

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:*

Gail Escobar
Print Name: Gail Escobar

Jeffrey L. Roth
Print Name: Jeffrey L. Roth

By: *Warren Hall*
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:*

Mary Ann Eckman
Print Name: Mary Ann Eckman

Kathryn Herford
Print Name: Kathryn Herford

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

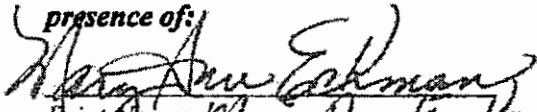
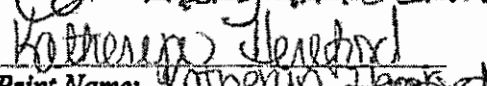
GUARANTY

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: Katherine J. Herford

CHS/Community Health Systems, Inc.

By: 

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

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