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VOL. 97-02063 PAGE 16

44-1714

AMENDED AND RESTATED
LEASE

by and between

CITY OF LAKEWOOD, OHIO,
as Lessor

and

LAKEWOOD HOSPITAL ASSOCIATION,
as Lessee

Dated

as of

December 23, 1996

Recorded _____, 1997
at _____ m., E.S.T.
Vol. _____ P. _____ No. _____
County of Cuyahoga, Ohio, _____
OFFICIAL RECORDS

All rights of the City under this Lease (except the Unassigned Rights, as defined in this Lease) have been pledged and assigned to National City Bank, as Trustee under the Trust Indenture dated as of March 15, 1983 and the First Supplemental Trust Indenture dated as of June 15, 1989, both between the City and the Trustee, recorded respectively on May 13, 1983 and July 18, 1989 at Vol. 126, P. 799 and Vol. 89-3550, P. 18 of the Cuyahoga County Mortgage Records.

STATE OF OHIO) I, the County Recorder of Cuyahoga County,
COUNTY OF CUYAHOGA) SS: Ohio in those custody the recors of said county are
kept, do hereby certify that this is a true and correct copy
of the records as appears in Vol. 97-02063 Page 16 of
Re. of said County.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal in the City of Cleveland, Ohio this 13 Day of March, 1997.

COUNTY RECORDER
BY Mary Dunlap
DEPUTY

AMENDED AND RESTATED
LEASE

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by and between

CITY OF LAKEWOOD, OHIO

AND

LAKEWOOD HOSPITAL ASSOCIATION

THIS AMENDED AND RESTATED LEASE dated as of December 23, 1996 (the "Lease"), is made by and between the City of Lakewood, Ohio (the "City"), a municipal corporation and political subdivision in and of the State, and duly organized and validly existing under the laws of the State and Lakewood Hospital Association (the "Lessee"), a nonprofit hospital agency, as defined in Section 140.01, Ohio Revised Code, now having its principal office in Lakewood, Ohio and the operator of the healthcare facility known as Lakewood Hospital (the "Hospital").

Since 1987 major changes have occurred in the method by which many individuals ensure their ability to afford hospital care and in the selection of acute care providers by entities paying the costs of hospitalization and other costs; and

Entities paying the costs of hospitalization currently are insisting on a single contract providing for acute hospital care for all of its insureds or members in a large geographic area which has caused individual hospitals to enter into affiliations and other arrangements to meet the demands of those entities paying hospitalization costs; and

The Lessee needs to affiliate the Hospital with other hospitals to provide in a single contract a large geographic coverage of hospital care and for that purpose proposes to affiliate with The Cleveland Clinic Foundation ("CCF") and the Cleveland Health Network and in order to effect that affiliation needs to enter into a revised lease with the City in order to accommodate that affiliation.

STATEMENT OF INTENT

PURPOSE

The purpose of this Lease is to continue the services and traditions of the Hospital.

The Lease will continue to relieve the City of any obligations or necessity of providing tax monies to subsidize the operation of the Hospital.

Because of the affiliation with CCF that will be made possible by the Lease, the Lessee will be able to compete on a fair and equal basis with other hospital systems, enter business relationships necessary to insure its financial well-being, establish the mass necessary to secure managed care contracts, continue healthcare services to residents of the City and develop new programs.

PARTIES TO AGREEMENT

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The City is the lessor under this Lease.

The Lessee is Lakewood Hospital Association, a non-profit corporation organized for the charitable purpose of operating the Hospital and its related health care facilities and services.

GOVERNING BODY

The Hospital will, subject to certain matters reserved to the member of the Lessee, be governed by the Lessee's Board of Trustees ("Governing Board").

The Governing Board will be composed of twenty-three members consisting of the Mayor of the City; two members of the Council of the City (representing the political parties with the largest and second largest number of representatives in Council) selected by Council; three representatives of community organizations of the City nominated by the Council of the City and elected by the Governing Board with the election ratified by the Member; four members, two of whom are nominated by the Mayor and two by the Council and elected by the Governing Board with the election ratified by the Member; three members elected by the Member; nine members nominated and elected by the Governing Board with the election ratified by the Member; and the immediate past President of the Medical Staff of the Hospital.

The Governing Board will elect its own Chairperson and Vice Chairperson.

The meetings of the Governing Board shall be open to the public to assure full disclosure of the operations of the Hospital unless the Governing Board determines that public discussion or action by the Governing Board would be detrimental to the interests of the patients of the Hospital or the welfare of the residents of the City or the Hospital.

LEASE; TERM; RENT AND ADDITIONAL PAYMENTS

This agreement is a lease of the real and personal property for the operation of the Hospital from the City to the Lessee and continues the transfer from the City to the Lessee of all liabilities, debts, monies, accounts and inventories of the Hospital.

The term of the Lease is thirty years with the parties agreeing that the Lessee has an option to renew this Lease for an additional term of thirty years commencing at the expiration of the original thirty-year term of this Lease.

At the end of the term of this Lease or of the additional term if the Lessee exercises its option, the Lessee shall retire or make provision for retiring all of the Lessee's indebtedness and pay or cause to be paid all of its liabilities and shall relinquish the real and personal property of the Hospital and all monies, accounts and inventories then held by the Lessee to the City.

The Lessee agrees to pay, in each year, the amount necessary, to retire the revenue bonds of the City issued to pay for improvement of the Hospital, which payments if those bonds remain outstanding to their final maturity, will aggregate \$53,082,649, and to assume all other obligations of the City relating to the Hospital, and to pay as Additional Payments the amounts in each year set forth for the respective year in Schedule 1 hereto.

The Lessee in consideration of and in accordance with the Lease agrees to maintain the Hospital in good repair and operating condition and also agrees to replace equipment and other personal property necessary to the activities then to be carried on in operation of the Hospital.

PROVISION FOR INDIGENT CARE

The Lessee agrees to continue to provide healthcare services in accordance with this Lease to residents of the City without regard to their ability to pay based on eligibility guidelines established by the Community Services Administration of the United States Department of Health and Human Services or any successor thereto or, if there is no successor, by the then community services standards used by hospitals servicing comparable communities.

OPERATION AND SERVICES OF THE HOSPITAL

The Lessee agrees to continue to provide within the City healthcare services in accordance with the terms of this Lease and, so long as effective, the Definitive Agreement between the Lessee and CCF.

The Lessee agrees to continue to provide residents of the City from facilities located within the City acute care medical/surgical services (including for children and adolescents), obstetrical/gynecological services, 24 hour a day emergency room providing trauma services, intensive care services and rescue squad/paramedic services as required by this Lease.

The Lessee agrees to maintain as one of its objectives providing high quality, affordable healthcare services with rates and charges consistent with other providers in Cuyahoga County of comparable size.

The Lessee agrees that so much of the Hospital as is operated as in-patient acute care facilities will be operated in compliance with the standards of the Joint Commission on Accreditation of Healthcare Organizations.

The Lessee agrees that its operations will be conducted without discrimination as to race, sex, creed, color, age or national origin.

The Lessee recognizes the need for positive employee relations and agrees to continue fair and just employment policies.

An equitable private pension benefit has been made available to employees not participating in the Public Employees Retirement System.

The Lessee agrees to provide the City and its residents a full disclosure of its finances through an annual audit of its financial statements which will be available to the public.

This Statement of Intent does not purport to be complete and is subject in all respects to Articles I to XIV, both inclusive, and is qualified in its entirety by reference to the terms and provisions of those Articles. The language contained in said Articles I to XIV shall control and be determinative of the interpretation of this Lease and this Statement of Intent.

WITNESSETH, THAT

In consideration of the premises and the mutual covenants hereinafter contained, and in order for the City to carry out this Lease, the parties hereto covenant, agree and bind themselves as follows; provided that no covenant, agreement or obligation of the City under this Lease shall be a general debt on the City's part, but shall be payable solely out of the rentals, revenues and other income, charges and moneys realized from the use, lease, sale or other disposition of the Leased Premises, the sale of the Bonds and any insurance and condemnation awards as herein provided:

ARTICLE I

DEFINITIONS, DETERMINATIONS AND REPRESENTATIONS

Section 1.1. Use of Defined Terms. In addition to the words and terms defined elsewhere in this Lease, the words and terms set forth in Section 1.2 hereof have the meanings set forth therein, unless the context or use indicates a different meaning or intent. Those definitions are applicable equally to both the singular and plural forms of any of the words and terms defined herein. Any words or terms not defined and used herein specifically as defined words or terms have the meanings assigned to them in the Indenture.

Section 1.2. Definitions.

"Accountant" means a recognized firm of independent certified public accountants, of good repute licensed by, or permitted to practice in, the State, retained by the Lessee and designated by the Authorized Lessee Representative, which firm shall not have any interest, direct or indirect, in either the Lessee or the Issuer and shall not have a partner, member, director, officer or employee who is a member, director, trustee, officer or employee of either the Lessee or the Issuer.

"Act" means the Charter of the City, Chapter 140, Ohio Revised Code, as amended, and other applicable provisions of the laws of the State.

"Additional Payments" means the amounts required in Section 3.2 hereof to be paid as Additional Payments.

"Affiliated Corporation" means any corporation, trust, association, person or entity directly or indirectly Controlled by the Lessee, including, without limitation, by a majority of its trustees, or by any other entity which is itself Controlled directly or indirectly by the Lessee or any Affiliated Corporation, or jointly by a combination thereof.

"Authorized Lessee Representative" means the person designated by the chief executive officer of the Lessee which shall be evidenced to the Trustees and City by a certificate signed by the chief executive officer of the Lessee. Such certificate may designate an alternate or alternates who shall have the same authority, duties and powers as the Authorized Lessee Representative.

"Basic Rent" means (i) the monthly amounts necessary to make the deposits required by the Indentures and Section 3.1(a) of this Lease to be made to the Special Funds, and (ii) any other amounts required by Section 3.1 hereof to be paid on or prior to the respective Rental Payment Dates during the Lease Term.

"Bond" and "Bonds" means the revenue bonds of the City authorized, authenticated and issued under the Indentures, which may be designated either bonds or notes.

"Bondholder", "holder" and "holder of Bonds", and "holder" means the person in whose name a registered Bond is registered on the Bond Register, or any person who is the bearer of a coupon Bond which is not registered as to principal or the principal of which is registered to bearer, and "holder" when used with reference to a coupon means the bearer of the coupon.

"Bond Service Charges" means the principal of and premium, if any, and interest on the Bonds payable at any time or during any period.

"Business Day" means any day other than a Saturday or a Sunday or any day on which the Trustees are required, authorized or not prohibited by law (including executive orders) to close and are closed.

"CCF" means The Cleveland Clinic Foundation, a nonprofit corporation organized under the laws of the State.

"Charter" means the amended charter of the City adopted at an election held November 5, 1957 as heretofore and hereafter amended.

"City" means the City of Lakewood, Ohio, a municipal corporation and political subdivision in and of the State.

"Code" means the Internal Revenue Code of 1986, as amended, and successors thereto. References to the Code include, without limitation, relevant regulations, temporary regulations and proposed regulations thereunder and under the Internal Revenue Code of 1954, as amended, and any successor provisions to those regulations, temporary regulations or proposed regulations.

"Community Organizations" means religious congregations or organizations representing spiritual leaders of religious organizations, organizations restricting membership to persons age 60 or older or whose activities are directed toward persons age 60 or older and organizations directing their activities to civic, educational or philanthropic endeavors for the benefit of the City or its residents.

"Control" means the power to direct the management and policies of a corporation, trust, association, person or entity, directly or indirectly, whether through voting power for the election of all or a majority of the members, trustees, directors or officers, ownership of voting securities, or rights by privilege of membership, by contract or otherwise.

"Convenience Activities" means patient or employee convenience activities, such as, without limitation, gift shops, snack shops, barber and beauty shops, doctors', dentists', and podiatrists' accommodations, flower shops, travel agencies, banks, counselling services, pharmaceutical sales and services, telephone centers, retail sales of health care related items and services, living accommodations for persons providing services within, or for persons who are visitors to, Hospital Facilities operated by the Lessee and residential properties acquired for future expansion of Hospital Facilities.

"Council" means the Council of the City.

"Definitive Agreement" means the Definitive Agreement dated as of December 19, 1996 between CCF and the Lessee.

"Event of Default" means any one or more of the Events of Default described in Section 13.1 hereof.

"Executive" means the Mayor of the City or, in that officer's absence or unavailability, the acting Mayor as provided in the Charter.

"Existing Facilities" means the structures, improvements, equipment, furnishings and other real, personal and mixed real and personal property located on the Leased Real Premises on the date of the commencement of the Lease Term, which structures are more fully described in Exhibit C hereto.

"First Supplemental Senior Indenture" means the First Supplemental Trust Indenture dated as of June 15, 1989 by and between the Senior Trustee and the City, amending and supplementing the Senior Indenture.

"First Supplemental Senior Ordinance" means Ordinance No. 32-89 of the City passed by the Council on June 5, 1989.

"Fiscal Officer" means the Director of Finance of the City, or in that officer's absence or unavailability, the person performing the functions of that office.

"Fiscal Year" means a period of twelve consecutive months commencing on the first day of January of any year and ending on the last day of December of the same year, both inclusive; or such other consecutive twelve-month period as may hereafter be established as the fiscal year of the Lessee for budgeting and accounting purposes to be evidenced, for purposes hereof, by a certificate of the Authorized Lessee Representative filed with the Trustee and the Fiscal Officer.

"Governing Board" means the Board of Trustees of the Lessee as constituted at the relevant time.

"Governmental Restrictions" means federal or State or other applicable governmental laws or regulations affecting the Leased Premises and placing restrictions and limitations on the rates, fees and charges to be fixed, charged and collected by the Lessee; provided, however, that no change in law or regulation shall be deemed applicable by reason of this definition if such change would in any way constitute an impairment of the rights of the City, a Holder, the Lessee or the Trustees under this Lease.

"Gross Revenues" means all present and future revenue of the Lessee from whatever source derived, including without limitation, all

(a) cash, accounts, chattel paper, instruments, documents, money and general intangibles, including without limitation, contract rights and rights to payment (i) for goods and properties sold or leased or for services rendered, (ii) under agreements respecting insurance, Medicare, Medicaid or Blue Cross, and under other arrangements with governmental units, agencies and instrumentalities, prepaid health organizations and other Persons, (iii) from any insurance or eminent domain award or agreement in lieu of an award resulting from eminent domain proceedings and awards on warranties,

(b) income from, and revenues realized upon the liquidation, sale, maturity or redemption of securities held by or on behalf of the Lessee,

(c) proceeds of those items constituting Gross Revenues to which reference is made in clauses (a) and (b) above, and

(d) gifts, grants, bequests, contributions and donations, including without limitation, the unrestricted income and profits therefrom.

"Guaranty" means the Guaranty and Security Agreement dated as of June 15, 1989 between the Lessee and the Senior Trustee.

"Hospital Facilities" means hospital facilities as defined in Section 140.01, Ohio Revised Code.

"Hospital Funds" means all moneys, accounts receivable and instruments, and all proceeds received therefrom, held or hereafter received by the Hospital Trustees or the Fiscal Officer and comprising funds received from or as a result of the operation or ownership of the Leased Premises but does not include moneys, accounts receivable and instruments, and all proceeds therefrom, held or hereafter received by the Lessee unless and until they are delivered by the Lessee to the Hospital Trustees or the Fiscal Officer.

"Hospital Specialty Services" means services related to the operation of Hospital Facilities, including without limitation, services in connection with the practice of pathology, pediatrics, radiology, physical medicine, anesthesiology, electro-cardiology, physical therapy, behavior therapy and psychiatry, emergency room operations, data, long term care, subacute care, skilled nursing facilities, long term hospital and word processing operations, and pharmaceutical, optical, other health care related sales and services and also including without limitation, space and equipment for the practice of medicine, dentistry, podiatry or other health related services.

"Hospital Trustees" means the Board of Trustees of Lakewood Hospital created by the Charter.

"Improvements" means any future additions, extensions, improvements, equipment, machinery or other facilities, including land and rights in land, to, of or for the Leased Premises and any other facilities acquired, constructed and operated by the Lessee and any other interest of the Lessee in a facility in which the Lessee has a financial or operating interest, which under generally accepted accounting principles are required to be capitalized.

"Indebtedness" shall mean, without duplication, (i) all indebtedness of the Lessee for borrowed moneys or which has been incurred or assumed in connection with the acquisition of Property by the Lessee, (ii) all indebtedness, no matter how created, secured by Property of the Lessee, whether or not such indebtedness is assumed by any Person, provided, that non-recourse indebtedness shall be deemed Indebtedness only to the extent of the value of the Property securing same, (iii) the liability of the Lessee under any lease (other than this Lease) of real or personal property which is properly capitalized on the balance sheet of the Lessee in accordance with generally accepted accounting principles, and (iv) any guaranty by the Lessee of indebtedness of any other Person for borrowed moneys or which has been incurred or assumed by such Person in connection with the acquisition of Property or the leasing of real or personal property which is properly capitalized on the balance sheet of such Person in accordance with generally accepted accounting principles; provided that there shall be excluded from the definition of Indebtedness this Lease and any obligation of the Lessee which is secured by an irrevocable extension of credit of, or is subject to any agreement to purchase such obligation from the holder thereof by, a Person and that there shall be included as Indebtedness the obligation which would be incurred pursuant to the reimbursement agreement executed and delivered in connection with such irrevocable extension of credit or purchase agreement if such credit were drawn upon completely or such purchase were fully effected and the advance made under the reimbursement agreement were to be repaid in accordance with the terms of such reimbursement agreement, and any such Indebtedness shall be deemed to have been incurred at the time such reimbursement agreement is executed and delivered; and provided further there shall be excluded from this definition of Indebtedness any debt of the Lessee created by operation of Section 2.1.1 of the Definitive Agreement or Section 3.2(a) of this Lease.

