1.1 "Extended Lease" shall refer to this document.

1.2 "Lease Agreement" shall refer to the original Lease between the parties dated January 24, 1985 and all amendments thereto.

1.3 "Lease Extension Date" shall be January 1, 1995.

1.4 "Extended Lease Term" shall mean a period commencing upon the execution of this Lease and ending at Midnight on July 31, 2025.

1.5 "Lease Year" shall mean a twelve month period commencing on August 1 of any year and subsequent anniversaries thereof.

1.6 "Permitted Premises Use" shall mean the operation of the business of an acute care hospital and other licensed health related activities.

1.7 "Premises" shall refer to the real property more particularly described on Exhibit A attached hereto and made a part hereof as though set forth herein, together with the improvements thereon, including parking areas, access roads and driveways, and the furniture, furnishings, fixtures, and equipment contained therein or used in connection therewith or with the operation of the Hospital and all other governmental licenses, permits and authorizations required to operate the Hospital and all rights, privileges, and easements appurtenant thereto.

1.8 "Improvements" shall mean all buildings, structures, fixtures, landscapings, utility lines, roads, driveways, fences, parking areas, contiguous and adjacent and entry rights, and all other improvements to the Premises owned by Lessor and located in and upon the Premises.

1.9 "Hospital" shall refer to the Highlands Regional Medical Center, Sebring, Florida.

1.10 "Lessee's Personal Property" shall refer to property kept or maintained on the Premises to which Lessee has legal and/or equitable title.

1.11 "Termination" shall mean the surrender of possession of the premises to Lessor and vacating of same by Lessee at any time prior to the expiration of the Extended Lease Term for any reason.

ARTICLE 2 EXECUTION OF LEASE

Lessor hereby demises, rents and lets to Lessee and Lessee hereby leases, rents and hires from Lessor all of the Lessor's right, title and interest in and to the Premises upon the terms and conditions herein contained. This Extended Lease is subject to all valid easements and restrictions of record that do not prohibit Lessee's occupancy and use of the Premises as herein provided.

ARTICLE 3 USE AND CONTROL OF PREMISES

3.1 Hospital Services and Related Activities.

Lessee shall use the premises only for Permitted Premises Use, as defined in Article 1.6 herein. During the Extended Lease Term, Lessee shall operate a 126 bed acute care hospital and related activities on the Premises in conformity with Lessor's enabling act requirements to provide care to its District and in connection therewith shall have the exclusive right to use and control the entire Hospital operations, including, but not limited to, administration, services, finances, medical and non-medical staffing, equipment, inventory, furnishings, supplies, renovation, and addition to or expansion of the Premises. Lessee shall comply with all laws and governmental regulations applicable to the operation and maintenance of the Premises. The Premises shall not be used for any illegal or unlawful purposes or for any purpose that is not a Permitted Premises Use.

3.2 Financial Statements and Reports.

Lessee shall furnish to the Lessor, as soon as practicable after the close of the fiscal year, an annual balance sheet and related statement showing the results of the operations of the Hospital during the fiscal year, certified by a public accounting firm.

ARTICLE 4 LEASE TERM

The Extended Lease Term shall commence upon the execution of this Extended Lease and shall continue through July 31, 2025.

ARTICLE 5 RENT

5.1 Basic Rent.

Commencing on January 1, 1995 and continuing through the Extended Lease Term, Lessee agrees to and shall pay Lessor as rent for the Premises, \$320,000 per Lease Year. For the portion of the Lease Year from January 1, 1995 through July 31, 1995, Lessee shall pay Lessor prorated rent in the amount of \$186,667. Payment of all rental payments shall be made pursuant to prior written instructions of Lessor. In addition to the herein stated Basic Rent and Other Obligations, the Lessee shall remit to the Lessor with the Basic Rent any applicable sales tax.

5.2 Other Obligations.

Any other obligation of Lessee which under the terms of this Extended Lease requires the payment of money to Lessor shall be construed as a rental obligation.

ARTICLE 6 INSURANCE

6.1 General Provisions.

Where permitted by the issuing insurance carrier, Lessor shall be named as an additional insured in the policies of insurance required by this Extended Lease to be acquired and maintained by Lessee, and no such policy shall be canceled or reduced in scope of coverage or amount of coverage without twenty (20) days written notice to Lessor. Certificates of Insurance evidencing the policies required herein shall be delivered by the Lessee to the Lessor.

6.2 Property Insurance.

During the Extended Lease Term, Lessee shall keep the Premises continuously insured for property damage, including windstorm and flood in an amount not less than actual replacement cost for a licensed 126 bed acute care hospital without deduction for physical depreciation.

6.3 Liability Insurance.

During the Extended Lease Term, Lessee shall maintain the following insurance coverage:

- (a) Comprehensive general liability insurance having limits of not less than \$1,000,000 for each occurrence for personal injury (including bodily injury and death),
- (b) Professional liability coverage having limits of not less than \$1,000,000 per claim and \$3,000,000 annual aggregate,
- (c) Liability insurance covering damage to property not belonging to Lessor with limits of not less than \$500,000,
- (d) Owned and non-owned motor vehicle liability insurance having limits of not less than \$500,000 for injury to persons or property arising out of the ownership, maintenance, use or occupancy of such motor vehicles,
- (e) Appropriate workers compensation coverage with Employer's liability coverage of at least \$1,000,000, and
- (f) Umbrella coverage on all liability insurance of \$5,000,000.

6.4 Compliance by Lessee.

It is agreed that Lessee shall be in compliance with the terms of this Article so long as the total limits of insurance herein required are provided, regardless of the allocation of such

limits among underlying or excess policies. Lessee shall also be deemed in compliance with this Article 6 should it, in its discretion, choose to self-insure all or any portion of the above risks so long as it complies with all aspects of Florida Law regarding such self-insurance.

6.5 Remedy for Noncompliance.

If Lessee shall fail to obtain and pay the premiums for any insurance policies providing the coverages specified in this Article, then Lessor may (but shall not be obligated to) obtain same and pay the premiums therefore, and the amount paid by Lessor shall be construed as additional rent which shall be immediately due and payable. In the alternative, Lessor may give notice of breach pursuant to Article 16.1.

6.6 Business Interruption Insurance.

It is understood that the Lessee may maintain business interruption insurance for its protection and any proceeds payable under any such policy shall be the sole property of the Lessee.

ARTICLE 7 FIRE AND CASUALTY DAMAGE

7.1 Notice of Damage.

If any part or all of the Premises should be damaged or destroyed by fire, storm or other casualty and the amount of damage exceeds the amount of dollars stated to be applicable in the standard "deductible clause" of the property insurance policy, Lessee shall give written notice thereof to Lessor within ten (10) days of the date the damage occurred.

7.2 Substantial Destruction.

If the hospital building, which is part of the Premises, is substantially destroyed during the Extended Lease Term (subject to Lessor's rights to decline to rebuild in the last ten (10) years as set out below in this paragraph), by fire, storm or other casualty, to the extent the Premises cannot reasonably be used for an acute care Hospital, then Lessee shall rebuild the Hospital building and any other damaged portions of the Premises so that the Premises can be used to furnish substantially the same services as were furnished on the Premises prior to the substantial destruction. If after the first twenty (20) years the Premises are substantially destroyed and Lessor elects not to rebuild, then insurance proceeds shall be first used to demolish and clear the hospital site; and then the remaining insurance proceeds shall then be divided among Lessor and Lessee as their respective interests may appear giving full equitable value to Lessor's remainder interests in the Premises and Lessee's remaining period under the Extended Lease. Lessee shall have management responsibility for the demolition and clearing of the Hospital site.

7.3 Partial Destruction.

If the hospital building or other improvements are damaged by fire, storm or other casualty to the extent that a portion of, but not substantially all of, the Premises cannot be used for the purpose for which such portion was used prior to the casualty, the Lessee shall restore the Premises to the condition they were in prior to the casualty. In such event, Lessor shall make available or shall pay and deliver to Lessee any insurance proceeds paid to Lessor because of the casualty loss resulting in the partial destruction.