"Indentures" means collectively the Trust Indentures dated as of March 15 and November 1, 1983 among the City, the Hospital Trustees and the Trustees, as supplemented and amended from time to time in accordance with the provisions thereof.

"Intangible Assets" means all contracts and contract rights (including particularly contracts, agreements, contract rights and agreement rights, between the City and the State with

respect to Medicaid, the City and third-party insurers of City's patients, and City and the United States of America with respect to Medicare and all other equivalent insurance programs, or any state or federal program substituted in lieu thereof), general intangibles and documents, which are associated with the City's ownership and the Hospital Trustees' operation of the Leased Facilities.

"Interest Rate for Advances" means the greater of (i) the rate of ten percent per annum or (ii) a rate which is one percent per annum in excess of the interest rate then announced publicly by the Senior Trustee, in its lending capacity as a financial institution, as its prime or base rate.

"Lease" means this Lease, as duly amended or supplemented from time to time in accordance with the terms hereof and of the Senior Indenture.

"Lease Term" means the period commencing with the delivery of this Lease and ending on the Termination Date.

"Leased Premises" means, collectively, the Leased Real Premises, Existing Facilities, any Improvements and all appurtenances thereto and thereof, and all substitutions or replacements therefor, whether now existing or hereafter acquired, leased, used or operated by the Lessee in connection therewith and located within the City, including all "Hospital Facilities" as defined in the Indentures less such Property as may from time to time be disposed of by the Lessee.

"Leased Real Premises" means the interests in real estate described in Exhibit A hereto which Exhibit A is incorporated herein as if the same were fully set forth herein, together with any substitutions or additions made thereto, but less any removals made therefrom, from time to time in the manner and to the extent provided herein and in the Indentures.

"Lessee" means Lakewood Hospital Association, an Ohio nonprofit corporation and a nonprofit hospital agency, as defined in Section 140.01, Ohio Revised Code, and its lawful successors, including without limitation, any surviving, resulting or transferee corporation or entity, as provided in Sections 9.3 and 9.4 hereof. The term Lessee does not include any for profit or not for profit corporation which Controls, is Controlled by or is under common Control with the Lessee.

"Management Contract" means an agreement with a partnership or corporation which is not an Affiliated Corporation or is not the Member or a partnership or corporation, controlling the Member or, on November 1, 1996, controlled by the Member to provide substantially all of the executive management of the Leased Premises.

"Member" means CCF or any Permitted Affiliate designated by CCF as the Member pursuant to the Definitive Agreement or (i) in the event that CCF or the designated Permitted Affiliate resigns or otherwise ceases to be the Member and a Permitted Affiliate is not concurrently designated by CCF as the Member or (ii) if the Definitive Agreement should terminate and the failure or refusal contemplated by Section 10.4 thereof occurs, then the Governing Board.

"Notice Address" means:

- (a) As to the City: City of Lakewood, Ohio
Lakewood City Hall
12650 Detroit Avenue
Lakewood, Ohio 44107
Attention: Director of Finance
with a copy to the attention of each
of the Mayor, the Director of Law and
the Clerk of Council
- (b) As to the Lessee: Lakewood Hospital Association
14519 Detroit Avenue
Lakewood, Ohio 44107
Attention: Chief Legal Officer
- (c) As to the Senior Trustee: National City Bank
1900 East Sixth Street
Cleveland, Ohio 44114
Attention: Corporate Trust Administration
- (d) As to the Subordinated Trustee: KeyBank National Association
Key Tower, 127 Public Square
Cleveland, Ohio 44114
Attention: Corporate Trust Department
- (e) As to the Member: The Cleveland Clinic Foundation
9500 Euclid Avenue
Cleveland, Ohio 44195-5108
Attention: Chief Executive Officer

with a copy to:

General Counsel
The Cleveland Clinic Foundation
9500 Euclid Avenue
Cleveland, Ohio 44195-5108

or a different address as to which notice is given pursuant to Section 14.2 hereof.

"Operator" means the City or the Lessee, whichever is the operator of the Leased Premises at the relevant time.

"Original Lease" means the lease between the City and the Lessee dated as of June 26, 1987 and recorded in Volume 87-4264, Page 17 of Cuyahoga County, Ohio Lease Records as amended by the First Amendment of Lease dated as of June 15, 1989 and recorded in Volume 89-3550, Page 8 of Cuyahoga County, Ohio Real Property Records.

"Outstanding Bonds" or "Bonds then outstanding" means, as of the applicable date, all Bonds which have been authenticated and delivered, or are then being delivered, under the Indentures except:

- (i) Bonds cancelled by the respective Trustee or surrendered to the respective Trustee for cancellation pursuant to the Indenture,

(ii) Bonds or portions thereof deemed to have been paid and discharged in accordance with Article XIII of the Indentures,

(iii) Bonds not deemed to be outstanding under the provisions of Section 1 of the Senior Ordinance and of the Subordinated Ordinance, and

(iv) Bonds in lieu of which other Bonds shall have been authenticated and delivered under Article II of the Indentures.

"Permitted Affiliate" means any corporation, partnership, trust or entity which, directly or indirectly, (i) owns or controls CCF; or (ii) with which CCF is commonly owned or controlled. For purposes hereof, "own or control" shall mean owning in excess of fifty percent (50%) of the voting securities or having the right (i) to elect or appoint more than fifty percent (50%) of the trustees or directors; or (ii) to receive more than fifty percent (50%) of the net earnings; or (iii) to receive more than fifty percent (50%) of the net assets upon dissolution.

"Permitted Encumbrances" means, as of any particular time, (i) statutory rights of the United States of America under 42 U.S.C. §291 *et. seq.*, and similar rights under other federal and state statutes, (ii) the lien and charge of the Indentures and any lease of the Leased Premises not disapproved by the Trustees or authorized by the Indentures and not requiring prior consent of the Senior Trustee, including this Lease and any leases from the City existing as of the date of delivery of this Lease, (iii) liens securing indebtedness for the payment, redemption or satisfaction of which, moneys (or Eligible Investments) in the necessary amount shall have been deposited in trust with a trustee or other holder of such indebtedness, (iv) utility, access and other easements and rights of way, restrictions, reservations and exceptions which an architect or engineer certifies will not materially interfere with or impair the operations being conducted in the Leased Premises or as may be insured over with adequate title insurance, or rights of way permitting the Leased Premises access to other facilities owned or controlled by the City or the Lessee, (v) any liens for ad valorem taxes, special assessments or other governmental charges not then delinquent or if delinquent being contested as provided in Section 5.16 of the Senior Indenture and in the Subordinated Indenture; (vi) mechanic's, laborer's, materialman's, supplier's, or vendor's lien or right to a purchase money security interest in respect thereof if payment is not yet due and payable under the contract in question, or if such lien is contested in good faith, (vii) any lien which secures Secured Hospital Debt for which the Trustee has received an Officer's Certificate stating that the test for permitted Secured Hospital Debt has been met, (viii) liens arising by reason of good faith deposits in connection with tenders, leases of real estate, bids or contracts (other than contracts for the payment of money), deposits to secure public or statutory obligations, or to secure, or in lieu of, surety, stay or appeal bonds and deposits of security for the payment of taxes or assessments or other similar charges, (ix) any lien arising by reason of deposits with, or the giving of any form of security to, any governmental agency or any body created or approved by law or governmental regulation for any purpose at any time as required by law or governmental regulation (A) as a condition to the transaction of any business or the exercise of any privilege or license, or (B) to enable the Operator to maintain self-insurance or to participate in any funds established to cover any insurance risks or in connection with workers' compensation, unemployment insurance, old-age pensions or other social security, or to share in the privileges or benefits required for companies participating in such arrangements, (x) any judgment lien or notice of pending action, so long as the finality of such judgment or the pending action is being contested and execution thereon is stayed or the period for responsive pleading has not elapsed or provision for payment of the judgment has been made in accordance with applicable law or by the deposit of cash or eligible investments with the Trustee or a commercial bank or trust company acceptable to the Trustee, (xi) existing liens, provided they are not renewed or extended on more stringent terms, (xii) liens resulting from governmental regulations on the use of Property, (xiii) liens securing Hospital Debt permitted under the Senior Indenture, (xiv) liens on Property arising from the rights of

third party payors for recoupment of amounts paid to the Operator, (xv) liens on Property acquired by the Operator if the assumption of the Hospital Debt secured by such lien is additional Hospital Debt permitted under the Senior Indenture and if an Officer's Certificate is delivered to the Trustee certifying that (A) such lien and the Hospital Debt secured thereby were created and incurred by a person other than the Operator prior to acquisition of such Property by the Operator, (B) such lien was created prior to the decision of the Operator to acquire the Property and was not created for the purpose of enabling the Operator to avoid the limitations of the Senior Indenture on creation of liens on Property, and (C) the lien attaches solely to the Property and does not extend by its terms to other Property of the Operator, and (xvi) such minor defects, irregularities, encumbrances, utility, access and other easements and rights of way, restrictions, reservations, exceptions and clouds on title as normally exist with respect to properties similar in character to the Leased Premises and as do not in the opinion of Independent Counsel, in the aggregate materially impair the property affected thereby for the purpose for which it is or will be held by the City.

"Rental Payment Date" means the fifteenth day of each month.

"Required Services" means (i) obstetrical/gynecological services, (ii) 24 hour a day emergency room providing trauma services, (iii) rescue squad/paramedic services, (iv) intensive care services and (v) acute care medical/surgical services (including, without limitation, care for children and adolescents), of the nature then generally provided by a community hospital in communities comparable to the City; or such services as may result from amendments to this definition pursuant to Section 9.16 hereof. The term "Required Services" does not include the magnitude or level of service, such as hours of service, or the manner (including changes in technology) by which the types of services are provided; provided, however, that the change in magnitude or levels of services does not, as a practical matter, result in the significant reduction in such service so as to be an effective elimination of such service.

"Senior Indenture" means the Trust Indenture dated as of March 15, 1983 between the City and the Senior Trustee, as supplemented and amended by the First Supplemental Senior Indenture, as such may be amended or supplemented from time to time in accordance with the provisions thereof.

"Senior Ordinance" means Ordinance No. 8-83 of the City passed by the Council on February 26, 1983.

"Senior Trustee" means National City Bank, Cleveland, Ohio and any successor thereto as trustee under the Senior Indenture.

"Special Funds" means, collectively, the funds or accounts permitted by, established under, or identified in the Indentures.

"State" means the State of Ohio.

"Subordinated Indenture" means the Trust Indenture dated as of November 1, 1983 between the City and the Subordinated Trustee.

"Subordinated Ordinance" means Ordinance No. 106-83 of the City passed by the Council on October 17, 1983.

"Subordinated Trustee" means Mellon Bank, F.S.B., successor trustee to KeyBank National Association, Cleveland, Ohio (formerly known as Society National Bank and successor by merger to Central National Bank of Cleveland) and any successor thereto as trustee under the Subordinated Indenture.

"Termination Date" means the later of (i) January 2, 2027, or (ii) January 2, 2057 if extended by the Lessee exercising its option pursuant to Section 2.5 hereof, subject to earlier termination of this Lease by the Lessee pursuant to Section 12.1, and by the City pursuant to Sections 13.2 and 13.4 hereof subject to reinstatement under Section 13.2 or 13.8 hereof.

"Total Operating Revenues" means total patient revenue less provision for uncollectible accounts, charity cases and any contractual adjustments, plus other operating revenues.

"Trustees" means collectively the Senior Trustee and the Subordinated Trustee.

"Unassigned Rights" means all of the rights of the City (i) to receive Additional Payments under Section 3.2 hereof, (ii) to be held harmless and indemnified under Section 9.9 hereof, (iii) to be insured under insurance policies and/or plans required under Section 6.4 hereof, (iv) to receive prior notice of any proposed sublease, right to use or assignment of the Leased Premises or Management Contract under Section 11.1 hereof and to prevent the effectuation thereof pursuant to that Section, (v) to receive prior notice of and prevent the effectuation of the termination of services pursuant to Section 9.16 hereof, (vi) to exercise the remedies available to the City under Section 13.2 hereof, (vii) to be reimbursed for attorneys' fees and expenses under Section 13.5 hereof, (viii) to accept the surrender by the Lessee of the Leased Premises upon termination of this Lease under Section 14.1 hereof, (ix) to receive notices, determine whether to provide requested approvals and terminate this Lease under Section 14.15 hereof and (x) to execute amendments hereto under Section 14.6 hereof.

Section 1.3. Certain Words Used Herein; References; and Headings. Any reference herein to the City, the Hospital Trustees, the Executive, the Council, the Fiscal Officer, any members or officers of the City, the Council or the Hospital Trustees, or other public boards, commissions, departments, institutions, agencies, bodies or entities, or members or officers thereof, includes those succeeding to their functions, duties or responsibilities pursuant to or by operation of law or performing their functions lawfully.

Any reference to a section or provision of the Constitution of the State or the Charter, a section, provision or chapter of the Ohio Revised Code, federal or State laws, or regulations governing Medicare or Medicaid includes that section, provision or chapter, or those laws or regulations, as amended, modified, revised, supplemented or superseded from time to time; provided, however, that no amendment, modification, revision, supplementation or supersession of the Constitution, laws of the State or the Charter shall be deemed to be applicable by reason of this Section, if that applicability would constitute in any way an impairment of the rights or obligations of the Bondholders, the City, the Lessee or the Trustees under this Lease.

Words of any gender include the correlative words of any other gender. Unless the context indicates otherwise, words importing the singular number include the plural number, and vice versa. The terms "hereof", "herein", "hereby", "hereto" and "hereunder", and similar terms, refer to this Lease; and the term "hereafter" means after, and the term "heretofore" means before, the date of delivery of this Lease.

Section 1.4. Status and Authority of City. The City represents and warrants that it has been duly organized and is validly existing under the laws of the State and that it has authority (i) by virtue of the Act and the Charter, to enter into this Lease and (ii) pursuant to Section 5.13 of the Indenture to enter into this Lease.

Section 1.5. Public Purpose for Lease. The Council has found and determined and confirms hereby that this Lease of the Leased Premises to Lessee will promote the public

purposes as stated in Section 140.02, Ohio Revised Code, and that the City will be duly benefitted thereby.

Section 1.6. Qualification of Lessee. The City has found and determined and confirms hereby that the Lessee is a nonprofit hospital agency, as defined in Section 140.01, Ohio Revised Code, which has authority to lease and operate the Leased Premises as a facility open to the public, providing Required Services without regard to race, sex, creed, color or national origin.

(End of Article I)

ARTICLE II

LEASED PREMISES; TERM OF LEASE; PURPOSE

Section 2.1. Leased Premises and Possession. In consideration of the Basic Rent, Additional Payments and other amounts for which provision is made herein, and of the covenants, agreements and obligations, and in reliance upon the representations and warranties, of the Lessee herein, the City covenants and agrees to lease, and hereby leases, the Leased Premises to the Lessee, and the Lessee hereby leases the Leased Premises from the City, subject to the provisions of this Lease and the Permitted Encumbrances,

TO HAVE AND TO HOLD the Leased Premises unto the Lessee for the Lease Term.

Possession of the Leased Premises shall be delivered and accepted upon the commencement of the Lease Term.

Section 2.2. Purpose. During the Lease Term, the Lessee, as between itself and the City, has sole and exclusive charge of the operation, maintenance, management, use, occupancy, and repair of the Leased Premises (unless there is an Event of Default and the Lessee has been excluded from possession of the Leased Premises hereunder), and the Lessee will manage, administer, maintain and operate so much of the Leased Premises as from time to time are Hospital Facilities as Hospital Facilities as contemplated by the Act and all of the Leased Premises in accordance with the terms of this Lease for the service of the general public, without discrimination by reason of race, sex, creed, color or national origin; provided that, subject to compliance with the requirements of this Lease, nothing in this Section or in this Lease is intended to prevent the Lessee from entering into affiliations with other healthcare providers, insurers or reimbursers and as part of such affiliation ceding to others the right to control or direct activities of the Lessee or to take control of the Lessee in specified circumstances.

Section 2.3. Assumption of Liabilities. Lessee has assumed and, except for future Bond Service Charges, paid all existing obligations and liabilities of the City and the Hospital Trustees whether fixed or contingent, known or unknown, associated with or arising out of the City's ownership of the Leased Premises and the Hospital Trustees' prior operation of the Leased Premises. Lessee further agrees to pay all future obligations and liabilities associated with the use, operation or ownership of the Leased Premises including future Bond Service Charges and to hold the City and the Hospital Trustees harmless therefrom.

Section 2.4. Assignment of Intangible Assets and Hospital Funds. In consideration of the promises and agreements made by the Lessee to the City in the Original Lease, for the purpose of paying a portion of the costs of Hospital Facilities, the costs of the management, operation, occupancy, use, maintenance, and repair of the Leased Premises, and the costs of programs, projects, activities and services useful to, connected with, supplementing, or otherwise related to the health care services provided and to be provided by Lessee and by the operation of the Leased Premises, the City did assign to Lessee all of the City's respective right, title and interest in and to (a) the Intangible Assets, (b) all moneys, accounts receivable, warranties and instruments comprising Hospital Funds and all proceeds realized therefrom and (c) inventory, supplies, materials, consumables and other property owned, accrued, held or received in connection with the Leased Premises prior to the Leased Premises initial leasing to the Lessee. All moneys, accounts, receivables and instruments which are held in trust or restricted to a particular purpose by the donor, shall be used, to the extent permitted by law, by the Lessee for the restricted purposes set forth in the instruments creating the trust or providing donations.

Section 2.5. Extension of Lease. The City and the Lessee agree that the Lessee has an option to extend the Lease Term of this Lease for a period of thirty years following January 2, 2027 by providing to the City a notice in writing of the exercise of the option to so extend the Lease Term which notice shall be given not earlier than January 1, 2021 and not later than December 1, 2024. Exercise by the Lessee of its option to extend the Lease Term shall be irrevocable.

(End of Article II)

ARTICLE III

RENT AND ADDITIONAL PAYMENTS

Section 3.1. Basic Rent.

(a) The Lessee covenants and agrees that on behalf of the City, and as its payment of part of the Basic Rent due the City hereunder, the Lessee will pay directly to the Senior Trustee and the Subordinated Trustee, respectively, for the account of the City, the moneys which as to amount and time of payment will satisfy the requirements of Section 16 of the Senior Ordinance and Section 8 of the Subordinated Ordinance.

(b) The Lessee further covenants and agrees that it will deposit with the appropriate Trustee all other moneys required to be deposited by the Indentures and will timely perform each and every obligation, duty and right of the City under the Indentures.

(c) Except for any interest which may arise hereafter with respect to moneys pursuant to Sections 4.02 of the Indentures, the Lessee and the City each acknowledges that, except as otherwise provided in the Indentures, neither the Lessee nor the City has any interest in any of the funds created by the Indentures or any moneys deposited therein and that such funds and moneys shall be in the custody of and held by the Trustees for the benefit of the Bondholders.

Section 3.2. Additional Payments. Subject to the pledge made in and the security interest granted by the Guaranty and after making the payments required by Section 3.1 hereof, the Lessee covenants and agrees to make Additional Payments as follows:

(a) To the City on March 31, June 30 and September 30 in each year, commencing March 31, 1997, the amount shown opposite the date and year of payment in Schedule 1 hereto, provided that if the Closing Date (as defined in the Definitive Agreement) occurs after March 31, 1997 then the amounts shown on Schedule 1 to have been paid prior to the Closing Date shall be paid on the Closing Date, provided further, that if the City should impose or levy on the Lessee an ad valorem, income, franchise or business excise or tax, then the Additional Payment to be made in a year shall be reduced by an amount equal to the amount of such excise or tax paid by the Lessee and received in that year by the City, whether paid to it directly or paid to the State or a taxing unit thereof. Such reduction shall, to the extent possible, be applied equally against each of the payments required to be made in that year.

(b) To the City, the Member or the Trustees, as the case may be, regardless of whether an Event of Default has occurred hereunder, payment for or reimbursement or prepayment of any and all reasonable costs, expenses and liabilities:

(i) incurred or paid by the City, the Member or the Trustees, as the case may be, in satisfaction of any obligations of the Lessee hereunder or of the City, the Member or the Lessee under the Indentures not performed by the Lessee in accordance with the provisions hereof or thereof,

(ii) incurred as a result of a request by the Lessee or a requirement of this Lease or the Indentures, or

(iii) incurred in the defense of any action or proceeding with respect to the Leased Premises or in enforcing this Lease or arising out of or based upon any document related to the issuance of the Bonds.

(c) To the extent such costs and expenses are not paid out of the proceeds of the Bonds:

(i) the fees and other costs incurred for services of the Trustees, paying agents and Bond registrars;

(ii) all costs incurred in connection with the required purchase or redemption of Bonds to the extent moneys in a fund created by the Indentures are not available therefor;

(iii) the fees and other costs incurred for services of such engineers, architects, attorneys, consultants and independent accountants as are employed to make examinations, render opinions and prepare reports required under the Indentures;

(iv) amounts advanced by the Trustees under authority of the Indentures and which the City otherwise would be obligated to repay.

The City and the Lessee agree that the obligation of the Lessee to make payments under this Section 3.2 is not secured by a security interest in the Gross Revenues and does not constitute or cause this Lease to constitute Indebtedness.

In the event the Lessee shall fail to make any payment as required by this Lease, the payment so in default shall continue as an obligation of the Lessee until the amount in default shall have been fully paid; provided, however, that nothing in this Section shall require the Lessee to pay costs and expenses mentioned in subparagraph (c)(iv) above, so long as the validity or the reasonableness thereof shall be contested in good faith unless the appropriate Trustee shall receive an opinion of Independent Counsel that such contest jeopardizes the interest of the Lessee or the City in the Leased Premises or the rights or interest of the Holders or Trustee under the applicable Indenture, in which event the Lessee shall make such payment or take such action as causes such opinion to be withdrawn.

All costs, expenses, liabilities, fees and charges described in this Section, together with interest thereon at the Interest Rate for Advances from the date payment is requested of the Lessee, shall be paid by the Lessee on demand. In any action brought to collect those Additional Payments, the City, a Trustee, the other paying agent or the Bond registrar, as the case may be, shall be entitled to the recovery of the Additional Payments, except as limited by law or judicial order or decision.

Section 3.3. Place of Payments. The Basic Rent shall be paid to the appropriate Trustee at its corporate trust office for the account of the City and shall be deposited in the appropriate Special Fund for which intended. Additional Payments payable under Section 3.2(a) hereof shall be paid to the City at the Notice Address. Other Additional Payments shall be paid directly to the party to which they are due.

Section 3.4. Obligations Absolute and Unconditional. The obligations of the Lessee to pay Basic Rent, Additional Payments and any other amounts payable under this Lease and to observe and perform its covenants, agreements and obligations provided in this Lease are absolute and unconditional. The Lessee hereby covenants and agrees to make any payments required of it hereunder from any moneys legally available to the Lessee in the manner and at the times provided in this Lease.

Until the Termination Date, the Lessee

(a) will not suspend, reduce or discontinue payment of any Basic Rent, Additional Payments or any other amounts payable under this Lease;

(b) will observe and perform all of its covenants, agreements and obligations under this Lease;

(c) will make all payments of principal of and premium, if any, and interest on all of its obligations; and

(d) except upon exercise of the Lessee's termination options as provided herein, will not terminate this Lease for any cause including without limitation, (i) any acts or circumstances which may constitute failure of consideration, (ii) destruction of or damage to the Leased Premises or other properties owned or operated by the Lessee, (iii) commercial frustration of purpose, (iv) any change in tax or other laws or administrative rulings of, or administrative actions by or under authority of, the United States of America or the State, (v) the inaccuracy of any representation or warranty made by the City herein, or (vi) any failure of the City or either Trustee to observe or perform any covenant, agreement or other obligation, whether expressed or implied, or any duty, liability or obligation arising out of or connected with this Lease, the Indentures, or the Bonds.

At the Lessee's own cost and expense, in its own name and on its own behalf or, to the extent lawful, in the name and on behalf of the City, the Lessee may prosecute or defend any action or proceeding or take any other action involving third persons which the Lessee deems to be reasonably necessary to secure or protect its rights of possession, occupancy and use hereunder. In that event, the City covenants and agrees (i) to cooperate fully with the Lessee, but at the Lessee's expense, and (ii) if the Lessee shall so request, to take all action necessary to effect the substitution of the Lessee for the City in that action or proceeding.

Section 3.5. Rent Abatement. If at any time,

(a) the Indentures shall have been defeased pursuant to their provisions under circumstances not resulting in termination of this Lease,

(b) provision satisfactory to the City and the Trustees shall have been made for paying all Additional Payments, and all other amounts, payable under the Lease, due or to become due through the date on which the last of the Bonds is then scheduled to be retired or redeemed, and

(c) there is no Event of Default hereunder,

the Lessee shall be entitled to use and occupy the Leased Premises from that time to the Termination Date so long as the Lessee makes payment of the Additional Payment during that interval required to be paid by Section 3.2(a) hereof but without payment of any Basic Rent, but otherwise on the terms and conditions hereof. No other circumstance pursuant to any provision of this Lease shall abate the payment of Basic Rent in any way.

Section 3.6. Security Interest in Lessee's Gross Revenues. The Gross Revenues may be used by the Lessee for any lawful purpose of the Lessee, except the Lessee covenants, agrees and acknowledges that it will not grant a security interest in all present and future Gross Revenues, which security interest is a first priority security interest unless it shall concurrently grant to the Senior Trustee a security interest which is on a parity with the security interest proposed to be granted.

Section 3.7. Rates and Charges. So long as any Bonds are outstanding, the Lessee covenants and agrees to comply with the provisions of Sections 5.02 of the Senior Indenture and of the Subordinated Indenture as if the word "Issuer" used therein referred to the Lessee.

Section 3.8. Prepayment of Basic Rent and Additional Payments; Moneys for Purchase or Optional Redemption. There is reserved expressly to the Lessee the right, and the Lessee is authorized and permitted, at any time it may choose, to prepay all or any part of the Basic Rent relating to the Senior Bonds, Additional Payments and other amounts payable under the Lease, or to deliver to the Senior Trustee moneys sufficient to cause the Senior Bonds to be deemed paid and discharged pursuant to Article IX of the Senior Indenture following which the Lessee shall have the right to prepay in whole or in part the Basic Rent relating to the Subordinated Bonds.

Section 3.9. Past Due Basic Rent, Additional Payments and Other Amounts. In the event that the Lessee should fail to make any payment of Basic Rent, Additional Payments or other amounts payable under the Lease, (i) the payment in default shall continue as an obligation of the Lessee until the amount in default shall have been paid fully, (ii) during the default period, the amount in default shall bear interest at the Interest Rate for Advances, and (iii) that interest shall be payable on demand and shall constitute Additional Payments hereunder. In any action brought to collect those Additional Payments, the City shall be entitled to the recovery of the Additional Payments, except as limited by law or judicial order or decision.

Section 3.10. Redemption of Bonds. On delivery to the Senior Trustee, or if the Senior Indenture has been deemed paid and discharged, to the Subordinated Trustee, of sufficient moneys for redemption of all or part of the Senior Bonds, or if the Senior Bonds are deemed paid and discharged, of all or part of the Subordinated Bonds, then at the written request of the Lessee, the City will take forthwith all steps required of the City under the applicable redemption provisions of the Senior Indenture, and after defeasance thereof the Subordinated Indenture, to effect redemption of all or part of the then Senior Bonds or Subordinated Bonds, as the case may be, on the redemption date on which that redemption is to be made.

(End of Article III)

CONSTRUCTION

Section 4.1. Acquisition, Construction and Equipping. The Lessee covenants that any acquisition, construction or installation of Improvements and any furnishing, renovating, remodeling, improving and equipping of the Leased Premises shall be in conformity with law and all requirements of all governmental authorities having jurisdiction thereover, and that it will complete any such acquisition, construction, furnishing, renovation, remodeling, improvement and equipping with all expedition practicable; provided, however, that nothing in this Article authorizes or permits any activity which would violate the provisions of the State's health planning law and any Certificate of Need issued to Lessee pursuant thereto. Except as provided by Section 4.3 of this Lease, any Improvements which are real property or mixed real and personal property shall become a part of the Leased Premises and are leased by this Lease.

Section 4.2. Remedies Against Contractors, Subcontractors and Sureties. In the event of any action taken by the Lessee against any contractor, subcontractor or surety in connection with Improvements, the City as landlord covenants and agrees to cooperate fully with the Lessee.

Section 4.3. Installation of Personal Property by Lessee. From time to time, in their sole discretion and at their own expense, the Lessee or any sublessee of the Lessee may install personal property on the Leased Premises, including without limitation, personal property which becomes in whole or in part a fixture when installed. Subject to Section 14.1 hereof, all personal property so installed, except substitute or replacement personal property, shall be property of the Lessee, except property of any sublessee of the Lessee which shall remain the sole property of the sublessee, in which the City and the Trustees shall have no interest, and may be removed by the owner thereof at any time. The City shall execute such documents as are reasonably necessary to evidence that such personal property is the property of the Lessee or the Sublessee.

Nothing contained herein shall prevent the Lessee or any of its sublessees from purchasing personal property under a conditional sale, installment purchase or lease sale contract, or subject to a vendor's lien or security agreement, as security for the unpaid portion of the purchase price thereof; provided, however, that no lien or security interest shall attach to any part of the Leased Premises or the Gross Revenues.

Section 4.4. Movable Furnishings, Equipment and Other Personal Property. The Lessee covenants and agrees to obtain and maintain within the Leased Premises all movable furnishings, equipment and other personal property, in addition to movable furnishings, equipment and other personal property made available by City, essential to the then operation of the Leased Premises, subject to the rights of removal specified in Sections 4.3 and 6.2 hereof.

The Lessee further covenants and agrees to replace promptly any worn out or obsolete movable furnishings, equipment or other personal property used by the Lessee in connection with the administration, operation and maintenance of the Leased Premises with movable furnishings, equipment or other personal property of comparable operating capacity and for the same purpose or use, unless in the determination of the Lessee the worn out or obsolete movable furnishings, equipment or other personal property are no longer essential to the then operation of the Leased Premises.

The Lessee covenants and agrees that any movable furnishings, equipment or other personal property constituting part of the Leased Premises and necessary for the then operation of the Leased Premises and the provision of the then Required Services will not be removed or relocated without securing a replacement therefor, except in compliance with Sections 4.3 and

6.2 hereof or unless it is worn out or obsolete. Any moneys realized from any disposition made pursuant to this Section shall be used by the Lessee solely for acquisition of movable furnishings, equipment or other personal property used as part of or for the Leased Premises.

(End of Article IV)

ARTICLE V

SPECIAL FUNDS; INVESTMENTS

Section 5.1. Depreciation Reserve Fund. Lessee covenants and agrees to abide by and perform any requirements of Section 16(f) of the Senior Ordinance as originally enacted as long as those requirements remain in effect. The Lessee may request disbursements in the name and on behalf of the City from the Depreciation Reserve Fund for the purposes and in the manner set forth in Section 16 of the Senior Ordinance.

Section 5.2. Investment of Fund Moneys. Money held for the credit of all Special Funds shall, to the extent practicable, be continuously invested and reinvested by the Trustees in Eligible Investments and the request or direction of the Authorized Lessee Representative in connection therewith shall be deemed to be the request or direction of the Fiscal Officer.

Section 5.3. Covenant as to Arbitrage. The City and the Lessee each covenant and agree hereby that it will restrict the use of the proceeds of the Bonds in the manner and to the extent, if any, which is necessary, after taking into account reasonable expectations at the time of the delivery of and payment for the Bonds, so that the Bonds will not constitute arbitrage bonds under Section 148 of the Code, or any successor to that Section.

(End of Article V)

ARTICLE VI

MAINTENANCE, MODIFICATIONS, TAXES AND INSURANCE

Section 6.1. Maintenance and Modifications of Leased Premises by Lessee. The Lessee, at its expense, during the Lease Term shall at its own cost (a) keep and maintain or cause to be kept and maintained the Leased Premises, including all appurtenances thereto and any personal property therein or thereon, in good repair and in good operating condition to provide the Required Services, replacing any part or parts thereof which may become worn out or damaged by other suitable property provided that nothing herein is intended to require the installation of property which is not useful or economically feasible, and (b) maintain the suitability of the Leased Premises as a health care facility. Upon the expiration of the Lease Term or termination of this Lease, the Lessee shall surrender the then Leased Premises and appurtenances thereto and all movable equipment, furnishings and other personal property which then comprise the Leased Premises to the City in as good repair as prevailed at the time the Lessee was put in full possession thereof, loss by fire or other casualty covered by insurance, ordinary wear and tear, obsolescence, removal and replacements and acts of God excepted, subject to the provisions of the second following paragraph and of Sections 4.3, 4.4 and 6.2 of this Lease, and shall transfer to the City all of the Intangible Assets used in the operation of the Leased Premises which are of the same nature as the Intangible Assets transferred by the City to the Lessee in 1987.

The Lessee shall have the privilege of remodeling the Leased Premises or making additions, modifications, removals and improvements thereto, including the Leased Real Premises, from time to time as it, in its discretion, may deem to be desirable for its uses and purposes, provided that such remodeling, additions, modifications, removals or improvements do not diminish the value of the Leased Premises or its utility in providing the Required Services. The cost of such remodeling, additions, modifications, removals and improvements shall be paid by the Lessee and to the extent the same are fixtures shall be the property of the City and be included under the terms of this Lease as part of the Leased Premises.

Section 6.2. Substitution or Removal of Portions of the Leased Premises. (a) Lessee covenants and agrees that the suitability taken as a whole of the Leased Premises to provide the Required Services will not be impaired. The Lessee shall, consistent with Sections 4.3 and 4.4 of this Lease, have the privilege from time to time of substituting or replacing personal property or fixtures comprising a part of the Leased Premises for any portions of the Leased Premises, provided that the personal property or fixtures so substituted or replaced shall not impair the value of the Leased Premises or its utility in providing the Required Services or adversely affect the exemption from federal income tax of interest on the Bonds. Any such substituted or replaced property or fixtures shall become the property of the City, subject to any permitted security interest therein, and be included under the terms of this Lease. All buildings, structures, improvements, machinery, equipment and other property which shall be constructed, placed or installed in or upon the Leased Premises as an addition to or as a substitute for or in renewal or replacement thereof, shall become a part of the Leased Premises and be included under the terms of this Lease.

(b) In any instance where the Lessee in its sole discretion determines that any items of equipment constituting Leased Premises have become inadequate, obsolete, worn out, unsuitable, undesirable or unnecessary, the Lessee may remove such items of such equipment from the Leased Premises and sell, trade-in, exchange or otherwise dispose of them (as a whole or in part), provided that the Lessee substitutes and installs in the Leased Premises (subject to the provisions of the next sentence of this Section) other equipment having comparable utility (but not necessarily having the same function) in the operation of the Leased Premises and provided further that such removal and substitution shall not impair the operating viability of the Leased Premises. The Lessee shall not be required to install other equipment in substitution for

any equipment removed pursuant to the preceding sentence if, in the reasonable opinion of management of the Lessee, such substitution is not necessary to preserve the operating viability of the Leased Premises.