7.4 Joint Account for Insurance Proceeds. All insurance proceeds received for events described in Articles 7.2 and 7.3 shall be immediately deposited in a joint account in a mutually acceptable Florida qualified public depository and drawn upon pursuant to reconstruction of the Premises.

7.5 Obligations of Lessor.

Nothing in this Article shall be construed to obligate Lessor to expend funds beyond those received as insurance proceeds.

7.6 Extension of Extended Lease Term.

The Extended Lease Term shall be automatically extended for a period equal to the number of days during which the ordinary and usual operation of the Hospital is prevented by reason of the partial destruction of the Premises. In the event of substantial destruction of the Hospital building and the subsequent reconstruction of the Hospital under Paragraph 7.2, this Extended Lease shall be automatically extended for five (5) Lease Years. Any lease extension arising under the provisions of this Article shall be upon the same terms and conditions as are set forth in this Lease.

ARTICLE 8 UTILITIES

Lessee shall pay all charges for water, electricity, gas, sewer, telephone and all other utilities, which shall be used in or on, or are properly charged against the Premises during the term of this Extended Lease. Lessee shall not be in breach of this Extended Lease for failure to pay any charge reasonably contested so long as Lessee indemnifies Lessor against such charge.

ARTICLE 9 CARE OF PREMISES, ALTERATIONS, ADDITIONS, MAJOR CAPITAL IMPROVEMENTS

9.1 Care of Premises.

Lessee, at Lessee's expense, shall keep and maintain the Premises and Improvements, in good order and repair. Lessee shall do all things which from the character and use of the Premises would be reasonably necessary for proper Maintenance, repair and replacement thereof and in this respect without limiting the generality of the foregoing Lessee shall perform and furnish, at Lessee's expense, all painting, carpentry, redecorating, landscaping,

refurbishing, maintenance, servicing, repairing and replacement of all portions of the Premises. Lessee shall be responsible for the care, maintenance and repairs, renovation or restoration, if required, of the air conditioning, heating, mechanical, plumbing and electrical systems. The standard for measurement for Lessee's obligation shall be that required under state hospital licensure standards.

Lessee acknowledges that its obligations to repair, renovate, restore or replace extends to the roof of the Hospital structure. Both Lessor and Lessee acknowledge that certain improvements when necessary, from time to time, may require approval from the Florida Agency for Health Care Administration, or its successor agency, for a Certificate of Need or similar regulatory approval. Lessee will apply for, and use its best efforts to obtain, approvals necessary to effect such improvements. Failure of Lessee to maintain, repair or restore, as aforesaid, shall entitle the Lessors, after notice in the manner provided for in Article 21, (i) to seek specific performance, (ii) to enter onto said Premises and repair and maintain and to charge the Lessee therefor, and such charges properly made shall be construed as additional rent which shall be immediately due and payable, or (iii) give notice of breach to Lessee under Article 16.1 of this Extended Lease.

9.2 Alterations, Additions and Capital Improvements.

Lessee shall have the right to make alterations, additions and capital improvements to the Premises, with or without the prior approval of Lessor, provided they are architecturally consistent with the Improvements, and such shall be made in a good and workmanlike manner, and shall comply with all applicable governmental laws, regulations and requirements. Alterations, additions and capital improvements shall be made at the cost and expense of the Lessee. Lessee shall report to Lessor at least 60 days in advance any project wherein Lessee shall add to by construction or reduce by demolition the square footage of the Premises.

9.3 Other Capital Improvements. Lessee shall continue to maintain a modern, well-equipped Hospital operation in a substantially similar manner in which it has maintained and equipped the Hospital through the term of the Lease Agreement. Nothing herein shall require HMA to add any specific equipment or service or prevent HMA from discontinuing any particular service.

ARTICLE 10 LICENSURE AND GOVERNMENT APPROVAL

Lessee must, at all times when legally required during the Extended Lease Term, conduct its business pursuant to a valid license issued by the State of Florida or its successor licensing entity authorizing the Lessee to operate a 126 bed acute care hospital on the Premises. Any reduction by Lessee in the number of licensed beds in the Hospital shall require the prior written consent of the Lessor.

Lessee shall cause the appropriate licensing authority to renew the license by which Hospital is allowed to operate, and shall do all things reasonably required by said licensing authority to obtain said renewal.

ARTICLE 11 ACCESS

Lessor and its agent shall have access at reasonable times and upon reasonable notice for the purpose of inspection of the Premises or of making repairs, additions or alterations, but this right shall not be construed as an agreement on the part of Lessor to make repairs.

ARTICLE 12 GOVERNMENTAL FEES

All fees due any governmental unit, including without limitation, units of any city, county, state or federal government, on account of the operation of the Hospital, shall be paid by Lessee. Lessee shall not be in breach of this Lease for failure to pay any such charge so long as Lessee indemnifies Lessor against such charge.

ARTICLE 13 QUIET ENJOYMENT

Subject to the terms and provisions of this Extended Lease, on payment of the rent and other charges hereunder due from Lessee and Lessee's maintaining the required licenses and the Hospital's certification under Medicare and Medicaid, Lessee shall lawfully, peaceably and quietly have, hold, occupy and enjoy the Premises and any appurtenant rights granted to Lessee under this Extended Lease during the Extended Lease Term without hindrance or ejection by Lessor or any person lawfully claiming under Lessor, and without interference by the Lessor in the operation of the Hospital.

ARTICLE 14 SUB-LEASE AND ASSIGNMENT

This Extended Lease may not be assigned nor may the Premises be sub-leased without the prior written consent of Lessor, which consent shall not be unreasonably withheld.

Notwithstanding the above (and as relates only to an entity that owns any other acute care hospital in Highlands County, Florida), in the event Lessee shall be reorganized with or shall be merged or consolidated with, or sell its assets to any entity that owns any other acute care hospital in Highlands County, Florida which shall, as the result of such reorganization, merger, consolidation or sale, succeed to substantially all of the assets and business of Lessee, Lessor shall be granted an option to terminate Lessee's rights under this Extended Lease upon the payment to Lessee of the fair market value of such rights, determined pursuant to the appraisal procedures set forth in the following paragraph, and upon the other terms set forth in the following paragraph.

Within ninety (90) days following the date that Lessor has notice of an event which would activate the option granted hereunder, Lessor may exercise its option to terminate Lessee's rights hereunder by giving notice to that effect to Lessee. If Lessor and Lessee cannot mutually agree on the value of Lessee's rights, such value shall be established by an appraisal supplied by a mutually agreed upon appraiser with a nationally recognized reputation in the health care industry. Payment shall be made in cash and shall be delivered to Lessee at closing following the receipt by the parties of the final appraiser's report. The parties shall conclude the termination of Lessee's rights hereunder, including payment to

Lessee as described above, within one hundred fifty (150) days from Lessor's notice of the qualifying event. If the termination is not concluded, and payment is not received by Lessee within such one hundred fifty (150) day period, Lessor will be deemed to have declined to exercise its option granted hereunder. Lessee shall, upon receipt of such payment, execute and deliver to Lessor any documentation reasonably requested by Lessor to evidence the termination of the Extended Lease.

In the event that Lessor declines to exercise the option granted hereunder, or ninety (90) days passes from receipt by Lessor of notice of Lessee's applicable reorganization, merger, consolidation or sale, Lessor shall be deemed to have consented to the assignment by Lessee of its rights as tenant hereunder to its successor, and such successor shall automatically and without the necessity of any further assignment become and be considered the tenant under this Extended Lease in accordance with and subject to all of the terms, provisions and conditions hereof.

ARTICLE 15 LIENS, MORTGAGE, TAXES AND SPECIAL ASSIGNMENTS

15.1 Use as Security.

Neither Lessor nor Lessee shall sell, convey, mortgage, pledge or otherwise encumber or use as security any portion or all of the Premises or the Extended Lease subsequent to the execution of this Extended Lease.