(c) The Lessee shall have the right to have any land, improvement or other interest in real property constituting a portion of the Leased Premises which is not essential to the operation of the Leased Premises released from the definition of Leased Premises and the provisions of this Lease and the Indenture. The Executive and Fiscal Officer on behalf of the City and the Trustees shall join in any such release upon the written request of the Lessee therefor.

Section 6.3. Taxes, Other Governmental Charges and Utility Charges. The Lessee covenants and agrees to fulfill the obligation of the City under Section 5.16 of the Senior Indenture.

Section 6.4. Insurance. The Lessee covenants and agrees to fulfill the obligations of the City under Sections 5.06 and 5.07 of the Senior Indenture and to perform pursuant to those Sections as if the word "Issuer" used therein referred to the Lessee. On expiration or termination of the Senior Indenture, the Lessee agrees to maintain the insurance coverage required by said Sections 5.06 and 5.07 and to perform pursuant to such sections as if such sections continued in existence except that the word "Trustee" used in such sections shall read as "City".

Section 6.5. Payment by City or Trustee. If the Lessee, or the Member on behalf of the Lessee, fails to perform any obligation of the City under the Senior Indenture or the Subordinated Indenture, then in addition to any other right or remedy of the City or either Trustee, the City or the applicable Trustee may advance funds to pay any required charges, although the City and the applicable Trustee shall not be obligated to do so. Any funds so advanced, together with interest thereon at the Interest Rate for Advances from the date of advancement, shall constitute Additional Payments and shall be paid by the Lessee, or the Member on behalf of the Lessee, on demand. In any action brought to collect those Additional Payments, the City and the applicable Trustee, as the case may be, shall be entitled to the recovery of the Additional Payments, except as limited by law or judicial order or decision.

(End of Article VI)

ARTICLE VII

DAMAGE, DESTRUCTION AND CONDEMNATION

Section 7.1. Damage and Destruction. In the event the Existing Facilities along with any Improvements are damaged to the extent or destroyed, both as described in Section 5.11 of the Senior Indenture, the Lessee may request the City to call the Bonds for redemption as provided in that Section and if the City does not within thirty (30) days of the receipt of such request commence the proceedings for redemption of the Bonds the Lessee may cancel this Lease pursuant to Section 12.1 hereof.

Section 7.2. Eminent Domain. In the event all or a portion of the Leased Premises is taken or damaged by the exercise of the power of eminent domain as described in Section 5.10 of the Senior Indenture, the Lessee may request the City to call the Bonds for redemption as provided in that Section and if the City does not within thirty (30) days of the receipt of such request commence the proceedings for redemption of the Bonds the Lessee may cancel this Lease pursuant to Section 12.1 hereof or, subject to the Trustees having moneys sufficient to effect such redemption, may take on behalf of the City those actions necessary to be taken by the City under the Indentures to accomplish such redemption and such actions when taken shall be the actions of the City.

Section 7.3. Damages to, Destruction of and Condemnation of Lessee-Owned Property. The Lessee, each of its sublessees and the Member shall be entitled to any Net Proceeds paid for damages to, destruction of or takings of their own property.

(End of Article VII)

ARTICLE VIII

MECHANICS' AND OTHER LIENS

Section 8.1. Maintenance of Ownership and No Other Liens. Except as permitted by this Lease, the Lessee covenants and agrees that it will not sell or otherwise dispose of, all or any part of the Leased Premises, or create a lien against the Lessee's or City's interest therein or directly or indirectly create or suffer to be created or to remain any mortgage, lien, encumbrance or charge upon, pledge of, security interest in or conditional sale or other title retention agreement with respect to the Leased Premises, or the interest of the City or of either Trustee in, the Special Funds or the Net Hospital Receipts, Basic Rent, Additional Payments, or any part thereof, other than Permitted Encumbrances.

Section 8.2. Mechanics' Liens. Lessee covenants and agrees that it will perform the obligations of the City under Section 5.12 of the Senior Indenture as if the word "Issuer" used therein referred to the Lessee.

(End of Article VIII)

ARTICLE IX

CERTAIN REPRESENTATIONS, WARRANTIES,
COVENANTS AND AGREEMENTS

Section 9.1. Certain Representations, Warranties, Covenants and Agreements of City. The City represents and warrants that:

- (a) It is a municipal corporation and political subdivision in and of the State, duly organized and validly existing under the laws of the State.
- (b) It is not in violation of or in conflict with any provision of the laws of the State which would impair its ability to observe and perform its covenants, agreements and obligations under the Indentures and this Lease.
- (c) It has, and with respect to the Indentures had at the time of execution of the Indentures, full power and authority (i) to execute, deliver, observe and perform the Indentures and this Lease and all other instruments and documents executed and delivered by the City in connection with the Bonds and (ii) to enter into, observe and perform the transactions contemplated in the Indentures and this Lease and those other instruments and documents.
- (d) It has duly authorized the execution, delivery, observance and performance of the Indentures and this Lease and the issuance and delivery of the Bonds issued pursuant to the Indentures.
- (e) It will not issue any additional Bonds pursuant to the Indentures unless requested in writing to do so by the Lessee.

The City covenants and agrees that it will do all things in its power required of it to maintain its existence or to assure the assumption of its obligations under the Indentures and this Lease by any successor public body.

Section 9.2. Certain Representations, Warranties, Covenants and Agreements of Lessee. The Lessee represents and warrants that:

- (a) The Lessee (i) is a nonprofit corporation duly organized and validly existing under the laws of the State, no part of the net earnings of which inure or may inure lawfully to the benefit of any member or private individual, (ii) is in good standing under the laws of the State, (iii) is duly qualified to transact its business as now and as intended to be transacted by it, and to lease the Leased Premises, (iv) has duly accomplished all conditions necessary to be accomplished by it prior to the execution and delivery of this Lease and (v) is not in violation of or in conflict with any provision of the laws of the State which would impair its ability to observe and perform its covenants, agreements and obligations under this Lease and all other instruments given to secure the Bonds issued pursuant to the Indentures.
- (b) The Lessee has full power and authority (i) to own or lease, as applicable, and operate its facilities, including without limitation, the Leased Premises, (ii) to execute, deliver, observe and perform this Lease and all other instruments and documents executed and delivered to satisfy conditions and provisions of the Indentures and the Bonds issued pursuant to the Indentures, (iii) to enter into, observe and perform the transactions contemplated in this Lease and those other instruments and documents. The Lessee has duly authorized the execution, delivery, observance and performance of this Lease and those other instruments and

documents. That execution, delivery, observance and performance do not contravene any provision of law applicable to the Lessee or the Lessee's Articles of Incorporation or Code of Regulations, and do not contravene or constitute a default under any indenture, agreement or undertaking to which the Lessee is a party or by which it or its property is or may be bound. This Lease and those other instruments and documents have been duly authorized by proper action and have been duly executed and delivered by the Lessee. All necessary steps have been taken by the Lessee to constitute this Lease and those other instruments and documents valid and binding obligations of the Lessee.

(c) The Lessee's Articles of Incorporation and Code of Regulations, and its operations conform to those acceptable and required for:

(1) the Lessee's exemption from the payment of income taxes under the Code as a nonprofit organization; and

(2) the Lessee to be duly constituted and empowered as an Ohio nonprofit corporation, organized for charitable hospital purposes and eligible to be a lessee under Sections 140.03 and 140.05, Ohio Revised Code.

(d) The Lessee is, as of the date of the delivery of this Lease, an organization (i) which is described in Section 501(c)(3) of the Code, (ii) which is exempt from the payment of federal income taxes under Section 501(a) of the Code and (iii) which is eligible to be a lessee under Sections 140.03 and 140.05, Ohio Revised Code. The status of the Lessee as an organization described in Section 501(c)(3) and its exemption under Section 501(a) have been confirmed by a letter dated May 19, 1987, from the Internal Revenue Service, and the Lessee's status as not being a private foundation as defined in Section 509(a), has been confirmed by a letter dated May 19, 1987, from the Internal Revenue Service. Those letters have not been modified, limited or revoked, and no audit or other proceeding with respect to those statuses or that exemption is pending or to the knowledge of Lessee threatened. The Lessee is a 501(c)(3) organization with respect to the operations of the Leased Premises within the meaning of Section 145 of the Code.

The Lessee covenants and agrees that, at all times during the Lease Term:

(e) So long as it is the Lessee hereunder, (i) it will remain a nonprofit corporation duly organized, validly existing in good standing, and qualified to transact its business and to own its properties, in the State.

(f) The Lessee will maintain corporate power and authority (i) to own or lease, as applicable, and operate its facilities, including without limitation, the Leased Premises, and (ii) to observe and perform this Lease and all other instruments and documents executed and delivered by the Lessee to satisfy conditions and provisions of the Bonds issued pursuant to the Indentures and to enter into, observe and perform the transactions contemplated in or permitted by this Lease and those other instruments and documents.

(g) The Lessee's Articles of Incorporation, its Code of Regulations, and its operations will conform to those acceptable and required as described in subparagraph (c) above.

(h) The Lessee will take all appropriate measures to assure that it retains the characteristics, status and exemption described in subparagraph (d) above and not to affect adversely the exemption from federal income tax of interest on the Bonds.

The Lessee will not perform any acts or enter into any agreements which will affect adversely the characteristics, status and exemption so described and will not use, carry on or permit to be carried on in the Leased Premises any trade or business that would adversely affect those characteristics, status and exemption.

(i) The Governing Board shall appoint a Community Advisory Committee consisting of representatives of Community organizations. The Governing Board shall provide in its Code of Regulations for the Community Advisory Committee.

(j) Its Articles of Incorporation and Code of Regulations will require at all times:

(i) The Member will be the sole member of the Lessee and the Lessee or the Governing Board will be the member of any Affiliated Corporation requiring a member;

(ii) The Governing Board shall consist of 23 members who shall serve without compensation and for a term as hereafter specified commencing on January 1, except as hereafter provided. Except for members of the Governing Board elected pursuant to subparagraph (4) hereof, the Governing Board may adopt rules providing for removal from the Governing Board of any member of the Governing Board whose absence from the number of meetings of the Governing Board specified in such rules is not excused by the Governing Board.

(1) The Executive and two members of Council shall be representatives of the City and members ex officio of the Governing Board with all the privileges and emoluments of such membership including voting rights. The members of Council to be members of the Governing Board shall be selected by Council by a majority vote of all of its members with, if more than one political party is represented in Council, one from each of the two political parties having the largest and second largest number of representatives on Council as of January 2 of the year in which the two year term commences and those initially selected shall serve until December 31, 1997 or in each case until that person ceases to be a member of Council, whichever is earlier. In the event a member of the Governing Board so selected by Council ceases to be a member of Council prior to expiration of his term, the vacancy in the Governing Board created thereby shall be filled for the unexpired term by Council in the same manner as the original appointment.

(2) The Council and the Executive shall each nominate two persons to serve as members of the Governing Board. The persons so nominated shall be considered first by the Governing Board and if approved by the Governing Board submitted for consideration for ratification by the Member in its capacity as the member of the Lessee, and the Member may, but need not, ratify the approval of one or more of the nominees approved by the Governing

Board as members of the Governing Board. If the Governing Board or the Member does not approve or ratify the approval of a nominee, it shall request the nominator of any nominee not approved or ratified to nominate additional names for the position not filled. The term of the members elected pursuant to this paragraph shall be five years except that of the persons initially selected pursuant to this paragraph, one nominated by the Mayor shall serve until December 31, 1997 and the other until December 31, 2001 and one nominated by the Council shall serve until December 31, 1998 and the other until December 31, 2000. Thereafter the Council and the Executive shall deliver the names of persons nominated pursuant to this paragraph to the Lessee and the Member prior to November 1 in the year in which the term of the incumbent appointed pursuant to this paragraph will expire. In the event a member of the Governing Board selected pursuant to this paragraph ceases to be a member prior to the expiration of his term, the vacancy in the Governing Board created thereby shall be filled for the unexpired term in the same manner as for the original appointment.

- (3) The Council shall nominate three members of the Governing Board to be appointed as representatives of Community Organizations. The term of members of the Governing Board selected pursuant to this paragraph shall be five years except that the terms of the initial members shall expire on December 31, 1998, December 31, 1999 and December 31, 2000. The terms of the initial members shall be determined by lot. The persons so nominated shall be considered first by the Governing Board and if approved by the Governing Board submitted for consideration of ratification by the Member in its capacity as the member of the Lessee which Member may, but need not, ratify the approval of one or more of the nominees as members of the Governing Board. If the Governing Board or the Member does not approve or ratify the approval of a nominee, it shall request the Council to nominate additional persons for any position not filled. In the event any person selected pursuant to this paragraph should cease to be a member of the Governing Board prior to the expiration of that person's term, such vacancy shall be filled in the same manner as provided herein for the original appointment.
- (4) The Member in its capacity as the member of the Lessee shall elect three members of the Governing Body which election shall be conclusive and not subject to any other approval or designation. The term of members of the Governing Board elected pursuant to this paragraph shall be five years except that the terms of the initial members shall expire on December 31, 1998, December 31, 2000 and December 31, 2001. In the event any person

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selected pursuant to this paragraph should cease to be a member prior to the expiration of the term, the vacancy shall be filled for the unexpired term in the same manner as for the original appointment.

- (5) The other initial members of the Governing Board shall be (i) the immediate past President of the Medical Staff of Lakewood Hospital, who shall have all the privileges and emoluments of such membership including voting rights, and (ii) nine (9) members who shall be appointed by the Governing Board of the Lessee of which nine (9) members, two (2) shall serve until December 31, 1997, three (3) until December 31, 1998, two (2) until December 31, 1999 and two (2) until December 31, 2000. With respect to those persons appointed and ratified pursuant to clause (ii) of the immediately preceding sentence, (x) such terms of the initial members shall be determined by lot, (y) the persons so appointed shall be submitted for consideration of ratification by the Member in its capacity as the member of the Lessee which Member may, but need not, ratify the appointment of one or more of the persons approved by the Governing Board as members of the Governing Board and shall request the then Governing Board to approve additional persons for any position not filled, and (z) their direct or indirect successors shall serve for a term of five years commencing on January 1 and any vacancies occurring in the Governing Board by reason of death, illness, resignation, removal from the area, non-attendance at meetings or the expiration of a term of the member of the Governing Board appointed pursuant to this paragraph shall be filled in the same manner as provided herein for the original appointment. The immediate past President of the Medical Staff shall serve until he shall cease to be the immediate past President and his successor has accepted membership on the Governing Board.
- (6) No person shall have been elected as a member of the Governing Board pursuant to subparagraphs (2), (3) and (5)(ii) of this paragraph (j) until ratification by the Member has occurred.
- (7) A member of the Governing Board who is not ex officio and whose term has expired but whose successor has not been elected shall continue to serve as a member of the Governing Board until his or her successor has been elected.
- (8) The members of the Governing Board at the first meeting in each year shall select a chairman and vice chairman of the Governing Board who shall be members thereof, and a secretary and treasurer who need not be members.

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- (9) No member of the Governing Board except those identified in paragraph 1 shall hold any public office or employment other than as a member of the state militia or a reserve component of the armed forces of the United States of America.

(iii) A member of the Governing Board having a conflict of interest or conflict of responsibility on any matter involving the Lessee and any other business entity or person shall disclose such conflict and shall refrain from voting on such matter. A member of the Governing Board shall not be considered to have a conflict of interest or a conflict of responsibility and shall not be required to refrain from voting on any matter merely because of such member's position as a public official or because such member is also a trustee or director of any direct or indirect subsidiary or sister entity of the Lessee or is a trustee, director, officer or employee of the Member or any related entity. No member of the Governing Board shall use his or her position as such member for his or her own direct or indirect financial gain.

(k) It will not take any action that would adversely affect the exemption from federal income taxation of interest paid on the Bonds.

(l) It will perform all of the covenants, agreements and obligations of the City and the Hospital Trustees under the Indentures and all other instruments and documents executed and delivered by the City and the Hospital Trustees in connection with the issuance of the Bonds pursuant to the Indentures.

(m) The Lessee covenants not to incur any additional Indebtedness except as permitted pursuant to Section 14 of the First Supplemental Senior Ordinance, so long as the Senior Indenture remains outstanding. Upon termination or expiration of the Senior Indenture, Lessee covenants and agrees to continue to abide by the financial tests set forth in Section 14 of the First Supplemental Senior Ordinance until a memorandum of restrictions with respect to Indebtedness is filed with the Council and there shall not have been effective within sixty (60) days of such filing an ordinance of the City passed by majority vote of the Council disapproving such memorandum.

Section 9.3. Lessee to Maintain Corporate Existence. The Lessee covenants and agrees that during the Lease Term it will maintain such corporate existence as will not adversely affect the tax-exempt status of interest on the Bonds, its ability to be lessee under this Lease and perform its duties and obligations hereunder and qualify for payment by third party payors for services provided by it on the Leased Premises; provided that the Lessee may merge with or into or transfer substantially all of its assets to another nonprofit corporation if the surviving or receiving corporation shall assume in writing all of the obligations of the Lessee under this Lease, including by way of example but not limitation, those of Section 9.2(j) of this Lease. Any transaction entered into by the Lessee which violates this Section shall, to the extent permitted by law, be null and void.

Section 9.4. Audits and Certificates of No Defaults. The Lessee covenants and agrees that it will keep true and proper books of records and accounts in which full and correct entries will be made of all of its business transactions, all in accordance with generally accepted accounting principles applicable to corporations such as the Lessee.