15.2 Taxes and Special Assessments.

Lessee shall timely pay when due all taxes, assessments, and other charges, which relate to periods during the Extended Lease Term and which may be levied or imposed on the Premises. Lessee shall also pay, save, hold harmless and indemnify Lessor for real and personal property taxes levied, imposed or payable for the calendar year immediately following any termination of this Extended Lease, by reason of the Extended Lease of the Premises to the Lessor, unless such taxes would otherwise be the obligation of a successor lessee or purchaser. Provided, however, Lessee hereby expressly reserves all of its rights to contest said taxes, assessments or charges to the full extent of its applicable administrative or judicial remedies.

15.3 Liens-Indemnity.

The Premises will not be subject to liens or judgments on account of work done or materials, supplies or equipment furnished to Lessee.

Lessee shall indemnify Lessor against all mechanic's liens and other liens or judgments on account of work done for or materials, supplies or equipment furnished to Lessee or persons claiming under Lessee for maintenance, repairs, and alterations performed during the Extended Lease Term. Lessee shall take such action as may be required, including the payment of a sum into the Court or the posting of a bond to secure payment of any such lien, to cause any claim for such lien to be cleared prior to execution on judgment. The mere

filing or foreclosure of a lien against the Premises or a judgment entered thereon shall not constitute a default so long as the Lessee shall comply with this indemnity obligation.

ARTICLE 16 **LESSEE'S DEFAULT AND REMEDIES THERETO**

16.1 Material Events of Default.

The following shall constitute material events of default under this Extended Lease, upon the occurrence of which Lessor may elect to terminate this Extended Lease by written notice to Lessee as is hereinafter provided:

- (a) if Lessee shall fail to pay rent as specified in Article 5, and such failure to pay rent under Article 5 of this Extended Lease Agreement shall continue for a period for sixty (60) days after written notice thereof shall have been given to Lessee by the Lessor,
- (b) if Lessee shall lose or forfeit its license to operate the Hospital as an acute care hospital, or shall otherwise fail to operate the Premises as an acute care hospital,
- (c) if Lessee shall lose its Medicare certification,
- (d) if any voluntary or involuntary petition or similar pleading under any Act of Congress relating to bankruptcy is filed by or against Lessee, and if such proceeding shall not be dismissed before an adjudication in bankruptcy,
- (e) if Lessee fails to maintain the Premises pursuant to Article 9.1 and Lessee has been cited for such failure by the relevant licensure agency and has failed to comply with an approved deficiency correction plan within the time frame presented by relevant state regulations.

Provided, however, that if Lessee is notified by the appropriate authority or is otherwise informed that its operating license or Medicare certification has been lost, forfeited or revoked, then Lessee may take such action as it may deem necessary to seek reinstatement or recertification, including commencement or defense of such administrative and/or judicial proceedings as may be indicated, and the period of extension to cure such default shall continue until all of the administrative and/or judicial remedies of the Lessee have been exhausted and such proceedings have resulted in the final judicial determination that Lessee is not entitled to reinstatement, renewal or recertification, or that Lessee must surrender same, as the case may be. The saving provision stated in this paragraph shall apply only so long as Lessee shall be legally or judicially allowed to continue the operation of the Hospital without thereby being in violation of any order of a court of competent jurisdiction.

16.2 Notice of Material Default.

If Lessee shall fail to perform, observe or comply with any material terms, covenants, conditions, or provisions contained in Article 16.1 of this Extended Lease, binding upon Lessee, and any such failure shall continue for a period of sixty (60) days after written notice

thereof shall have been given to Lessee by the Lessor, then Lessor may have and exercise all legal and equitable remedies available under the laws of the State of Florida. Provided, however, that if Lessee shall proceed to cure any breach and such cure, if begun and prosecuted with due diligence cannot be completed within a period of sixty (60) days, then such period shall be increased to such extent as shall be necessary to enable Lessee to begin and complete such cure through the exercise of due diligence.

16.3 Indemnity for Breach.

Notwithstanding any inconsistent provision of this Article, if any breach of this Lease shall occur, and the Lessee shall fail to cure such breach in the manner specified herein, and such breach shall result only in monetary loss to the Lessor, then Lessee may elect to cure such breach by paying, indemnifying and holding Lessor harmless from and against such loss within thirty (30) days from the final determination of such breach and such payment and indemnification shall have the same effect as if no breach had occurred, and the Extended Lease shall continue for the balance of the Extended Lease Term.

16.4 Causes Beyond Lessee's Control.

If either party shall be delayed or prevented from the performance of any act required by this Extended Lease by reason of acts of God, strikes, lockouts, or other cause, without fault and beyond the reasonable control of the Lessor or Lessee, performance of such act by such party shall be excused for the period of the delay; and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay, provided, however, nothing in this section shall excuse Lessee from the prompt payment of any rental or other charge required of Lessee except as may be expressly provided elsewhere in this Extended Lease.

16.5 Repossession of the Premises on Termination.

Upon termination of this Extended Lease as provided herein, the Lessor may proceed to enter into and repossess the Premises with process of law, assume (at Lessor's sole option) Lessee's equipment leases and acquire Lessee's personal property at its then book value ~~(at Lessor's sole option)~~ and remove Lessee's employees or property therefrom in such manner and in accordance with such procedures as a Court having jurisdiction may allow, without incurring any liability to Lessee or to any persons occupying or using the Premises for any damage caused or sustained by reason of such lawful entry or removal. Upon breach of the terms of this Extended Lease by Lessee under the provisions of this Article, Lessor shall have all the rights and remedies and obligations provided by law, except that where a specific remedy has been provided for in this Extended Lease such specific remedy shall be Lessor's sole remedy for such breach; provided that Lessee may continue to operate the Hospital and have possession of the Premises until it becomes legally obligated to surrender same by reason of a final non-appealable judicial determination in the courts of the State of Florida or at the level of the Circuit Court of Appeals if the applicable proceeding was commenced in a Federal District Court by an unrelated part.

16.6 Abandonment by Lessee.

If at any time during the Extended Lease Term, Lessee shall fail to operate the Hospital Premises as an acute care hospital for any period of seven (7) consecutive days and the Hospital Premises have not been partially or substantially destroyed as defined by Article 7 of this Agreement or such failure to operate as an acute care hospital was caused by some other event or occasion beyond the control of Lessee, then the Leased Premises shall be deemed to be abandoned and the Extended Lease terminated and Lessor shall be entitled to take immediate possession thereof, and all other legal and equitable remedies available under the laws of the State of Florida.

ARTICLE 17 EMINENT DOMAIN

If the entire Leased Premises, or such part thereof as renders the remaining portion unsuitable for use as a one hundred twenty-six (126) bed general hospital with adequate parking area, and vehicular and pedestrian access to the Leased Premises, is acquired by governmental or quasi-governmental authorities by the exercise of the power of eminent domain, then, upon written notice of Lessee's election so to do, given by Lessee to Lessor within thirty (30) days after receipt by Lessee of notice from Lessor that proceedings or negotiations with respect to such acquisition have begun, this Extended Lease shall terminate for all purposes (except enforcement of rights then accrued), at the time possession must be surrendered to such authority and the amount of the award shall be divided among Lessor and Lessee as their respective interests may appear giving full equitable value to Lessor's remaining interests in the Premises and to Lessee's remaining period under the Extended Lease.

ARTICLE 18 TIME FOR PERFORMANCE

18.1 Time is of the Essence.

Time is of the essence, and both parties agree to perform their obligations in a timely manner.

18.2 Delay.

No delay or failure on the part of either party in exercising or enforcing any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise of any other right, power or privilege.

18.3 No Waiver.

Waiver of any breach of a term, condition, or covenant of this Extended Lease by Lessor or Lessee shall be limited to the particular instance and shall not be deemed to waive future breaches of same or other terms, conditions or covenants.

ARTICLE 19 LESSOR HELD HARMLESS

Lessee agrees to save, indemnify and hold Lessor harmless for any claims, rights, liabilities or obligations arising out of Lessee's rights and duties under the Extended Lease and its operation of the Hospital subsequent to the execution of this Lease, except the liabilities or obligations of Lessor to Lessee.