The Lessee further covenants that promptly after the close of each Fiscal Year it will cause an audit to be made by the Accountant of the books and accounts of the Lessee for

such Fiscal Year. Lessee consents to the Trustee making available to the Accountant all of the books and records in the possession of the Trustee pertaining to the Leased Premises. Within 150 days after the end of each Fiscal Year, the Lessee shall file, or shall cause to be filed, with the Trustee, the City and any corporation which controls Lessee, and shall mail, or cause to be mailed to Standard & Poor's Ratings Group and Moody's Investors Service (i) a copy of its audited financial statements for such Fiscal Year, accompanied by the report thereon of the Accountant prepared in accordance with generally accepted accounting principles, and the Accountant's opinion on the material presented and (ii) a certificate of the Authorized Lessee Representative stating that to the best of his/her knowledge, the Lessee and the Member are in compliance with all material terms and conditions of this Lease and the Definitive Agreement. The audit shall be conducted and the report rendered in accordance with generally accepted auditing standards.

The Lessee shall file or cause to be filed with City on or before April 30, July 31, October 31 and January 31 of each year an unaudited quarterly financial statement.

The Lessee further covenants that it will cause any additional reports or audits relating to the Leased Premises to be made as required by law and that upon request it will furnish, or cause to be furnished, to the Trustees monthly unaudited financial reports covering the matters required by this Section and such other information concerning the Leased Premises as the Trustees reasonably may request.

In addition, the Lessee shall furnish to the Trustees, within 150 days after the end of each Fiscal Year, a certificate signed by the Authorized Lessee Representative which shall state that, to the best of his knowledge, there is no default existing under any of the provisions of the Indentures or this Lease.

The Lessee covenants and agrees to perform the obligations imposed on the City by Section 5.17 of the Senior Indenture and Section 5.03 of the Subordinated Indenture as if the reference therein to the Issuer referred to the Lessee.

Section 9.5. Lessee's Approval of Indentures. The Indentures have been delivered to the Lessee for examination, and the Lessee acknowledges, by execution of this Lease, that it has examined the Indentures. The Lessee approves and accepts all rights of the Trustee and the Bondholders and all duties and obligations of the City which are contemplated in the Indentures to be rights of the Trustee and the Bondholders and duties and obligations of the City. The Lessee covenants and agrees to be bound by those rights and to observe and perform those duties and obligations. The Lessee acknowledges that its rights under this Lease are subordinate to the Indentures.

Section 9.6. No Representation or Warranty of Condition or Suitability. The Lessee and the City agree that the title to the Leased Premises is satisfactory, and the Lessee agrees that all defects, irregularities, encumbrances or clouds on title do not impair the Lessee's use or occupancy or the value of the Leased Premises. The City makes no representation or warranty, either express or implied, as to (i) the suitability or utility of the Leased Premises for the Lessee's purposes or needs, (ii) the earning capacity of the Leased Premises, or (iii) the condition of the Leased Premises.

Section 9.7. Quiet Enjoyment. The City covenants and agrees that it will not take any action, other than pursuant to Article XIII of this Lease, to prevent the Lessee from holding and enjoying the Leased Premises peaceably and quietly for the Lease Term.

The City covenants and agrees further that it will, at the Lessee's request and expense, defend the Lessee's possession and enjoyment of the Leased Premises during the Lease

Term against all parties or will permit the Lessee, in its own name and on its own behalf, or to the extent lawful, in the City's name and on its behalf, to defend that possession and enjoyment.

Section 9.8. Right of Access. The Lessee covenants and agrees that, subject to reasonable security regulations and to reasonable requirements as to notice, the City and the Trustee and their or either of their duly authorized agents, will have the right at all reasonable times to enter upon, examine and inspect the Leased Premises, although the City and the Trustee do not have the obligation to do so.

Section 9.9. Indemnification. The Lessee (i) releases the City from, (ii) covenants and agrees that the City will not be liable for, and (iii) covenants and agrees to indemnify the City against all liabilities, claims, costs, losses and expenses imposed upon or asserted against the City on account of

(a) any loss or damage to property, or injury to, death of or loss by any person, that may be occasioned by any cause whatsoever pertaining to the acquisition, construction, improvement, equipping, maintenance, operation or use of the Leased Premises or occurring otherwise in or about the Leased Premises;

(b) any breach or default on the part of the Lessee in the observance or performance of any covenant, agreement or obligation of the Lessee under the Lease or arising from the acquisition, construction, improvement, equipping, maintenance, operation or use of the Leased Premises, or from any act or failure to act by the Lessee or any of its agents, contractors, servants, employees or licensees;

(c) ownership or lease of any interest in the Leased Premises; and

(d) any action, claim or proceeding brought in connection with any of the foregoing;

provided, however, that indemnification under this Section shall not extend to damages resulting from intentional acts of the City which are not related to its capacity as the issuer of the Bonds.

The Lessee covenants and agrees to indemnify the Trustees for and to hold the Trustees harmless against all liabilities, claims, costs, losses and expenses incurred without negligence or bad faith on the part of the Trustees on account of any action taken or omitted to be taken by the Trustees in accordance with the terms of this Lease, the Indentures or the Bonds, or at the request of or with the consent of the Lessee, including without limitation, the costs and expenses of the Trustees in defending itself against any action, claim or proceeding in connection with any of the foregoing.

In case any action, claim or proceeding is brought or asserted against the City or a Trustee in respect of which indemnification may be sought hereunder, the City or the Trustee, as the case may be, shall give notice promptly thereof to the Lessee. Upon receipt of that notice, the Lessee shall have the obligation and the right to assume the defense of the action, claim or proceeding; provided that failure of the City or the Trustee to give that notice shall not relieve the Lessee from any of its covenants, agreements or obligations under this Section unless that failure prejudices the defense by the Lessee of the action, claim or proceeding. At its own expense, an indemnified party may employ separate counsel and may participate in the defense. The Lessee shall not be liable for any settlement made without its consent.

The release and indemnification set forth in this Section are intended to and shall include the indemnification of all affected officials, directors, officers and employees of the City and the Trustees, respectively. The release and indemnification are intended to and shall be

enforceable by the City and the Trustees, respectively, to the full extent permitted by law. All amounts payable under this Section, together with interest thereon at the Interest Rate for Advances from the date of payment by the indemnified Person, shall constitute Additional Payments and shall be paid by the Lessee on demand by the indemnified Person. In any action brought to collect those Additional Payments, the indemnified Person shall be entitled to the recovery of the Additional Payments, except as limited by law or judicial order or decision.

Section 9.10. Compliance with Applicable Law and Insurance Requirements. The Lessee covenants and agrees to comply promptly with all Legal Requirements, as defined below, during the Lease Term at its sole cost and expense. At its own expense, the Lessee will procure, maintain and comply (or cause compliance) with all permits, licenses and other authorizations required for the Leased Premises.

The Lessee may contest any Legal Requirement, at the Lessee's expense and in its own name and on its own behalf, by any appropriate means in good faith, and may postpone compliance therewith pending the completion of the contest; provided that the Lessee shall deliver to the Trustees an opinion of counsel satisfactory to the Senior Trustee to the effect that the Leased Premises, or any part thereof, will not be subject to imminent loss or forfeiture.

As used in this Section, the term "Legal Requirements" means all laws, statutes, codes, acts, ordinances, resolutions, orders, final judgments and decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions and requirements of all governments, departments, commissions, boards, courts, authorities, agencies, officials and officers, foreseen or unforeseen, ordinary or extraordinary, which are applicable now or may be applicable at any time hereafter to the Lessee, to the Leased Premises, or any part thereof, to any use or condition of the Leased Premises, or any part thereof, or to health care providers or hospitals generally.

Section 9.11. Operation of the Leased Premises. At all times throughout the Lease Term, the Lessee covenants that it shall

(a) operate so much of the Leased Premises as are eligible therefor in compliance with the standards of the Joint Commission on Accreditation of Healthcare Organizations or any substitute organization which is nationally recognized as performing the functions now performed by such Commission.

(b) administer, operate, maintain, repair, occupy and use the Leased Premises in accordance with the terms of this Lease; and faithfully and efficiently administer, operate and maintain as Hospital Facilities so much of the Leased Premises as from time to time are Hospital Facilities rendering the Required Services and related services and care, at all times as facilities are available, without discrimination as to race, sex, creed, color or national origin, to patients who are residents of the City and all members of the general public as facilities are available and as professional opinion determines the necessity thereof.

(c) open to the public all meetings of its Governing Board to assure full disclosure of the operations of the Lessee except when the Governing Board by motion adopted by it determines that public discussion or action of the Governing Board would be detrimental to the interests of the patients of the Lessee, the welfare of the residents of the City or the Lessee.

(d) continue to provide the Required Services within the City and to utilize the Leased Premises as a healthcare facility subject to discontinuance pursuant to Section 9.16 of this Lease.

(e) continue the provision of rescue squad and paramedic services as described in Exhibit B hereto.

(f) provide employment policies which are fair and just to all parties and promote positive employer-employee relations.

(g) undertake a pension plan for its employees not eligible for or desirous of participating in the Public Employees Retirement System which is equitable for the employees and the Lessee.

(h) continue to provide the Required Services within the City and other offered healthcare services to residents of the City without regard to their ability to pay based on eligibility guidelines established by the Community Services Administration of the United States Department of Health and Human Services or any successor thereto or, if there is no successor, then community services standards used by hospitals servicing comparable communities.

(i) maintain as one of its objectives providing high quality, affordable healthcare services with rates and charges consistent with comparable facilities in Cuyahoga County.

(j) assume and comply with any requirements imposed on the City by Section 291(i), Title 42, USCA, as amended, as a result of acceptance by the City of so-called Hill Burton grants-in-aid.

Section 9.12. Qualification for Third Party Payments. The Lessee shall at all times, unless a Consultant shall determine that it is in the best interest of the Lessee and holders of the Bonds not to maintain such status, use its best efforts to establish and maintain the status of the Lessee as eligible for payment or reimbursement under Medicare, Medicaid, and significant third party payors and any other successor programs, or any other federal or State programs substituted in lieu thereof or supplementary thereto. For purposes of this Section a third party payor shall be considered significant if it provides more than 15 percent of the Total Revenue for the Fiscal Year as shown on the most recent audited financial statements available pursuant to Section 9.4 hereof.

Section 9.13. Pension Policies. Lessee acknowledges that employees of the City employed in the Leased Premises are members of the Public Employees Retirement System of the State. Lessee agrees that it shall continue to pay the employer's contribution to the Public Employees Retirement System for each such employee so long as such employee is eligible and desires to continue to make and does make that employee's contribution to that System. An equitable private pension benefit will be made available to employees not eligible for or desirous of participating in the Public Employees Retirement System.

Section 9.14. Extent of Provisions Regarding Lessee; No Personal Liability. No representation, warranty, covenant, agreement, obligation or stipulation contained in the Lease, Indenture or other instruments or documents in connection therewith or with the Bonds shall be deemed to constitute a representation, warranty, covenant, agreement, obligation or stipulation of any present or future trustee, member, officer, agent or employee of the Lessee in an individual capacity, and to the extent authorized and permitted by applicable law, no official executing or approving the Lessee's participation in the Lease or the issuance of the Bonds shall be liable personally under the Lease or on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 9.15. Lessee Not to Affect Adversely Tax-Exempt Status of Interest. For the benefit of the City, the Trustees and the holders of the Series 1983 Bonds, the Lessee hereby

represents and warrants that it has not taken or omitted to take, or permitted to be taken on its behalf, and covenants and agrees that it will not take or omit to take, or permit to be taken on its behalf, any action which, if taken or omitted, would affect adversely the exemption from federal income taxation of the interest on the Bonds.

The Lessee covenants and agrees further that it will take, or require to be taken, any acts which may be required of it from time to time under applicable law or regulation to continue the exemption from federal income taxation of the interest on the Bonds. The provisions of the Tax Compliance Agreement, as defined in the First Supplemental Senior Ordinance, are herein incorporated by reference as if fully set forth herein.

Section 9.16. Change in Required Services. The Lessee agrees that it will maintain the Required Services within the City and that it will not terminate any Required Service within the City unless it shall first have notified the City of its intent to terminate a Required Service, the date of the proposed termination, which shall not be earlier than the sixtieth day following such notice, and the reasons for the proposed termination. Such termination may be effected on or after the proposed termination date so long as there shall not have become effective an ordinance of the City directing the Lessee not to terminate the Required Service which was the subject of the notice.

(End of Article IX)

ARTICLE X

RELEASE OF PORTIONS OF LEASED REAL PROPERTY

Section 10.1. Release of Leased Real Property. In addition to Section 6.2(c), the parties hereto reserve the right, at any time and from time to time, to amend this Lease to effect the release of and removal from this Lease and the leasehold estate created hereby.

Section 10.2. No Abatement or Diminution of Basic Rent. No release, grant or conveyance effected under any of the provisions of this Lease shall entitle the Lessee to any abatement or diminution of the Basic Rent, Additional Payments or other amounts payable, or in any covenant, agreement or obligation of the Lessee, under this Lease.

Section 10.3. Granting Easements. At any time, the City, acting through its Fiscal Officer and without further authorization of its Council, and the Lessee may grant or release, as the case may be, with or without consideration, those easements, licenses, rights-of-way (including without limitation, the dedication of public highways), party wall rights and rights of lateral support and other rights or privileges in the nature of easements with respect to the Leased Premises which may be lawful and reasonably required in connection with the proper and efficient use and operation of the Leased Premises or of adjacent properties.

(End of Article X)

ARTICLE XI

ASSIGNMENT, SUBLEASING AND SELLING

Section 11.1. Subleasing, Assignment and Right to Use. No sublease, right to use or assignment of the Leased Premises, or any portion thereof, shall be effective unless the instrument granting such sublease, assignment or right to use is filed with the City and within sixty (60) days following that filing, there shall not have become effective an ordinance of the City directing the Lessee not to sublease, grant the right to use or assign such facilities provided that prohibition shall not apply to any sublease, right to use or assignment: (a) in effect on the date of delivery hereof or any extension of those subleases, grants or assignments, if a copy of, or a writing describing fully, the sublease, grant or assignment has been provided to the Trustee and the City prior to the delivery date hereof; (b) to facilitate the provision of Hospital Specialty Services or Convenience Activities or (c) the sublease, grant or assignment is to the Member, a Permitted Affiliate or an Affiliated Corporation.

Notwithstanding the immediately preceding paragraph, no Management Contract of the Existing Facilities and no sublease, right to use or assignment of the facilities located on Parcel No. 1 of the Leased Real Premises which together with the then existing subleases, rights-to-use and assignments of the facilities located on Parcel No. 1 of the Leased Premises, sublease, grant the right to use, assign or subject to Management Contract an area of the facilities on Parcel No. 1 which in the most recent Fiscal Year for which audited financial statements are available pursuant to Section 9.4 hereof produced more than 74% of the Total Revenue for that Fiscal Year as shown on those audited financial statements provided by such facilities, shall become effective unless the instrument of such Management Contract, sublease, right to use or assignment is filed with the City and within sixty (60) days following that filing, there shall not have become effective an ordinance of the City directing the Lessee not to contract for management, sublease, grant the right to use or assign such facilities.

Lessee shall provide the City quarterly a report detailing and updating any assignment or subleasing activity with respect to this Lease.

If any Bonds are outstanding, all of the following conditions must be satisfied in order to proceed pursuant to this Section 11.1:

(a) No assignment (other than pursuant to Section 9.4 hereof), sublease or grant shall relieve the Lessee from primary liability for any of its covenants, agreements or obligations under this Lease, and in the event of that assignment, sublease or grant, the Lessee shall continue to remain primarily liable for the payment of the Basic Rent, Additional Payments and other amounts payable, and for the observance and performance of all of its covenants, agreements and obligations, under this Lease.

(b) Any assignment, lease or grant may provide for the use, operation, maintenance, modification and replacement of the Leased Premises, or any part thereof, by the assignee, sublessee or grantee; provided that (1) the use, operation, maintenance, modification or replacement shall be in accordance with this Lease, (2) the Lessee shall obtain or retain all rights and interests necessary or advisable to permit it to observe and perform all of its covenants, agreements and obligations under this Lease, and (3) any assignee shall assume the obligations of the Lessee, to the extent of the interest assigned, to pay Basic Rent, Additional Payments and other amounts payable, and to observe and perform the Lessee's covenants, agreements and obligations, under this Lease.

(c) Prior to the delivery thereof, the Lessee shall furnish or cause to be furnished to the Trustees a true and complete copy of each assignment, sublease or grant, as the case may be, together with any instrument or document of assumption.

(d) No assignment, sublease or grant shall impair materially the usefulness or operation of the Leased Premises.

Any sublease, grant of right to use or leasehold mortgage pursuant to this Section 11.1 must comply with the following:

(A) each assignment, sublease and grant of right to use shall be subject to the terms of this Lease,

(B) no assignment, sublease or grant of right to use shall relieve the Lessee of any of its covenants, agreements or obligations under this Lease, and

(C) no assignment, sublease, grant of right to use or leasehold mortgage shall adversely affect the exclusion from gross income of the holder of interest paid on the Bonds.

Any assignment, sublease or grant by the Lessee in violation of this Section shall, to the extent permitted by law, be null and void.

Section 11.2. Assignment by City. As security for payment of Bond Service Charges and in accordance with applicable law and the Indenture, the City, acting through its Fiscal Officer and without any further action of its Council, may assign to the Trustee the City's rights under and interests in, and may pledge any moneys receivable under, the Lease or from the lease or other use, disposition or sale of the Leased Premises.

Section 11.3. Restrictions on Transfer and Encumbrance of Leased Premises by City. Except as provided otherwise in this Lease, the City covenants and agrees that it will not

(a) sell, assign, transfer, convey, lease or otherwise dispose of its interests in the Leased Premises, or any part thereof, during the Lease Term other than to the Lessee or to the Member or a related entity,

(b) create or suffer to be created any lien or encumbrance on the Leased Premises, or any part thereof, except liens, or encumbrances for taxes, governmental charges and special assessments, or

(c) make any pledge or assignment of or create any lien or encumbrance upon the rents, revenues and receipts derived from the sale, assignment, transfer, conveyance, lease or other disposition of its interests in the Leased Premises, or any part thereof.