ARTICLE 20 SURRENDER OF PREMISES-TRANSFER OF LICENSE AND CERTIFICATE OF NEED

Lessee shall, upon expiration of the Extended Lease Term or upon termination under Article 16, surrender the Premises to Lessor, including all buildings, replacements, alterations, and improvements constructed or placed by Lessor or Lessee thereon in good condition and repair, ordinary wear and tear excepted. Lessee shall cooperate in all reasonable requests of Lessor to assist in the transfer of all applicable Hospital licenses, permits and Certificates of Need required by Lessor to operate Hospital for its own account. Lessor may, at its sole option, assume Lessee's equipment leases and acquire Lessee's personal property at its then book value.

ARTICLE 21 NOTICE

Whenever in connection with this Extended Lease it shall be required or permitted that notice, demand, consent, approval or communication be given or served by either party to the other, it shall be given or served (with a copy to the attorney who Lessor and Lessee may from time to time designate in writing to review such notice) and shall be deemed not to have been duly given or served and shall be ineffectual unless in writing and forwarded by certified or registered mail, postage prepaid, addressed to Lessor or Lessee, and their duly designated attorneys, as follows:

If to Lessor: Chairman of the Board of the
Highlands County Hospital District
P.O. Box 1926
Sebring, Florida 33871-1926

If to Lessee: Sebring Hospital Management Associates, Inc.
Attention: President
5811 Pelican Bay Boulevard
Suite 500
Naples, Florida 33963

or to such other single address as either party may direct from time to time and shall be deemed given when deposited in the United States mail, postage prepaid.

ARTICLE 22 MISCELLANEOUS

22.1 Relationships of Parties.

Nothing contained in this Extended Lease shall be deemed or construed by the parties hereto or by any third person to create the relationship of principal and agent or partnership or joint venture or of any association between Lessor and Lessee, and no provision contained in this Extended Lease or any acts of the parties hereto shall be deemed to create any relationship between Lessor and Lessee other than the relationship of Lessor and Lessee.

22.2 Captions.

The captions for this Extended Lease are for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction.

22.3 Number and Gender.

The terms "Lessor" and "Lessee" wherever used herein shall be applicable to one or more persons or entities, as the case may be.

22.4 Rights and Remedies.

It is the intention of the parties to specifically set forth their respective rights and remedies in the specific provisions of this Extended Lease. However, where no specific remedy has been provided by the terms of this Extended Lease, both Lessor and Lessee shall retain their right to damages, specific performance or other appropriate relief. The party who successfully litigates any dispute arising under this Extended Lease shall be entitled to reasonable attorneys fees incurred at the trial or appellate level. Provided, that termination shall be a remedy only in the manner as specified in Article 16.

22.5 Multiple Originals.

This Extended Lease may be executed in several counterparts, each of which shall be deemed to be an original.

22.6 Successors and Heirs.

The covenants and agreements of this Extended Lease shall be binding upon and inure to the benefit of the heirs, legal representative, successors and assigns of any or all of the parties hereto, and the successor governing boards of Lessor and Lessee.

It is specifically understood that Lessor shall retain all rights and powers it now possesses or may possess in the future to alter, change, or terminate its existence as a Florida Body Politic and that this Extended Lease and Lessor's rights and obligations hereunder shall inure to the benefit to its legal successor under Florida law.

22.7 Cooperation Clause.

Lessor and Lessee agree to pursue and perform with all due diligence all acts, applications, authorizations and consents necessary or convenient to the fulfillment of the terms, covenants, conditions and provisions of this Extended Lease, and to execute any and all documents incident thereto.

22.8 Entire Agreement.

This Extended Lease substitutes and replaces the original Lease Agreement dated January 24, 1985 between the parties hereto, and this Extended Lease contains the entire agreement of Lessor and Lessee hereto with respect to the matters covered hereby, and no other agreement, proposal, bid, response, statement, or promise made by either, or to any employee, officer or agent of either, whether oral or written, which is not contained herein shall be binding or valid. No modification of this Extended Lease shall be binding on the parties unless it is in writing and executed by both Lessee and Lessor.

22.9 Severability Clause.

Each and every Article and provision of this Extended Lease is severable from each other Article or provision. If any Article or provision shall be determined to be invalid or in violation of any applicable law or regulation, the same may be amended to the extent needed to comply therewith and the existence of such invalid provision or violation shall not in any manner affect or invalidate any other Article or provision of this Extended Lease.

In the event that this Extended Lease shall be finally judicially determined to be invalid or in violation of any applicable law or regulation, then this entire Extended Lease shall be voided. Then, and in that event, the Lease and all prior amendments thereto (except for the provisions of Article 20 of the Lease and any other provisions dealing with repayment of prepaid rent, which are deemed waived) shall be and remain in full force and effect as if this Extended Lease had not been entered into, and the Lease shall not in any manner be affected or invalidated by such determination.

22.10 Lessor's Agreement Not to Employ Lessee's Employees.

During the term of this Extended Lease or within two (2) years after termination of this Extended Lease, Lessor agrees not to knowingly employ in any capacity any employee of Lessee or its corporate affiliates, (excluding current Hospital employees and present or future Hospital staff employees below the level of Executive or Associate Executive Director) including the management personnel who provide services to the Hospital during the Extended Lease Term in a management, consulting or service capacity, in the case of management personnel, or in the capacity of an Executive Director or Associate Executive Directors of Finance, Administration or Nursing. Lessor agrees that this provision is reasonable in its scope and is an inducement to Lessee to supply personnel who are qualified and competent. Lessor acknowledges it is aware that Lessee's employees have covenanted not to accept employment with Lessor.

In the event Lessor breaches the provisions referred to above, then Lessee shall be entitled to all legal and equitable remedies available under the laws of the State of Florida, including injunctive relief and damages.

Notwithstanding Lessee's Employees' personal covenants not to compete, this Article shall not be applicable and Lessee's Employees' personal covenants are waived, in the event that Lessee arbitrarily terminates this Extended Lease without cause, abandons the Premises, or this Extended Lease is terminated for cause pursuant to Article 16.

22.11 Applicable Law and Forum.

Validity and interpretation of this Extended Lease shall be determined under the laws of the State of Florida.

ARTICLE 23 CONDITIONS PRECEDENT TO LESSEE'S OBLIGATIONS

This Extended Lease is executed subject to the following express conditions precedent, any of which may be waived by Lessee:

23.1 Lessor's Authority to Execute Extended Lease.

Lessor shall deliver to Lessee a certificate in a form reasonably satisfactory to Lessee executed by an appropriate officer of the Lessor that it possesses the lawful power and authority to enter into this Extended Lease, ~~that by so doing it does not violate any state, local or federal rule, regulation or statute~~, and that it has performed any and all necessary enabling acts authorizing the execution of this Extended Lease and consummation of the transactions contemplated hereby.

23.2 Litigation.

No litigation, administrative proceeding or investigation shall be pending which has been initiated with the purpose of enjoining or preventing the transactions herein contemplated or which may reasonably be expected to have the effect, if successfully prosecuted, of imposing liability upon Lessee or any of its officers or directors because of the consummation of the transactions herein contemplated.

23.3 Title to Real Estate.

Lessor agrees that representations to title in the Lease Agreement shall apply.

ARTICLE 24 HEALTH MANAGEMENT ASSOCIATES, INC.'S GUARANTY

This Extended Lease and the Lessor's obligations thereunder are contingent upon Lessee providing the Corporate Guaranty of its parent, Health Management Associates, Inc., guaranteeing Sebring Hospital Management Associates, Inc.'s obligations under this Extended Lease Agreement in a form reasonably satisfactory to Lessor's counsel.

IN WITNESS WHEREOF, the undersigned have executed this Extended Lease on the date hereinabove first mentioned.

ATTEST: Bruce J. Lybarger

Lessor
The Board of Commissioners of the
Highlands County Hospital District

By: [Signature]

ATTEST: Robb L. Smith

Lessee
Sebring Hospital Management
Associates, Inc.

By: Earl P. Hollman

STATE OF FLORIDA
COUNTY OF

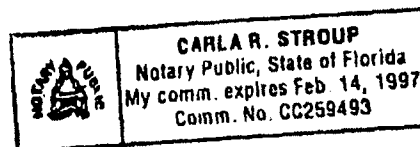
I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared James M. Wohl well known to me to be the Chairman of The Board of Commissioners of the Highland County Hospital District, a Corporate Body Politic, and they severally acknowledged signing and delivering the same freely and voluntarily under the authority duly vested in them by said corporate body politic as the act and deed of the corporation and that the seal affixed hereto is the true seal of said corporate body politic.

WITNESS my hand and official seal in the County and State last aforesaid this 20th day of January, A.D. 1995.

Carla Stroup / Carla Stroup
Notary Public

My Commission Expires:

STATE OF FLORIDA
COUNTY OF

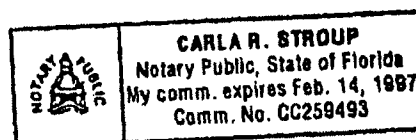


I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Carl O. Holland, well known to me to be the Vice President of Sebring Hospital Management Associates, Inc., a Florida corporation authorized to do business in the State of Florida, and they severally acknowledged executing the same freely and voluntarily under authority duly vested in them by said corporation and that the seal affixed hereto is the true seal of said corporation.

Witness my hand and official seal in the County and State last aforesaid this 20th day of January, A.D. 1995.

Carla Stroup / Carla Stroup
Notary Public

My Commission Expires:



GUARANTY

In consideration of the execution of the within Extended Lease by THE BOARD OF Commissioners of the Highlands County Hospital District, the Lessor, at the request of Sebring Hospital Management Associates, Inc., as Lessee, the undersigned hereby guarantees to the Lessor, its successors and assigns, the payment of all rent and the performance of all the terms, covenants and conditions provided in said Extended Lease, hereby waiving all notices, called for therein, and consenting to any extensions of time or changes in the manner of payment or performance of any of the terms and conditions of the said Extended Lease that the Lessor may grant the Lessee, and further consenting to any authorized assignment of subletting of the said Extended Lease, and any modifications thereof, all without notice to the undersigned.

ATTEST:

Robb E. Smith

HEALTH MANAGEMENT ASSOCIATES, INC.,
A Delaware Corporation

By:

Earl P. Holland

**THE BOARD OF COMMISSIONERS
OF THE HIGHLANDS COUNTY HOSPITAL DISTRICT**

OFFICER'S CERTIFICATE

The undersigned, to the best of his knowledge and belief, being an authorized representative of the Board of Commissioners of the Highlands County Hospital District, a corporate body politic created under Chapter 62-2232, laws of Florida, ("Lessor") does hereby certify pursuant to Section 23.1 of that certain First Amended and Restated Lease Agreement dated as of January 1, 1995 (the "Lease Agreement") by and between Lessor and Sebring Hospital Management Associates, Inc., a Florida Corporation ("Lessee"), that:

1. Lessor has the corporate power and authority to execute, deliver and perform its obligations under the Lease Agreement.

2. Lessor's execution and delivery of, and its performance of its obligation under, the Lease Agreement have been duly authorized by all necessary corporate action on the part of Lessor, and the Lease Agreement has been duly executed and delivered by Lessor.

3. The Lease Agreement is the valid and binding obligation of Lessor, enforceable against Lessor in accordance with its terms.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Certificate on the 20TH day of JAN, 1995.

By: _____

Its: CHAIRMAN

HIGHLANDS COUNTY HOSPITAL DISTRICT
REAL PROPERTY LEGAL DESCRIPTION

Highlands General Hospital:

All of Day Division, according to the plat thereof recorded in Plat Book 2, Page 92, Public Records of Highlands County, Florida, together with that portion of James Street shown on the Plat of said Day Division heretofore vacated that travers the above-described premises, LESS AND EXCEPT that part of the SW 1/4 of the NW 1/4 of Section 4, Township 35 South, Range 29 East, described as follows: Begin at the SW corner of the said SW 1/4 of the NW 1/4 of Section 4 and run East along the South boundary thereof 322.56 feet; thence North 46°56' West a distance of 437.01 feet to the west boundary of said SW 1/4 of the NW 1/4 of Section 4; thence south along the said west boundary a distance of 303.16 feet to the Point of Beginning, and LESS AND EXCEPT the West 20 feet of the South 1/2 of Lot 1 and the West 20 feet of Lots 2 through 12, inclusive, of said Day Division.

SUBJECT TO easement for County Road purposes over and across the following described parcel, to-wit: A strip of land 56.65 feet in width, more particularly described as follows: For the point of beginning commence at the Northwest corner of the SW 1/4 of the NW 1/4 of Section 4, Township 35 South, Range 29 East; thence run East along the north boundary of said SW 1/4 of said NW 1/4 a distance of 471.08 feet, more or less, to the Northwest corner of the North two acres of the East six acres of the West one half of the SW 1/4 of the NW 1/4 of said Section 4; thence run southerly a distance of 56.65 feet; thence run westerly along a line parallel to the North boundary of said SW 1/4 of said NW 1/4 a distance of 471.08 feet, more or less, to the West line of said Section 4; thence run northerly along said west line of said Section 4 a distance of 56.65 feet to the Point of Beginning.

AND,

Parcels 1, 2, 3, 4, 10 and 11 of W. E. TAUBERT Unrecorded Subdivision, recorded in O. R. Book 356, page 233, Public Records of Highlands County, Florida, lying in Section 4, Township 35 South, Range 29 East, Highlands County, Florida, more particularly described as follows:

Begin at the SE corner of the West 1/2 of the SW 1/4 of the NW 1/4 of said Section 4 and run North for a distance of 879.10 feet; thence run South 88°33'00" West for a distance

EXHIBIT "A"

Cont...

of 86.50 feet for Point of Beginning; thence continue South 88°33'00" West for a distance of 111.08 feet; thence South 0°01'34" West a distance of 365.20 feet; thence North 88°33'00" East a distance of 111.24 feet; thence North a distance of 365.20 feet to P.O.B.,

AND

Begin at the SE corner of the West 1/2 of the SW 1/4 of the NW 1/4 of said Section 4, and run North for a distance of 514.24 feet for a Point of Beginning, thence continue North a distance of 243.34 feet; thence South 88°33'00" West a distance of 86.50 feet; thence South a distance of 243.24 feet; thence North 88°33'00" East a distance of 86.50 feet to P.O.B.

Medical Office Parcel

The North 1/4 of the North two (2) acres of the East six (6) acres of the West 1/2 of the SW 1/4 of the NW 1/4 of Section 4, Township 35 South, Range 29 East.

EXHIBIT "A"

(Page 2 of 2)

FIRST AMENDMENT TO LEASE AGREEMENT

THIS FIRST AMENDMENT to the Lease Agreement ("**First Amendment**") is made as of 23rd day of September, 2011, between the **Highlands County Hospital District**, a dependent special district, under Chapter 2004-458, Laws of Florida (2004), formerly under Chapter 62-2232, Laws of Florida (1962), ("**Lessor**") and **Sebring Hospital Management Associates, Inc.**, a Florida Corporation ("**Lessee**").

This Amendment is attached to and forms a part of the First Amended and Restated Lease dated as of, January 1, 1995 between the Lessor and Lessee pertaining to certain real property and other assets, including, but not limited to, the District Hospital operated as Highlands Regional Medical Center ("**Lease**"). To the extent the terms of this Amendment conflict with those contained in the Lease, the terms of this Amendment shall control.

1. **Defined Terms.** All capitalized terms used herein but not otherwise defined shall have the meaning ascribed to such terms in the Lease.

2. Section 5.1 of the Lease shall be deleted in its entirety and replaced with the following:

5.1 BASIC RENT. Commencing on January 1, 1995 and continuing through the extended lease term, Lessee agrees to and shall pay Lessor as rent for the Premises, \$320,000 per Lease Year. For the portion of the Lease Year from January 1, 1995 through July 31, 1995, Lessee shall pay Lessor prorated rent in the amount of \$186,667. Payment of this rental payment shall be made pursuant to prior written instructions of Lessor. In addition to the herein stated Basic Rent and Other Obligations, the Lessee shall remit to the Lessor with the Basic Rent any applicable sales tax.