(End of Article XI)

ARTICLE XII

TERMINATION OF AND SUBSTITUTION FOR LEASE

Section 12.1. Option to Terminate Lease Prior to Payment of Bonds. The Lessee is granted hereby the option to terminate this Lease if, as provided in Sections 7.1 and 7.2 hereof, it requests the City to redeem all of the Bonds issued pursuant to the Indentures pursuant to Section 7(g) of the Senior Bond Ordinance and Section 5(e) of the Subordinated Bond Ordinance providing for redemption of those Bonds in the case of certain catastrophic events and the City has not commenced within thirty (30) days of the receipt of such request the proceedings to call such Bonds for redemption and diligently proceeds with such redemption.

Section 12.2. Termination of Lease and Dissolution. Subject to Section 14.1, on or after expiration of the Lease Term or termination of this Lease, the Lessee may dissolve and if it dissolves, after payment of all its obligations, shall transfer all of its then assets to the City or to another nonprofit corporation organized for the purpose of operating the Hospital provided that such transfer shall not have adverse federal income tax consequences.

(End of Article XII)

ARTICLE XIII

EVENTS OF DEFAULT AND REMEDIES

Section 13.1. Events of Default. The following shall be "Events of Default" under this Lease:

(a) (1) Failure by the Lessee to pay any Basic Rent required to be paid hereunder on or prior to the applicable Rental Payment Date, and continuance of that failure for five days.

(2) Failure by the Lessee to pay any Additional Payment on its due date required to be paid under Section 3.2(a) hereof, and continuance of that failure for five days.

(b) Except as noted in subparagraph (c) below explicitly with reference to this subparagraph, failure by the Lessee to administer, maintain and operate the Leased Premises and provide the Required Services within the City without regard to race, creed, color or national origin.

(c) Except upon an event of Force Majeure (as provided below) or as provided below in this subparagraph, failure by the Lessee to observe or perform any covenant, agreement or obligation on its part to be observed or performed under the Lease, other than as referred to in subparagraphs (a), (b), (d), (e), (f), (g), (h), or (i) of this Section, for a period of sixty (60) days after written notice, by registered or certified mail, to the Lessee by the City or the Senior Trustee of that failure requesting that it be remedied, unless the Senior Trustee agrees in writing to an extension of that sixty (60) day period prior to its expiration; provided, however, that if the Lessee shall proceed to take curative action which, if begun and prosecuted with due diligence, cannot be reasonably completed within a period of sixty (60) days, that period shall be increased to any extent which shall be necessary to enable the Lessee to complete the curative action diligently unless there shall have become effective an ordinance of the City passed by a majority vote of the Council denying such extension provided that the extension shall expire only upon ten (10) days notice to Lessee of such denial; and provided further that if the observance and performance of any covenant, agreement or obligation to which reference is made in subparagraph (b) or in this subparagraph shall be prevented by the application of Governmental Restrictions, federal or State wage, price or economic stabilization controls, cost containment requirements, restrictions on rates, charges or revenues of the Lessee, federal or State environmental laws or regulations or regulations or policies imposed by third party payment agencies (if governmental in the case of subparagraph (b) and whether governmental or private in the case of this subparagraph (c)), and the Lessee shall have complied in full with its covenants, agreements and obligations set forth in Section 3.7 hereof, the inability to observe or perform that covenant, agreement or obligation shall not constitute an Event of Default.

(d) Abandonment by the Lessee of the Leased Premises, or of any substantial part thereof, or of the operations thereon contemplated herein, and continuance of that abandonment for a period of thirty (30) days after written notice to the Lessee by the City or the Trustee of the abandonment.

(e) Dissolution or liquidation of the Lessee or failure by the Lessee to lift promptly any execution, garnishment or attachment of such consequence that it will impair the Lessee's ability to carry out its covenants, agreements and

obligations under the Lease. The term "dissolution or liquidation of the Lessee", as used in this subparagraph, shall not be construed to include the cessation of the corporate existence of the Lessee resulting either from a merger or consolidation of the Lessee into or with another person, or from a dissolution or liquidation of the Lessee following a transfer of all or substantially all of its assets as an entirety, in accordance with Section 9.3 hereof.

(f) The Lessee shall: (i) become insolvent or the subject of insolvency proceedings; or (ii) be unable, or admit in writing its inability, to pay its debts as they mature; or (iii) make an assignment for the benefit of creditors or to an agent authorized to liquidate any substantial amount of its property; or (iv) file a petition or other pleading seeking reorganization, composition, readjustment, or liquidation of assets, or requesting similar relief; or (v) apply to a court for the appointment of a receiver for any of its assets; or (vi) have a receiver or liquidator appointed for any of its assets (with or without the consent of the Lessee) and such receiver shall not be discharged within ninety (90) consecutive days after his appointment; or (vii) become the subject of an "order for relief" within the meaning of the United States Bankruptcy Code; or (viii) file an answer to a creditor's petition admitting the material allegations thereof for liquidation, reorganization, readjustment or composition or to effect a plan or other arrangement with creditors or fail to have such petition dismissed within sixty (60) consecutive days after the same is filed against the Lessee.

(g) Loss under the Code of the tax-exempt status for the interest paid on the Bonds as a result of any action of the Lessee.

(h) Acceleration of payment under any indebtedness or other obligation of the Lessee or under any agreement, instrument or document evidencing, securing or relating to that indebtedness or obligation, after the expiration of any applicable grace period and not waived; provided that the foregoing shall constitute an Event of Default under this Lease only if the accelerated indebtedness or obligations exceed in the aggregate one percent (1%) of the Lessee's Total Operating Revenues as shown in Lessee's most recently available audited financial statement and only if the indebtedness or obligations are owed or payable to other than the Member or an entity related to the Member; and provided further that

(1) after written notice by the Lessee to the City and the Senior Trustee of the Lessee's intention to do so, the Lessee may contest the validity or the amount of any acceleration at its own expense and in its own name and on its own behalf or, to the extent lawful, in the name and on behalf of the City, by appropriate proceedings duly and timely instituted in good faith and diligently prosecuted, and

(2) in the event of a contest, the Lessee may permit any accelerated indebtedness, or the amount thereof, so contested to remain unpaid during the period of the contest and any appeal therefrom without that circumstance constituting an Event of Default under this subparagraph, if

(i) the Lessee delivers to the Senior Trustee or the City an opinion of counsel to the effect that by nonpayment thereof, the liens and priority of the Indentures, this Lease, or the interests of the City and the Lessee in the Leased Premises will not be affected materially, and the Leased Premises, or any part thereof, will not be subject to imminent loss or forfeiture, and

(ii) during the period when any amount so contested remains unpaid, the Lessee sets aside on its books adequate reserves with respect thereto.

(i) Failure by the Lessee to comply with the provisions of Section 6.4 hereof after five business days notice of such failure.

(j) The occurrence of an Event of Default under the Guaranty and Security Agreement or the Tax Compliance Agreement, both as defined in the First Supplemental Senior Indenture.

No event described in subparagraphs (c) and (d) of the preceding paragraph shall constitute an Event of Default hereunder if, by reason of an event of Force Majeure, the Lessee is unable in whole or in part to carry out the covenants, agreements and obligations to which subparagraph (c) applies, other than the covenants, agreements and obligations on the part of the Lessee to carry insurance and to pay Principal and Interest Requirements, Additional Payments and other amounts payable under the Lease, or to which subparagraph (d) applies. The Lessee will give notice promptly to the Senior Trustee or the City of any event of Force Majeure and will use its best efforts to remedy that event with all reasonable dispatch; provided that the Lessee will not be required to settle strikes, lockouts or other industrial disturbances by acceding to the demands of any opposing Person, when in the Lessee's judgment, that course would be unfavorable to it.

As used herein, "Force Majeure" means acts of God; fires; epidemics; landslides; floods; strikes; lockouts or other industrial disturbances; acts of public enemies; acts or orders of any kind of any governmental authority; insurrections; riots; civil disturbances; arrests; explosions; breakage or malfunctions of or accidents to machinery, transmission pipes or canals; partial or entire failures of utilities; shortages of labor, materials, supplies or transportation; lightning, earthquakes, hurricanes, tornadoes, storms or droughts; or any cause or event not reasonably within the control of the Lessee.

The declaration of an Event of Default and the exercise of remedies upon the declaration shall be subject to any applicable limitations of federal bankruptcy law affecting or precluding the declaration or exercise during the pendency of or immediately following any bankruptcy, liquidation or reorganization proceedings.

Section 13.2. Remedies on Default. Whenever any Event of Default under Section 13.1 of this Lease shall have occurred and be continuing, after first giving the Member and the Lessee notice of the remedial step proposed to be taken at least seven (7) Business Days prior to taking the remedial step, any one or more of the following remedial steps may be taken; provided that in no event shall the City be obligated to take any step which in its opinion will or might cause it to expend time or money or otherwise to incur liability, unless and until the City has been furnished a satisfactory indemnity bond at no cost or expense to it:

(a) The Senior Trustee may, and if acceleration of maturity of the Bonds is declared pursuant to Section 7.02 of the Senior Indenture, the Senior Trustee shall, declare all installments of Basic Rent, Additional Payments and other amounts payable under this Lease for the remainder of the Lease Term to be immediately due and payable, whereupon those installments of Basic Rent, Additional Payments and other amounts shall become due and payable immediately.

(b) In accordance with applicable law, the Senior Trustee, or upon ten (10) days' written notice and with the prior written consent of the Senior Trustee, the City or its designee, may:

(i) enter and take possession of the Leased Premises, or any appropriate part thereof, without terminating this Lease,

(ii) complete any Improvement, if it is not then completed, holding the Lessee liable for completion costs, if any, not reimbursed to the City or Trustees from the proceeds of the Bonds or otherwise,

(iii) collect rentals and enforce all other remedies of the Lessee under any leases of, or assignments or grants of rights to use or occupy, the Leased Premises, or any part thereof, but without being deemed to have affirmed the leases, assignments or grants, and

(iv) enter into new leases, assignments and grants on any terms which the City or Senior Trustee may deem to be suitable for the Leased Premises, or any part thereof, which leases, assignments and grants shall not be terminated or affected if the Lessee cures the Event of Default.

Rentals and other amounts payable under the leases, assignments and grants described in clauses (iii) and (iv) of the preceding sentence may be applied by the City or Senior Trustee to any costs of administration, operation, repair or maintenance of the Leased Premises, or any part thereof, as the City or Senior Trustee may reasonably deem useful, and the remaining balance shall be applied to the Basic Rent, Additional Payments and other amounts payable, or to become payable, under this Lease in the order of priority to be determined by the City or Senior Trustee in accordance with this Lease. Any balance of the rents and other amounts remaining thereafter shall be paid promptly to the Lessee by the City or Senior Trustee in accordance with this Lease, and the City or Senior Trustee may hold the Lessee liable for the difference between those rents and other amounts and the Basic Rent, Additional Payments and other amounts payable under this Lease.

(c) The City and the Trustees may have access to, inspect, examine and make copies of the Lessee's books, records, accounts, financial and other data, and income and other tax returns.

(d) In accordance with applicable law, all Gross Revenues shall become payable immediately to the Senior Trustee, or in the event no Bonds are then outstanding, to the City, and the Senior Trustee or the City, as applicable, may take whatever steps it deems necessary to notify payors of the Gross Revenues of the Senior Trustee's or the City's right thereafter to receive payments of Gross Revenues directly.

(e) The Senior Trustee or the City if no Bonds are outstanding may exercise any and all and any combination of remedies available to it under the Indenture and this Lease.

(f) The City and the Senior Trustee may take whatever action at law or in equity may appear necessary or desirable to collect the Basic Rent, Additional Payments and other amounts then payable, or to become payable, under this Lease, or to enforce the observance and performance of any covenant, agreement or obligation of the Lessee under this Lease.

Any amounts collected as, or applicable to, Basic Rent pursuant to any action taken under this Section (i) shall be paid to the Trustees and shall be applied in accordance with the provisions hereof and of the Indentures, or (ii) if the Bonds and coupons have been paid and

discharged in accordance with the Indentures, shall be paid as provided in Section 5.14 of the Senior Indenture for transfers of amounts remaining in the Special Funds as defined in the Senior Indenture.

Before any of the foregoing remedies may be exercised by the Senior Trustee or the City in connection with an Event of Default under subparagraph (b) of Section 13.1, the Council shall give written notice to the Lessee, with the prior written consent of the Senior Trustee, that the Council believes that an Event of Default under that subparagraph may have occurred, specifying the charges or circumstances constituting the alleged Event of Default in sufficient detail that the Lessee will be advised fully of the nature of the charges made against it and will be able to prepare an adequate response thereto. The notice shall fix a date, time and place for a hearing, which shall be at the expense of the Lessee, before a hearing officer who shall be a member of the American Arbitration Association or any organization which is nationally recognized as performing the functions now performed by the Association who is knowledgeable concerning health care facilities reasonably comparable in size and type to the Leased Premises, who shall be mutually acceptable to the Lessee and the Council. The hearing shall be on the issue of whether an Event of Default has occurred. That date shall not be sooner than fifteen (15) days following the giving of that notice.

At the date, time and place specified in the notice, unless the Council shall have withdrawn the notice, the Lessee shall be heard on the charges specified in the notice, shall be confronted with the evidence of the alleged Event of Default, shall have the right to examine and to cross-examine witnesses and may introduce any other evidence and testimony with respect to the alleged Event of Default which the Lessee desires. After the hearing is concluded, the hearing officer shall consider whether an Event of Default has occurred and shall report his findings or determinations to the Council and the Lessee.

If the hearing officer determines that an Event of Default has occurred, the Council may give notice of that determination to the Lessee and the Trustee and of its intention to terminate this Lease as of a date not earlier than the fifteenth day following the giving of the notice. If on the date specified for termination, the determination shall not have been enjoined, annulled or otherwise suspended by any judicial authority or suspended or waived by the Council, this Lease shall be terminated.

The provisions of Section 13.2(a) are subject to the further limitation that a rescission by the Trustees of any declaration of acceleration of maturity of Bonds pursuant to the Indentures will constitute a rescission and annulment of any corresponding declaration of acceleration made pursuant to Section 13.2(a) and a waiver of the consequences of that declaration and of the Event of Default with respect to which that declaration has been made; provided that no waiver, rescission or annulment shall extend to or affect any subsequent Event of Default or impair any right consequent thereon.

Section 13.3. No Remedy Exclusive. Unless provided otherwise herein explicitly, no right, power or remedy conferred upon or reserved to the City or the Trustees in this Lease is intended to be exclusive of any other available right, power or remedy, but each right, power and remedy shall be cumulative and shall be in addition to every other right, power and remedy available under this Lease or the Indentures or existing now or hereafter at law, in equity, by statute or otherwise, but only to the extent necessary for the protection and benefit of the City, the Trustees and holders of the Bonds. The exercise, the beginning of the exercise, or the partial exercise by the City or the Trustees of any one or more rights, powers or remedies shall not preclude the simultaneous or later exercise by the City or the Trustees of any or all other rights, powers or remedies. No delay or omission in the exercise of any right, power or remedy accruing upon any Event of Default shall impair any other right, power or remedy or shall be construed to be a waiver of the Event of Default, but any right, power or remedy may be exercised from time to time and as often as may be deemed expedient. In order to entitle the

City or the Trustees to exercise any right, power or remedy reserved to it in this Article, it shall not be necessary to give any notice, other than as may be required expressly herein.

Section 13.4. Accession to Other Rights of Lessee and Termination of Other Rights of Lessee. In the Event of Default referred to in Section 13.1 hereof, and if rights under paragraph (b) of Section 13.2 hereof are exercised and to the extent permitted by law, the Lessee hereby grants to the City, the Senior Trustee, or receiver or other then operator of the Leased Premises, the full right and authority to take possession, use and operate all additional lands and facilities, as the case may be, adjacent to or related to the Leased Premises, together with such further lands and facilities as the Lessee may then have the right to use in connection with the Leased Premises, as they then exist, and are operated. If the rights under paragraph (b) of Section 13.2 hereof are exercised, Lessee does hereby, without necessity for further act by Lessee or the Senior Trustee and to the extent permitted by law, assign, release, grant or convey, as may be appropriate, to the City, Senior Trustee or to their (or the City's if there are no outstanding Bonds) designee or assignee, all right, title and interest of the Lessee in all of such other lands and facilities which the Lessee then holds for use in connection with the Leased Premises and in such latter case, Lessee shall, upon request of the City, Senior Trustee or their (or the City's if there are no outstanding Bonds) designee or assignee, promptly give such instrument of assignment, release, grant or conveyance as may reasonably be requested to better evidence such assignment, release, grant or conveyance.

Section 13.5. Agreement to Pay Attorneys' Fees and Expenses. In the event that there is an Event of Default or that it shall become necessary for the City or the Trustees to employ attorneys or to incur other expenses to collect Basic Rent, Additional Payments or other amounts payable, or to enforce observance or performance of any covenant, agreement or other obligation on the part of the Lessee, under this Lease, the Lessee, on demand therefor, shall reimburse the reasonable fees and expenses of those attorneys, to the extent permitted by law, and will reimburse the other reasonable expenses so incurred.

If any attorneys' fees or other expenses are not so reimbursed, the amount thereof, together with interest thereon at the Interest Rate for Advances from the date of incurrence by the City or the Trustees, shall constitute Additional Payments, and shall be paid by the Lessee on demand. In any action brought to collect those Additional Payments, the City or the Trustees, as the case may be, shall be entitled to the recovery of those Additional Payments, except as limited by law or by judicial order or decision.