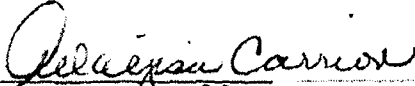
Additionally, Lessee shall pay to Lessor rent in the amount of \$420,000.00, per quarter. The first such payment will be due within 10 days of execution of this Amendment (for the quarter July, August, and September, 2011). The following quarterly payments will be due on or before November 15, 2011, March 15, 2012, June 15, 2012, September 15, 2012, November 15, 2012, March 15, 2013, and June 15, 2013. Such payments shall be discontinued after payment of the June 15, 2013, payment, unless renegotiated by the parties. After which time, the quarterly sum described in this paragraph only (and no other amount outlined within this lease) shall no longer be payable. Lessee shall also pay all sales tax due on quarterly payments made pursuant to this lease.

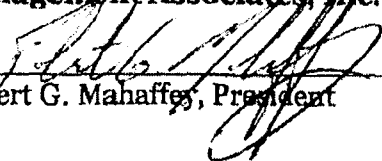
FIRST AMENDMENT TO LEASE AGREEMENT

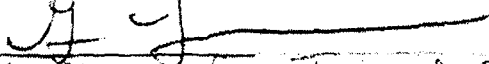
3. **Ratification.** Except as expressly modified by the terms of this First Amendment, all other terms, covenants and provisions of the Lease are hereby ratified and confirmed and continue in full force and effect.

In Witness Whereof, the parties have duly executed this Amendment on the day and year first above written.

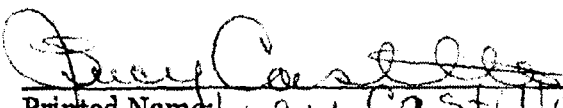
**SEBRING HOSPITAL
MANAGEMENT ASSOCIATES, LLC,
formerly Sebring Hospital
Management Associates, Inc.**

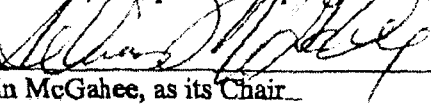

Printed Name: ADALBERTO CARRION

By: 
Robert G. Mahaffey, President


Printed Name: Eric Hagg-Wershner

**HIGHLANDS COUNTY HOSPITAL
DISTRICT, a Dependent Special District**


Printed Name: Lucy Castillo

By: 
Selvin McGahee, as its Chair


Printed Name: Ruth Colman

Attest: 
Gail Escobar, Clerk

Guaranty

In consideration of the execution of the extended lease and this first amendment to lease agreement, and other good and valuable consideration, including the letters of agreement issued by the lessor to the state, and at the request of Sebring Hospital Management Associates, LLC (formerly, Sebring Hospital Management Associates, Inc.), as lessee, and the Highlands County Hospital District, as lessor, its successors and assigns, the undersigned guarantors (described below), hereinafter the "Guarantors" hereby guarantee to the lessor and its successors and assigns, the payment of all rent, and the performance of all of the terms, covenants and conditions of the first amended and restated lease agreement, and the foregoing first amendment to lease agreement. Guarantor also consents to any extensions of time or changes in the manner of payment or performance of any of the terms and conditions of the said lease, as amended, consents to any assignment or subletting by lessor of the lease as amended, and

FIRST AMENDMENT TO LEASE AGREEMENT

consents to any modifications of the lease as amended, all without notice to the guarantor.

The Guarantor is the following: HEALTH MANAGEMENT ASSOCIATES, INC., doing business in Florida as Health Management Associates, Inc. of Delaware, a corporation organized under the laws of Delaware.

A signature transmitted by facsimile shall be considered an original.

*Signed, sealed and delivered
In the presence of:*

Shaina Rutherford
Printed name: Shaina Rutherford

Carina Arias
Printed name: Carina Arias

HEALTH MANAGEMENT ASSOCIATES, INC.,
DOING BUSINESS IN FLORIDA AS HEALTH
MANAGEMENT ASSOCIATES, INC. OF
DELAWARE, a corporation organized under the
laws of Delaware

By: Timothy R. Parry
Timothy R. Parry, Senior Vice President
and General Counsel

SECOND AMENDMENT TO LEASE AGREEMENT

THIS SECOND AMENDMENT to the Lease Agreement ("Second Amendment") is made as of this 23rd day of September, 2013, between **The Highlands County Hospital District Board**, a dependent special district, under Chapter 2004-458, Laws of Florida (2004), formerly under Chapter 62-2232, Laws of Florida (1962), ("Lessor") and **Sebring Hospital Management Associates, LLC, a Florida Corporation** ("Lessee").

This Amendment is attached to and forms a part of the First Amended and Restated Lease dated as of, January 1, 1995 which was amended by the First Amendment to Lease Agreement dated September 23, 2011, between the Lessor and Lessee pertaining to certain real property and other assets, including, but not limited to, the District Hospital operated as Highlands Regional Medical Center ("Lease"). To the extent the terms of this Amendment conflict with those contained in the Lease, the terms of this Amendment shall control.

1. **Defined Terms.** All capitalized terms used herein but not otherwise defined shall have the meaning ascribed to such terms in the Lease.
2. Section 5.1 of the Lease shall be deleted in its entirety and replaced with the following:

5.1 BASIC RENT. Commencing on January 1, 1995 and continuing through the extended lease term, Lessee agrees to and shall pay Lessor as rent for the Premises, \$320,000 per Lease Year. For the portion of the Lease Year from January 1, 1995 through July 31, 1995, Lessee shall pay Lessor prorated rent in the amount of \$186,667. Payment of this rental payment shall be made pursuant to prior written instructions of Lessor. In addition to the herein stated Basic Rent and Other Obligations, the Lessee shall remit to the Lessor with the Basic Rent any applicable sales tax.

Additionally, from July 1, 2011, through June 30, 2014, Lessee shall pay to Lessor rent in the amount of \$420,000.00, per quarter. The quarterly payments for the period from July 1, 2011 through June 30, 2013 have been made. The quarterly payment for the period from July 1, 2013 through September 30, 2013 will be made within ten (10) days from the date this Amendment is fully executed. Thereafter, payments for the remaining three quarters will be made as follows: on or before; October 1st, 2013, January 1st, 2014, and April 1st, 2014. Such payments shall be discontinued after payment for the quarter ending June 30, 2014, unless renegotiated by the parties. After which time, the quarterly sum described in this paragraph only (and no other amount outlined within this lease) shall no longer be payable. Lessee shall also pay all sales tax due on quarterly payments made pursuant to this lease.

3. **Ratification.** Except as expressly modified by the terms of this Second Amendment, all other terms, covenants and provisions of the Lease are hereby ratified and confirmed and continue in full force and effect.

In Witness Whereof, the parties have duly executed this Second Amendment on the day and year first above written.

**The Highlands County
Hospital District**

Signature

Schirmer

Printed Name

Chairman

Title

**Sebring Hospital
Management Associates, LLC**

Signature

Brian Hess

Printed Name

CEC

Title

GUARANTY

In consideration of the execution of the extended lease and this second amendment to lease agreement, and other good and valuable consideration, including the letters of agreement issued by the lessor to the state, and at the request of Sebring Hospital Management Associates, LLC, as lessee, and the Highlands County Hospital District, as lessor, its successors and assigns, the undersigned guarantor (described below), hereinafter the "Guarantor" hereby guarantees to the lessor and its successors and assigns, the payment of all rent and the performance of all of the terms, covenants and conditions of the first amended and restated lease agreement, and the foregoing second amendment to lease agreement. Guarantor also consents to any extensions of time or changes in the manner of payment or performance of any of the terms and conditions of the said lease, as amended, consents to any assignment or subletting by lessor of the lease as amended, and consents to any modifications of the lease as amended, all without notice to the Guarantor.

The Guarantor is the following: HEALTH MANAGEMENT ASSOCIATES, INC., doing business in Florida as Health Management Associates, Inc. of Delaware, a corporation organized under the laws of Delaware.

A signature transmitted by facsimile shall be considered an original.