Section 13.6. No Additional Waiver Implied by One Waiver. In the event that any covenant, agreement or other obligation under this Lease or the Indentures should be breached by either the Lessee or the City and the breach should be waived thereafter by the Lessee, the City or the Senior Trustee, as the case may be, the waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other or any subsequent breach thereunder. No failure by the City or the Senior Trustee to insist upon the strict observance or performance by the Lessee of any covenant, agreement or obligation under this Lease, and no failure to exercise any right, power or remedy consequent upon a breach thereof, shall constitute a waiver of any right to strict observance or performance or a waiver of any breach. No express waiver shall be deemed to apply to any other breach or existing or subsequent right to remedy the failure by the Lessee to observe or perform any covenant, agreement or obligation under this Lease.

Section 13.7. Waiver of Appraisal, Valuation and Other Laws. In the event that there is an Event of Default under this Lease and the Lessee does not contest the existence of the Event of Default, the Lessee covenants and agrees to waive the benefit of all appraisal, valuation, stay, extension or redemption laws in force from time to time, and all right of appraisal and redemption to which it may be entitled, to the extent that the Lessee may lawfully do so.

Section 13.8. Reinstatement. Notwithstanding any termination of this Lease, or the exercise of any other right, power or remedy, in accordance with the provisions of Section 13.2, if within sixty (60) days following the occurrence of an Event of Default and prior to the date of termination of this Lease pursuant to the penultimate paragraph of Section 13.2 hereof or the entry of a judgment in a court of law or equity for enforcement hereof after an opportunity for the Lessee to be heard and subject to the Indenture, the Lessee may

(a) at any time pay, or provide by deposit with the City and the Trustees in a form and amount satisfactory to the Senior Trustee and the City provided that the satisfaction of the City shall occur concurrently with satisfaction of the Senior Trustee unless within sixty (60) days of filing with the City of a notice, from the Lessee that it has provided a satisfactory deposit pursuant to this Section, there shall have become effective an ordinance of City passed by a majority of Council determining that Lessee has not complied with all such requirements, for,

(i) all accrued and unpaid Basic Rent, Additional Payments and other amounts payable under this Lease (except Basic Rent, Additional Payments and other amounts accelerated pursuant to Section 13.2 hereof), which Basic Rent shall include all interest required to be paid in accordance with the Indenture on overdue principal of and, to the extent lawful, on any overdue interest on, any Bonds and on the principal of any Bonds required to be redeemed in accordance with the Indentures, but not redeemed by reason of any Event of Default by the Lessee in the payment of Basic Rent, and

(ii) all costs and expenses of the City and the Trustees occasioned by the Event of Default, and

(b) cure to the satisfaction of the Senior Trustee and of the City all other Events of Default of which the Lessee has been notified; provided that the satisfaction of the City shall occur concurrently with satisfaction of the Senior Trustee unless within sixty (60) days of filing with the City of a notice, from the Lessee that it has complied with all requirements for reinstatement pursuant to this Section, there shall have become effective an ordinance of the City determining that Lessee has not complied with all such requirements.

Upon that payment, deposit and cure, (1) this Lease shall be reinstated fully, as if it had never been terminated; (2) the Lessee shall be restored to the use, occupancy and possession of the Leased Premises; and (3) that payment, deposit and cure shall constitute ipso facto a waiver of the Event of Default and its consequences and an automatic rescission and annulment of any declaration of acceleration under Section 13.2(a).

Section 13.9. Right to Observe and Perform Covenants, Agreements and Obligations. If the Lessee shall fail to pay when due and payable any Basic Rent, Additional Payment or other amount payable, or to observe or perform any covenant, agreement or obligation, under the Lease, the Member, the City or the Senior Trustee, without demand upon the Lessee and without waiving or releasing any covenant, agreement, obligation or Event of Default, upon ten (10) days' written notice to the Lessee (except that under emergency conditions or if the Member is making the payment or performing the covenant, agreement or obligation, the ten (10) day period shall not be required), may

(a) make that payment or perform that covenant, agreement or obligation for the account and at the expense of the Lessee, although the Member, the City and the Senior Trustee shall not be under any obligation to do so,

(b) enter upon the Leased Premises, or any part thereof, for that purpose, and

(c) take any action which, in the opinion of the Member, the City or the Senior Trustee, as the case may be, may be necessary or appropriate therefor.

All payments so made by the Member, the City or the Senior Trustee and all costs, fees and expenses (including without limitation, to the extent permitted by law, attorneys' fees and expenses) incurred in connection therewith or in connection with the making of that payment or the observance or performance of that covenant, agreement or obligation by the Member, the City or the Senior Trustee, together with interest thereon at the Interest Rate for Advances from the date of payment or incurrence, shall constitute Additional Payments and shall be paid by the Lessee on demand. In any action brought to collect those Additional Payments, the Member, the City or the Trustees, as the case may be, shall be entitled to the recovery of the Additional Payments, except as limited by law or judicial order or decision.

Section 13.10. Notice of Default. The Lessee will notify the Member, the City and the Senior Trustee immediately if the Lessee becomes aware of the occurrence of any Event of Default or any Default which is not cured within the time provided in this Lease.

Section 13.11. Provision Subject to Applicable Law. All rights, powers and remedies provided herein may be exercised only to the extent that the exercise thereof does not violate any applicable law and are intended to be limited to the extent necessary so that they will not render this Lease invalid, unenforceable or not entitled to be recorded, registered or filed under any applicable law.

(End of Article XIII)

ARTICLE XIV

MISCELLANEOUS

Section 14.1. Surrender of Leased Premises. Upon the expiration of the Lease Term or the termination of this Lease, the Lessee covenants and agrees to surrender the Leased Premises to the City peaceably and promptly, together with all appurtenances thereto and all assets and obligations of the Lessee including movable equipment, furnishings and other personal property in or on the Leased Premises, in as good condition as prevailed at the time the Lessee was put in full possession thereof; provided that, there is excepted from the foregoing covenants, agreements and obligations, any loss by fire or other casualty covered by insurance, ordinary wear and tear, obsolescence, removals and replacements in accordance herewith, and acts of God and provided further that the foregoing covenants, agreements and obligations are subject to the rights of reinstatement pursuant to Section 13.8 hereof. Concurrently with that surrender the Lessee will execute and deliver to the City such quit claim deeds, bills of sales and other instruments as will convey or transfer to the City the interests of the Lessee in the Leased Premises.

Section 14.2. Notices. All notices, certificates, requests or other communications hereunder shall be given sufficiently and shall be deemed to have been given when mailed by registered or certified mail, postage prepaid, addressed to the appropriate Notice Address. A duplicate copy of each notice, certificate, request or other communication given hereunder to the City, the Lessee or a Trustee shall also be given to the others and to the Member. The Lessee, the City, the Member and a Trustee, by notice given hereunder, may designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent.

Section 14.3. Net Lease. This Lease shall be deemed and construed to be a "net lease". The Lessee shall pay absolutely net, during the Lease Term, the Basic Rent, Additional Payments and all other amounts payable under this Lease, free of any deductions, and without abatement or set-off, other than those for which provision is made expressly therein.

Section 14.4. Extent of Provisions Regarding City; Observance and Performance of Provisions. The City retains such rights and interests as will permit the City to perform its obligations under the Indentures. Each duty of the City and of its officers and employees undertaken under the Indentures and the Bonds is a duty enjoined specifically by law pursuant to Section 140.06(J), Ohio Revised Code, upon the City and each of those officers and employees having authority thereunder or by provision of law to perform that duty, resulting from an office, trust or station, within the meaning of Section 2731.01, Ohio Revised Code, providing for enforcement by writ of mandamus.

All representations, warranties, covenants, agreements and obligations of the City under this Lease shall be effective to the extent authorized and permitted by applicable law. None of those representations, warranties, covenants, agreements or obligations shall be deemed to be a representation, warranty, covenant, agreement or obligation of any present or future member, officer, agent or employee of the City in other than his or her official capacity. Neither the members of the Council nor any official executing this Lease or the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof or by reason of the representations, warranties, covenants, agreements or obligations of the City under the Indenture or the Bonds.

Section 14.5. Binding Effect. This Lease shall inure to the benefit of and shall be binding upon the City, the Lessee and their respective permitted successors and assigns, subject, however, to the specific provisions hereof.

Section 14.6. Amendments, Changes and Modifications. Except as provided otherwise in this Lease, this Lease may be amended, changed, modified, altered or deleted by the Lessee and the City without the consent of or notice to the Trustees or any other person provided that any such amendment, change, modification, alteration or deletion shall be authorized by ordinance passed by at least a two-thirds affirmative vote of the Council.

Any amendment pursuant to this Section must comply with Sections 8.01 and 8.02.1 of the Senior Indenture.

Section 14.7. Execution Counterparts. This Lease may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same lease.

Section 14.8. Severability. In case any section or provision of this Lease, or any covenant, agreement, obligation or action, or part thereof, made, assumed, entered into or taken, or any application thereof, is held to be illegal or invalid for any reason,

(a) that illegality or invalidity shall not affect the remainder hereof or thereof, any other section or provision hereof, or any other covenant, agreement, obligation or action, or part thereof, made, assumed, entered into or taken, all of which shall be construed and enforced as if the illegal or invalid portion were not contained herein or therein,

(b) the illegality or invalidity of any application hereof or thereof shall not affect any legal and valid application hereof or thereof, and

(c) each section, provision, covenant, agreement, obligation or action, or part thereof, shall be deemed to be effective, operative, made, assumed, entered into or taken in the manner and to the full extent permitted by law.

Section 14.9. Captions. The captions and headings in this Lease are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Lease.

Section 14.10. Governing Law. This Lease shall be governed by and construed in accordance with the laws of the State.

Section 14.11. Survival of Representations and Warranties. All representations and warranties of the Lessee and the City herein shall survive the execution and delivery of this Lease.

Section 14.12. Action by the Lessee. The City agrees that (i) the Lessee or the Member may take on behalf of the City any action under the Indentures required of or by City thereunder in order to comply with the Indentures or avoid a default or an event of default thereunder and (ii) the Member may perform any act, obligation or responsibility of the Lessee under this Lease and such performance shall be deemed to be performance by the Lessee.

Section 14.13. Relative Position of this Lease and the Indenture. The rights and options granted to the Lessee in this Lease are subject to the rights and remedies granted by the Indentures to the Trustees on behalf of the Bondholders and, so long as Bonds are outstanding within the meaning of the Indentures, to the extent that the covenants and agreements made by City in the Indentures with respect to the construction, operation and maintenance of the Leased Premises and the security of the Bondholders and applicable to the operation of the Leased Premises are greater than the covenants and agreements made by Lessee in this Lease, the provisions of the Indentures shall control and the Lessee agrees to be bound thereby.

Section 14.14. Trustees. When all Bonds are no longer outstanding under the Indentures, all references to the Senior Trustee, Subordinated Trustee and Trustees shall be deemed eliminated from this Lease and any approval herein required of the Senior Trustee, the Subordinated Trustee or the Trustees shall be eliminated from this Lease.

Section 14.15. Matters Relating to Definitive Agreement. The Lessee has entered into a Definitive Agreement with the Member and the Lessee agrees that it will enforce its rights against the Member given to it in Article 2 of that Definitive Agreement and in the event that the Member should fail to observe its obligation to the Lessee under that Article 2, the Lessee shall promptly notify the City of that failure.

The Lessee acknowledges and agrees that the City may utilize any legally available remedy, including, without limitation, injunctive relief, to compel the Lessee to enforce its rights and entitlements under Article 2 of the Definitive Agreement. The Lessee further agrees that it will not agree to any amendment or modification of the Definitive Agreement that amends, modifies, alters or clarifies the rights and entitlements of the Lessee under Article 2 of the Definitive Agreement in any manner which, in the reasonable judgment of the City, diminishes or impairs any such right or entitlement, and that the Lessee will not waive any refusal or failure by any other party to the Definitive Agreement to fulfill its duties or obligations under Article 2 thereof, unless the Lessee shall first have notified the City of (i) its intent to agree to such amendment or modification or to grant such waiver, the proposed effective date of such amendment, modification or waiver (which shall not be earlier than the seventieth (70th) day following such notification) and (ii) the reasons for agreeing to or granting such amendment, modification or waiver. Such amendment or modification may be entered into or such waiver granted on or after the proposed effective date, so long as there shall not have become effective within sixty (60) days after such notification an ordinance or resolution of the City directing the Lessee not to enter into such amendment or modification or grant the waiver which was the subject of the notification.

Without limiting the generality of the foregoing, the Lessee agrees that it will not terminate or purport to terminate the Definitive Agreement or permit CCF to terminate or purport to terminate the Definitive Agreement, in both cases pursuant to Section 10.2 of the Definitive Agreement, without the prior approval of the City evidenced by an ordinance or resolution of the City. In the event that the Lessee or CCF terminates or purports to terminate the Definitive Agreement without the prior approval of the City, then, in addition to any other rights and remedies that the City may have pursuant to this Lease with respect thereto, the City shall have the right (but shall not be obligated) to terminate this Lease subject to the rights of the holders of the outstanding Bonds (as long as such Bonds remain outstanding). If the City terminates the Lease under this paragraph, the termination will become effective on the last day of the one hundred twentieth (120th) month following the effective date of the termination of the Definitive Agreement unless the effective date of the termination of the Definitive Agreement occurs prior to December 31, 2002 in which event the termination will become effective on December 31, 2012.

The Lessee agrees that it will not assign or purport to assign its rights under the Definitive Agreement nor permit the Member to assign or purport to assign its rights pursuant to Section 12.9 of the Definitive Agreement unless the proposed assignee is both a non-profit corporation and, in the case of an assignment by the Member, is a Permitted Affiliate, and unless the Lessee shall first have notified the City of (i) its intent to make such an assignment or to permit such assignment, the proposed effective date of such assignment (which shall not be earlier than the sixtieth (60th) day following such notification), (ii) whether, in the case of a proposed assignment by the Member, the entity to which the Member seeks to assign its rights is a Permitted Affiliate as herein defined and is a non-profit corporation, and (iii) the reasons for making or permitting such an assignment. Such assignment may be entered into on or after the proposed effective date, so long as there shall not have become effective an ordinance or

resolution of the City directing the Lessee not to enter into such an assignment or permit the assignment which was the subject of the notification.

Section 14.16. Assumption of Obligations of Operator. In furtherance of Section 2.3 hereof, without limiting the generality thereof, the Lessee specifically assumes and agrees to perform all the obligations of the Operator set forth in the Indenture and this Lease.

(End of Article XIV)

(Balance of page intentionally left blank)

IN WITNESS WHEREOF, this Lease has been duly executed and delivered for and in the name and on behalf of each of the City and the Lessee by their duly authorized officers as of the date hereinbefore written.

Signed and acknowledged as to the City in the presence of:

David S. Goodman
Printed name: David S. Goodman

Dorothy Regas Richards
Printed name: DOROTHY REGAS RICHARDS
(Witnesses as to all)

CITY OF LAKEWOOD, OHIO, as Lessor

By: Madeline A. Cain
Mayor

And by: John Bosic
President of Council

And by: Yvette M. Utter
Director of Finance

Signed and acknowledged as to the Lessee in the presence of:

David S. Goodman
Printed name: David S. Goodman

Dorothy Regas Richards
Printed name: DOROTHY REGAS RICHARDS
(Witnesses as to both)

LAKEWOOD HOSPITAL ASSOCIATION,
as Lessee

By: Julius N. Santarelli
President

And by: William R. [Signature]
Secretary

The legal form and substance of the within instrument is hereby approved.

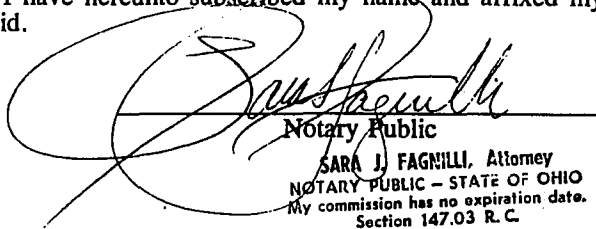
By: [Signature]
Director of Law
City of Lakewood, Ohio

STATE OF OHIO)
) SS:
 COUNTY OF CUYAHOGA)

On this 23rd day of December, 1996, before me, a Notary Public in and for the foregoing County and State, personally appeared Madeline A. Cain, JoAnn Boscia and Yvette M. Ittu, Mayor, President of Council and Director of Finance, respectively, of the City of Lakewood, Ohio, a municipal corporation and political subdivision in and of the State, who acknowledged their execution of the foregoing instrument as those officers of that City for and in the name and on behalf of that City and by authority of its Council; and that the execution of that instrument is their voluntary act and deed as those officers on behalf of that City and the voluntary act and deed of that City.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal on the day and year aforesaid.

(SEAL)

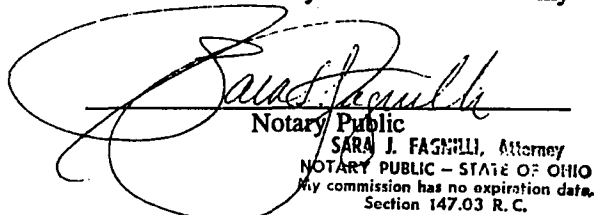

 Notary Public
 SARA J. FAGNILLI, Attorney
 NOTARY PUBLIC - STATE OF OHIO
 My commission has no expiration date.
 Section 147.03 R.C.

STATE OF OHIO)
) SS:
 COUNTY OF CUYAHOGA)

On this 23rd day of December, 1996, before me, a Notary Public in and for said County and State, personally appeared Jules W. Bouthillet and William R. Gorton, President and Chief Executive Officer and Chairman of the Board, respectively, of Lakewood Hospital Association, who acknowledged the execution of the foregoing instrument as said officers of said corporation on behalf of said corporation and by authority thereof, and that the same is their voluntary act and deed as said officers on behalf of said corporation, and the voluntary and corporate act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal on the day and year aforesaid.