**Signed, sealed and delivered
in the presence of:**

Carina Arias

Signature

Carina Arias

Printed Name

Cheryl L. Decker

Signature

Cheryl L. Decker

Printed Name

**Health Management
Associates, Inc. doing
business as Health
Management Associates Inc.
of Delaware, a corporation
organized under the laws of
Delaware**

Robert E. Farnham

Signature

Robert E. Farnham

Printed Name

Senior Vice President Finance

THIRD AMENDMENT TO AND LEASE AGREEMENT

THIS THIRD AMENDMENT TO LEASE AGREEMENT (the "**Third Amendment**") is made as of the 1ST day of October, 2014 (the "**Effective Date**") between the **Highlands County Hospital District**, a dependent special district, under Chapter 2004-458, Laws of Florida (2004), formerly under Chapter 62-2232, Laws of Florida (1962), acting through its Board of Commissioners ("**Lessor**" or "**District**"), and **Sebring Hospital Management Associates, LLC**, a Florida limited liability company ("**Tenant**").

RECITALS:

A. Lessor and Lessee entered into a Lease Agreement dated January 24, 1985 (the "**Lease Agreement**"), as amended and replaced by the First Amended and Restated Lease Agreement dated as of January 1, 1995 (the "**Extended Lease**"), a First Amendment to Lease Agreement dated as of September 23, 2011 (the "**First Amendment**"), and a Second Amendment to Lease Agreement dated as of September 23, 2013 (the "**Second Amendment**") (collectively, the "**Lease**"), pertaining to certain real property and other assets including, but not limited to, the District Hospital operated as Highlands Regional Medical Center, as more particularly described in Section 1.7 of the Lease Agreement (the "**Premises**"); and

B. Lessor and Lessee desire to amend the Lease to extend the Term and modify the Rent, all in accordance with the terms and conditions of this Third Amendment.

IN CONSIDERATION of the foregoing Recitals and the mutual terms and conditions set forth below, the parties mutually agree as follows:

1. **Recitals**. The foregoing Recitals are true and correct and are hereby made a part hereof for all purposes.
2. **Defined Terms**. Any capitalized terms not defined herein shall have the meanings ascribed to them in the Lease.
3. **Term (Article 4)**. Article 4 of the Extended Lease is hereby deleted in its entirety and replaced with the following:

ARTICLE 4 LEASE TERM

The Extended Lease Term that commenced on January 1, 1995 and expires on July 31, 2025, is hereby extended for an additional two (2) years ("**Extension Term**") and shall now expire and terminate on July 31, 2027, unless sooner terminated as provided in the Lease. The Extended Lease Term and Extension Term will be collectively referred to as the "**Term**."

4. **Rent (Article 5).** A new Section 5.3 is hereby added to the end of Article 5 immediately after Section 5.2 as follows:

5.3 Extension Term Prepaid Rent.

In exchange for Lessor agreeing to the Extension Term, Lessee agrees to pay Lessor prepaid rent in the amount of \$2,129,540.00 on or before October 15, 2014 ("Extension Term Prepaid Rent").

5. **Authority.** Lessor and Lessee each represent and warrant that, as of the date of this Third Amendment, they are each duly authorized and have the full power, right and authority to enter into this Third Amendment and to perform all of their respective obligations under this Third Amendment and the undersigned individuals executing this Third Amendment have the authority to execute and deliver this Third Amendment to the other party.

6. **Ratification.** Except as expressly modified by this Third Amendment, all terms, covenants, obligations and provisions of the Lease, as previously amended, shall remain unaltered, shall continue in full force and effect, and are hereby ratified, approved and confirmed by the parties in every respect. If the terms and conditions set forth in this Third Amendment shall directly conflict with any provision contained in the Lease, then this Third Amendment shall control.

7. **Headings.** The headings contained in this Third Amendment are for reference purposes only and shall not modify or affect this Third Amendment in any manner whatsoever.

8. **Severability.** Section 22.9 of the Extended Lease shall be incorporated herein by reference and shall apply to this Third Amendment.

9. **Construction.** Language of all parts of this Third Amendment shall be construed as a whole according to its fair meaning. The parties acknowledge and agree that this Third Amendment was initially prepared by counsel for Lessee solely as a convenience and that all parties and their counsel have read and have fully negotiated the language used in this Third Amendment. The parties acknowledge and agree that because all parties and their counsel participated in negotiations in drafting this Third Amendment, no rule of construction shall apply to this Third Amendment which construes any language, whether ambiguous, unclear or otherwise, in favor of or against any party by reason of that party's role in drafting this Third Amendment.

10. **Copy of Agreement Valid.** The Parties agree that executed copies and facsimile copies of this Third Amendment shall be valid and binding and that a signature transmitted by facsimile shall be considered an original.

11. **Entire Lease.** The Lease, as previously amended, and as amended by this Third Amendment, embodies the final, entire agreement between the parties with respect to the subject matter of this Third Amendment, and supersedes any and all prior agreements, representations, understandings and commitments, whether oral or written relating to this subject matter, and may not be contradicted or varied by evidence of prior, contemporaneous or subsequent oral agreements or discussions of or on behalf of the parties to this Third Amendment.

IN WITNESS WHEREOF, the undersigned parties have caused this Third Amendment to be duly executed as of the Effective Date.

LESSOR:

HIGHLANDS COUNTY HOSPITAL DISTRICT, a dependent special district

By and through its Board of Commissioners

Signed, sealed and delivered in the presence of:


Print Name: Gail Escobar


Print Name: Jeffrey L. Roth

By: 
Name: Warren Hall
Title: Chair of the Highlands County Hospital District Board of Commissioners.

LESSEE:

SEBRING HOSPITAL MANAGEMENT ASSOCIATES, LLC, a Florida limited liability company

Signed, sealed and delivered in the presence of:


Print Name: Mary Ann Etkin


Print Name: Martin G. Schweinhart

By: 
Name: Martin G. Schweinhart
Title: Executive Vice President

GUARANTY

In consideration of the execution of the extended lease and this Third Amendment to Lease Agreement, and other good and valuable consideration, including the letters of agreement issued by the lessor to the state, and at the request of Sebring Hospital Management Associates, LLC, as lessee, and the Highlands County Hospital District, as lessor, its successors and assigns, the undersigned guarantor (described below). hereinafter the "Guarantor" hereby guarantees to the lessor and its successors and assigns, the payment of all rent and the performance of all of the terms, covenants and conditions of the first amended and restated lease agreement, and the foregoing second amendment to lease agreement. Guarantor also consents to any extensions of time or changes in the manner of payment or performance of any of the terms and conditions of the said lease, as amended, consents to any assignment or subletting by lessor of the lease as amended, and consents to any modifications of the lease as amended, all without notice to the Guarantor.

The Guarantor is the following: CHS/Community Health Systems, Inc., (a wholly-owned subsidiary of Community Health Systems, Inc.).

A signature transmitted by facsimile shall be considered an original.

Signed, sealed and delivered in the presence of:

Print Name:

Print Name:

CHS/Community Health Systems, Inc

By:

Name:

Title:

Martin G. Schweinhart

Executive Vice President

Administration

MR
N/C

RELEASE OF LEASE

THIS RELEASE OF LEASE is made this 8 day of march, 2007, by SEBRING HOSPITAL MANAGEMENT ASSOCIATES, INC., a Florida corporation (hereinafter "HMA SEBRING"), as Lessee, and HIGHLANDS COUNTY HOSPITAL DISTRICT BOARD OF COMMISSIONERS, a dependent special district of the State of Florida (hereinafter "DISTRICT"), as Lessor, upon the following terms and conditions:

WHEREAS, the parties entered into a long term unrecorded lease dated 24 January 1985 and amended by the First Amended and Restated Lease Agreement dated 1 January 1995 (collectively the "LEASE") regarding the land described on Exhibit "A" attached hereto;

WHEREAS, the parties agree that a portion of the above-described land is needed for the Sebring Parkway and that these renovations and improvements will benefit the remainder of the land described in Exhibit "A";

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. **Truth.** The foregoing representations are true and correct.
2. **Release.** HMA SEBRING hereby forever releases the property described on Exhibit "B" and "B-2" attached hereto and incorporated herein from the said LEASE.

EXECUTED BY THE PARTIES on the date first above written.

LESSEE:
SEBRING HOSPITAL MANAGEMENT
ASSOCIATES, INC., a Florida corporation

Adalysa Carrion
Printed Name: ADALYSA CARRION

Bert G. Harris, III
Printed Name: _____
Title: President

Alicia Moenmaker
Printed Name: Alicia Moenmaker
Witnesses as to HMA Sebring

Prepared By: Bert Harris, III.
401 Dal Hall Blvd
Lake Placid, Florida 33852

LESSOR:
HIGHLANDS COUNTY HOSPITAL DISTRICT
BOARD OF COMMISSIONERS

Linda P. Pierce
Printed Name: Linda P. Pierce
Linda P. Pierce
Printed Name: Linda P. Pierce
Witnesses as to Hospital District.

By: Selvin McGahee
Selvin McGahee, Chairman

Attest: Nancy Thomas
Nancy Thomas, Clerk

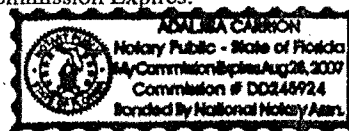
STATE OF FLORIDA
COUNTY OF HIGHLANDS

BEFORE ME the undersigned authority, personally appeared
of Sebring Hospital Management Associates, Inc. who acknowledges that he has authority to
execute said document on behalf of said corporation, and who is personally known to me or who
produced Empty ID as identification.

WITNESS my hand and official seal in the County and State last aforesaid this 8 day
of March, 2007



Adalysa Carrion
Notary Public, State of Florida at Large
Printed Name: ADALYSA CARRION
My Commission Expires:



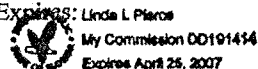
STATE OF FLORIDA
COUNTY OF HIGHLANDS

BEFORE ME the undersigned authority, personally appeared Selvin McGahee as
Chairman and Nancy Thomas as Clerk of Highlands County Hospital District Board of
Commissioners, who acknowledge that they have the authority to execute said document on
behalf of said corporation, and who are personally known to me or who produced
as identification.

WITNESS my hand and official seal in the County and State last aforesaid this 5 day
of JANUARY, 2007.

(SEAL)

Linda L. Pierce
Notary Public, State of Florida at Large
Printed Name: Linda L. Pierce
My Commission Expires: Linda L. Pierce



HIGHLANDS COUNTY HOSPITAL DISTRICT
REAL PROPERTY LEGAL DESCRIPTION

Highlands General Hospital:

All of Day Division, according to the plat thereof recorded in Plat Book 2, Page 92, Public Records of Highlands County, Florida, together with that portion of James Street shown on the Plat of said Day Division heretofore vacated that travers the above-described premises, LESS AND EXCEPT that part of the SW 1/4 of the NW 1/4 of Section 4, Township 35 South, Range 29 East, described as follows: Begin at the SW corner of the said SW 1/4 of the NW 1/4 of Section 4 and run East along the South boundary thereof 322.56 feet; thence North 46°56' West a distance of 437.01 feet to the west boundary of said SW 1/4 of the NW 1/4 of Section 4; thence south along the said west boundary a distance of 303.16 feet to the Point of Beginning, and LESS AND EXCEPT the West 20 feet of the South 1/2 of Lot 1 and the West 20 feet of Lots 2 through 12, inclusive, of said Day Division.

SUBJECT TO easement for County Road purposes over and across the following described parcel, to-wit: A strip of land 56.65 feet in width, more particularly described as follows: For the point of beginning commence at the Northwest corner of the SW 1/4 of the NW 1/4 of Section 4, Township 35 South, Range 29 East; thence run East along the north boundary of said SW 1/4 of said NW 1/4 a distance of 471.08 feet, more or less, to the Northwest corner of the North two acres of the East six acres of the West one half of the SW 1/4 of the NW 1/4 of said Section 4; thence run southerly a distance of 56.65 feet; thence run westerly along a line parallel to the North boundary of said SW 1/4 of said NW 1/4 a distance of 471.08 feet, more or less, to the West line of said Section 4; thence run northerly along said west line of said Section 4 a distance of 56.65 feet to the Point of Beginning.

AND,

Parcels 1, 2, 3, 4, 10 and 11 of W. E. TAUBERT Unrecorded Subdivision, recorded in O. R. Book 356, page 233, Public Records of Highlands County, Florida, lying in Section 4, Township 35 South, Range 29 East, Highlands County, Florida, more particularly described as follows:

Begin at the SE corner of the West 1/2 of the SW 1/4 of the NW 1/4 of said Section 4 and run North for a distance of 879.10 feet; thence run South 88°33'00" West for a distance

EXHIBIT "A"

Cont...

of 86.50 feet for Point of Beginning; thence continue South 88°33'00" West for a distance of 111.08 feet; thence South 0°01'34" West a distance of 365.20 feet; thence North 88°33'00" East a distance of 111.24 feet; thence North a distance of 365.20 feet to P.O.B.,

AND

Begin at the SE corner of the West 1/2 of the SW 1/4 of the NW 1/4 of said Section 4, and run North for a distance of 514.24 feet for a Point of Beginning, thence continue North a distance of 243.34 feet; thence South 88°33'00" West a distance of 86.50 feet; thence South a distance of 243.24 feet; thence North 88°33'00" East a distance of 86.50 feet to P.O.B.

Medical Office Parcel

The North 1/4 of the North two (2) acres of the East six (6) acres of the West 1/2 of the SW 1/4 of the NW 1/4 of Section 4, Township 35 South, Range 29 East.

EXHIBIT "A"

EXHIBIT "B"

Highlands Regional Medical Center Right-of-Way Take

Commencing at the intersection of the east right-of-way of Highlands Avenue (formerly State Road 17-A) with the northeasterly right-of-way of U.S. 27, and the Point of Beginning; thence N 00° 51' 24" W along said Highlands Avenue east right-of-way, also being the basis of bearings for the proposed Sebring Parkway, a distance of 1002.08'; thence N 87° 27' 06" E, a distance of 66.01' to a point of cusp being the point of curve of a curve concave to the southeast, having the following elements; a radius of 35.00', a delta of 88° 18' 30", along an arc length of 53.94' to the point of tangency; thence S 00° 51' 24" E, a distance of 214.92' to a point; thence S 89° 08' 36" W, a distance of 7.00' to a point; thence S 00° 51' 24" E, a distance of 776.99' to a point at the northeasterly right-of-way of U.S. 27; thence N 48° 24' 24" W along said northeasterly right-of-way of U.S. 27, a distance of 33.90' to the Point of Beginning, containing 27,332 square feet, or 0.63 acres.

Together with a drainage easement to drain water from the Sebring Parkway and from the Highlands County Hospital District lands (and an easement to maintain the drainage facilities thereon), said easements being over, under and across the lands described on Exhibit "B-2").

EXHIBIT "B-2"

Highlands Regional Medical Center Proposed Drainage Easement

Commencing at the intersection of the east right-of-way of Highlands Avenue (formerly State Road 17-A) with the northeasterly right-of-way of U.S. 27; thence S 48° 24' 24" W, 33.90' along said northeasterly right-of-way of U.S. 27 to a point at the proposed east right-of-way of the Sebring Parkway and the northeasterly right-of-way of U.S. 27; thence N 00° 51' 24" W, a distance of 103.88' along said proposed east right-of-way of the Sebring Parkway, also being the basis of bearings, to the Point of Beginning of a proposed drainage easement; thence N 89° 08' 36" E, a distance of 407.25'; thence

N 00° 56' 41" W, a distance of 180.46' to a point, thence N 87° 27' 27" E, a distance of 197.92' to a point; thence N 00° 59' 48" W, a distance of 25.01' to a point; thence S 87° 27' 27" W, a distance of 222.91' to a point; thence S 00° 56' 41" E, a distance of 179.73' to a point; thence S 89° 08' 36" W, a distance of 382.21' to a point at the proposed east right-of-way of the Sebring Parkway; thence S 00° 51' 24" E, a distance of 25.00' along said proposed east right-of-way of the Sebring Parkway, to the Point of Beginning, containing 19,631.02 square feet, or 0.451 acres.