(SEAL)


 Notary Public
 SARA J. FAGNILLI, Attorney
 NOTARY PUBLIC - STATE OF OHIO
 My commission has no expiration date.
 Section 147.03 R.C.

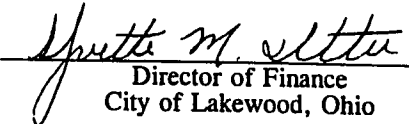
This instrument was prepared by:

Richard K. Desmond, Esq.
 Squire, Sanders & Dempsey L.L.P.
 4900 Key Tower
 127 Public Square
 Cleveland, Ohio 44114-1304

FISCAL OFFICER'S CERTIFICATE

The undersigned, fiscal officer of the City under the foregoing Lease, hereby certifies that the moneys required to meet the obligations of the City during the year 1996 under the foregoing Lease have been appropriated lawfully by the Council of the City for that purpose, are in the appropriate funds or in the process of collection to the credit of an appropriate fund, free from any previous encumbrances. This certificate is given in compliance with Sections 5705.41 and 5705.44, Ohio Revised Code.

Dated December 23, 1996



Director of Finance
City of Lakewood, Ohio

CONSENT OF TRUSTEE

National City Bank, as trustee under the Trust Indenture (the "Indenture") dated as of March 15, 1983 among it, the Board of Trustees of Lakewood Hospital, Ohio (the "Hospital Trustees") and the City of Lakewood, Ohio (the "City"), acknowledges that it has received an executed counterpart of the preceding Lease and hereby consents pursuant to Section 5.13(e) of the Senior Indenture, to entry by the City into the foregoing Lease with Lakewood Hospital Association, as lessee.

NATIONAL CITY BANK, as Trustee

By: 

Title: ASSISTANT VICE PRESIDENT

Attest: 

Title: H. E. COCKRELL
SENIOR VICE PRESIDENT

LAKEWOOD HOSPITAL LEASED PROPERTY

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Property Address: 1458 Belle Avenue

Situated in the City of Lakewood, County of Cuyahoga and State of Ohio and known as being Sublot No. 14 in the Belle Avenue Allotment of part of Original Rockport Township Section 22 as shown by the recorded plat in Volume 41 of Maps, Page 23 of Cuyahoga County Records, and being 45 feet front on the Westerly side of Belle Avenue and extending back 162.56 feet deep on the Northerly line, 162.68 feet deep on the Southerly line and having a rear line of 45.01 feet as appears by said plat, be the same more or less, but subject to all legal highways.

Exhibit A - 1 -

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Property Address: 1462 Belle Avenue

and known as being Sublot No. 15 in Belle Avenue Allotment of part of Original Rockport Township Section No. 22, as shown by the recorded plat in Volume 41 of Maps, Page 23 of Cuyahoga County Records, and being 45 feet front on the Westerly side of Belle Avenue, and extending back 162.68 feet on the Northerly line, 162.80 feet on the Southerly line, and having a rear line of 45.01 feet, as appears by said plat.

Property Address: 1463 Belle Avenue
(ER Parking)

Situated in the City of Lakewood, County of Cuyahoga and State of Ohio and known as being Sublot No. 122 in the Belle Avenue Allotment of part of Original Rockport Township Section 22 as shown by the recorded plat in Volume 41 of Maps, Page 23 of Cuyahoga County Records, and being 45 feet front on the Easterly side of Belle Avenue, 60 feet wide, 187.72 feet deep on the Southerly line, 187.83 feet deep on the Northerly line and 45 feet in the rear as appears by said plat, be the same more or less, but subject to all legal highways.

Exhibit A - 3 -

Property Address: 1466 Belle Avenue

Situated in the City of Lakewood, County of Cuyahoga and State of Ohio and known as being Sublot No. 16 in the Lakewood Land and Improvement Company's Belle Avenue Allotment, of part of Original Rockport Township Section 22, as shown by the recorded plat in Volume 41 of Maps, Page 23 of Cuyahoga County Records, and being 45 feet front on the Westerly side of Belle Avenue and extending back 162.80 feet on the Northerly line, 162.92 feet on the Southerly line and having a rear line of 45.01 feet as appears by said plat, be the same more or less, but subject to all legal highways.

Property Address: 1467 Belle Avenue

Situated in the City of Lakewood, County of Cuyahoga and State of Ohio, and known as being Sublot No. 121 in Belle Avenue Allotment of Part Original Rockport Township, Section 22 as shown by the recorded plat of said Allotment, in Volume 41 of Maps, Page 23 of Cuyahoga County Records, said Sublot 121 has a frontage of 45 feet on the Easterly side of Belle Avenue, and extends back 187.72 feet on the Northerly line, 187.62 feet on the Southerly line, and has a rear line of 45 feet, as appears by said plat.

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Property Address: 1476 Belle Avenue

Situated in the City of Lakewood, County of Cuyahoga and State of Ohio and known as being Sublot No. 18 in the Belle Avenue Allotment of part of Original Rockport Township Section No. 22 as shown by the recorded plat in Volume 41 of Maps, Page 23 of Cuyahoga County Records, and being 45 feet front on the Westerly side of Belle Avenue and extending back 163.04 feet on the Northerly line, 163.17 feet on the Southerly line and has a rear line of 45.01 feet as appears by said plat, be the same more or less, but subject to all legal highways.

Property Address: 1477 Belle

And known as being Sublot No. 119 in the Belle Avenue allotment of part of original Rockport Township, Section No. 22, as shown by the recorded plat in Volume 41 of Maps, Page 23 of Cuyahoga County Records, and being 45 feet front on the easterly side of Belle Avenue and extending back 187.52 feet on the northerly line, 187.41 feet on the southerly line and being 49 feet wide in the rear, as appears by said plat.

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Property Address: 1483 Belle Avenue

Situated in the City of Lakewood, County of Cuyahoga and State of Ohio and known as being Sublot No. 118 in Belle Avenue Allotment of part of Original Rockport Township Section No. 22, as shown by the recorded plat in Volume 41 of Maps, Page 23 of Cuyahoga County Records, and being 45 feet front on the Easterly side of Belle Avenue 187.41 feet deep on the Northerly line, 187.31 feet deep on the Southerly line and 45 feet wide in the rear, as appears by said plat.

Property Address: 1466 Marlowe Avenue

Situated in the City of Lakewood, County of Cuyahoga and State of Ohio and known as being Sublot No. 231 in the Gerick Realty Company's Lakewood Subdivision of part of Original Rockport Township Section 22 as shown by the recorded plat in Volume 35 of Maps, Page 26 of Cuyahoga County Records and being 45 feet front on the Westerly side of Marlowe Avenue and (60 feet wide), 120.99 feet on the Southerly line, 120.30 feet on the Northerly line and 45.01 feet on the rear as appears by said plat, be the same more or less, but subject to all legal highways.

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Property Address: 1451 St. Charles Avenue

Situated in the City of Lakewood, County of Cuyahoga and State of Ohio and known as being Sublot No. 68 in the Onondaga Park Subdivision of part of Original Rockport Township Section No. 22, as shown by the recorded plat in Volume 68 of Maps, Page 34 of Cuyahoga County Records, and being 45 feet front on Easterly side of St. Charles Avenue, and extending back of equal width 145 feet, as appears by said plat.

Property Address: 1461 St. Charles Avenue

Situated in the City of Lakewood, County of Cuyahoga and State of Ohio, and known as being Sublot No. 70 in The Onondaga Park Subdivision of a part of Original Rockport Township Section No. 22 as shown by the recorded plat in Volume 68 of Maps, Page 34 of Cuyahoga County Records, an being 50 feet front on the Easterly side of St. Charles Avenue and extending back between parallel lines 145 feet, as appears by said plat.

Exhibit A - 11 -

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Property Address: 1471 St. Charles Avenue

Situated in the City of Lakewood, County of Cuyahoga and State of Ohio and known as being Sublot No. 72 in the Onondaga Park Subdivision of part of Original Rockport Township Section 22 as shown by the recorded plat in Volume 68, Page 34 of Cuyahoga County Records, and being 50 feet front on the Easterly side of St. Charles Avenue and extending back of equal width 145 feet as appears by said plat, be the same more or less, but subject to all legal highways.

Property Address: 15644 Madison Avenue
(Madison Square Medical Building)

Parcel No. 1

Situated in the City of Lakewood, County of Cuyahoga and State of Ohio, and known as being part of Sublot No. 9 and all of Sublot No. 10 in the Lakewood Overlook Allotment of part of Original Rockport Township Sections Nos. 19 and 22, as shown by the recorded plat in Volume 66 of Maps, Page 20 of Cuyahoga County Records, and together forming a parcel of land bounded and described as follows: Beginning in the Northerly line of Madison Avenue, at a point distant Easterly (measured along said Northerly line of Madison Avenue), 11.48 feet from the Southwesterly corner of said Sublot No. 9; thence Westerly along and Northerly line of Madison Avenue, 57.75 feet to the Southwesterly corner of said Sublot No. 10; thence Northerly along the Westerly line of said Sublot No. 10, 120 feet to the Northwestern corner of said Sublot No. 10; thence Easterly along the Northerly line of said Sublots Nos. 10 and 9, a distance of 57.75 feet to a point; thence Southerly parallel with the Westerly line of said Sublot No. 9, a distance of 120 feet to the place of beginning, as appears by said plat.

Parcel No. 2

Situated in the City of Lakewood, County of Cuyahoga and State of Ohio, and known as being part of Original Rockport Township Sections Nos. 19 and 22, and bounded and described as follows: Beginning on the Northwestern line of Madison Avenue, (formerly West Madison Avenue), 80 feet wide, at the Southwesterly corner of land conveyed to The Hilliard-Madison Land Company, by deed dated April 30, 1924 and recorded in Volume 3014, Page 447 of Cuyahoga County Records; thence Southwesterly along the Northwestern line of Madison Avenue, to an angle therein; thence Northwesterly along the Northeasterly line of Madison Avenue, to the Southeasterly corner of land conveyed to the City of Lakewood, by deed dated February 23, 1940 and recorded in Volume 5060, Page 268 of Cuyahoga County Records; thence Northerly along the Easterly line of Land so conveyed to the City of Lakewood, about 206.16 feet to the Southeasterly line of Hilliard Road, 60 feet wide; thence Northeasterly along the Southeasterly line of Hilliard Road, about 119.24 feet to the Northwesterly corner of land conveyed to The Hilliard-Madison Land Company, as aforesaid; thence Southerly along the Westerly line of land so conveyed to The Hilliard-Madison Land Company, 273.37 feet to the place of beginning.

Parcel No. 3

Situated in the City of Lakewood, County of Cuyahoga and State of Ohio, and known as being part of Original Rockport Township Sections Nos. 19 and 22, bounded and described as follows: Beginning at a monument in the Southerly line of Hilliard Road, 60 feet wide, and the Easterly line of Oline M. Wagar lands; thence South 0 degrees 30' 30" East along the Easterly line of said lands, 160.20 feet to the place of beginning; thence continuing South 0 degrees 30' 30" East along the Easterly line of said lands, 150 feet to a stake set in the Northerly line of West Madison Avenue, 80 feet wide; thence Westerly along the Northerly line of West Madison Avenue, a distance of 59 feet to an iron pin set in the Northerly line of West Madison Avenue; thence North 0 degrees 30' 30" West 150 feet to a point; thence Northeasterly 58.16 feet to the place of beginning.

Parcel No. 4

Situated in the City of Lakewood, County of Cuyahoga and State of Ohio, and known as being part of Original Rockport Township Section no. 22, and bounded and described as follows: Beginning in the Southeasterly line of Hilliard Road, 60 feet wide, at the Northwestern corner of Lakewood Overlook Allotment as recorded in Volume 66 of Maps, Page 20 of Cuyahoga County Records; thence Southerly along the Westerly line of said Lakewood Overlook Allotment 160.20 feet to a point distant Northerly measured along said Westerly line 150 feet from the Northwestern line of Madison Avenue, 80 feet wide; thence Southwesterly about 59 feet to a point in the Westerly line of a parcel of land conveyed to Naomi Blatt and Ruth Gable by deed dated August 30, 1946 and recorded in Volume 6215, Page 657 of Cuyahoga County Records, distant Northerly measured along said Westerly line 150 feet from the Northwestern line of Madison Avenue; thence Northerly along the Westerly line of said parcel so conveyed to Naomi Platt and Ruth Gable 123.37 feet to the Southeasterly line of Hilliard Road; thence Northeasterly along said Southeasterly line 75.06 feet to the place of beginning.

Property Address: 14601 Detroit Avenue
(LHPB Lakewood Medical Bldg.)

Located in the County of Cuyahoga, State of Ohio, and described as follows:

Parcel No. 1

Situated in the City of Lakewood, County of Cuyahoga and State of Ohio and known as being Sublots Nos. 3 and 4 and the Easterly part of Sublot No. 2 in the Belle-Avenue Allotment of part of Original Rockport Township Section No. 22, as shown by the recorded plat in Volume 41 of Maps, Page 23 of Cuyahoga County Records, and together forming a parcel of land bounded and described as follows:

Beginning on the Southerly line of Detroit Avenue at its point of intersection with the Westerly line of Belle Avenue; thence Westerly along said Southerly line of Detroit Avenue, 75 feet; thence Southerly on a line parallel to the Easterly line of said Sublot No. 2, about 145.83 feet to the Southerly line of said Sublot No. 2; thence Easterly along the Southerly line of said Sublots Nos. 2, 3 and 4, to the Westerly line of Belle Avenue; thence Northerly along said Westerly line of Belle Avenue to the place of beginning, as appears by said plat.

Excepting therefrom the following described premises conveyed to the City of Lakewood by The Canfield Oil Company by deed dated March 27, 1935 and recorded in Volume 4510, Page 97 of Cuyahoga County Records.

Situated in the City of Lakewood, County of Cuyahoga and State of Ohio and known as being parts of Sublots Nos. 2, 3 and 4 in the Lake wood Land and Improvement Company's Belle Avenue Subdivision of part of Original Rockport Township Section No. 22, as shown by the recorded plat in Volume 41 of Maps, Page 23 of Cuyahoga County Records, and together forming a parcel of land bounded and described as follows:

Beginning at the Northeasterly corner of Sublot No. 4 aforesaid in the intersection of the Southerly line of Detroit Avenue (66 feet wide) and the Westerly line of Belle Avenue (90 feet wide) as dedicated by the aforesaid plat of the Belle Avenue Subdivision; thence South 84 degrees 19' 50" East, parallel to the Southerly line of Detroit Avenue and 10 feet therefrom, measured at right angles, about 75 feet to a point in the Westerly line of Belle Avenue; thence Northerly 10.04 feet to the place of beginning, as appears by said plat.

Parcel No. 2

Situated in the city of Lakewood, County of Cuyahoga and State of Ohio and known as being part of Sublots Nos. 1 and 2 in Belle Avenue Allotment of part of Original Rockport Township Section no. 22, as shown by the recorded plat in Volume 41 of Maps, Page 23 of Cuyahoga County Records, and together forming a parcel of land, bounded and described as follows:

Beginning on the Southerly line of Detroit Avenue (formerly Detroit Street) as originally established, 66 feet wide, at the Northwestern corner of said Sublot No. 1; thence Southerly along the Westerly line of said Sublot No. 1, 10.04 feet to the Southwesterly corner of lands conveyed to City of Lakewood by deed dated August 17, 1934 and recorded in Volume 4385, Page 24 of Cuyahoga County Records and the principal place of beginning of the premises herein described; thence Easterly along the Southerly line of lands so conveyed to the City of Lakewood, which is also the Southerly line of Detroit

Avenue, 73.74 feet to the Westerly line of land conveyed to The Canfield Oil Company by deed dated July 19, 1921 and recorded in Volume 2536, Page 129 of Cuyahoga County Records; thence Southerly along the Westerly line of land so conveyed to The Canfield Oil Company, about 133.82 feet to the Southerly line of said Sublot No. 2; thence Westerly along the Southerly line of said Sublots Nos. 2 and 1, 56.24 feet to the Southwesterly corner of said Sublot No. 1; thence Northerly along the Westerly line of said Sublot No. 1, 53.08 feet to an inner corner therein; thence Westerly along a Southerly line of said Sublot No. 1, 16.50 feet to a Southwesterly corner thereof; thence Northerly along the Westerly line of said Sublot No. 1, 74.96 feet to the principal place of beginning, as appears by said plat.

Parcel No. 3

Situated in the city of Lakewood, County of Cuyahoga and State of Ohio and known as being a part of Original Rockport Township Section No. 22 and further described as follows:

Beginning in the Westerly line of the Belle Avenue Allotment as recorded in Volume 41 of Maps, Page 23 of Cuyahoga County Records, at the Northwestern Corner of Sublot No. 5 of said allotment so recorded; thence from said place of beginning Westerly on a continuance of the Northerly line of Sublot No. 5, a distance of 16.5 feet; thence North along a line 16.5 feet Westerly and parallel to the Westerly line of said Belle Avenue Allotment about 53 feet to a Southwesterly corner of said Sublot No. 1 in said allotment so recorded; thence Easterly on a Southerly line of said Sublot No. 1, 16.5 feet; thence Southerly along the Westerly line of said Sublot No. 1, 53.03 feet to the place of beginning.

Property Address: 14519 Detroit Avenue
(Lakewood Hospital)

Situated in the City of Lakewood, County of Cuyahoga and State of Ohio and known as being Sub Lots Nos. 122 to 134, both inclusive, in the Belle Avenue Allotment of a part of Section No. 22, original Rockport Township, as shown by the Plat recorded in Volume 41, Page 23 of Cuyahoga County Map Records, and Sub Lots Nos. 231 to 241, both inclusive, and part of Sub Lots Nos. 242 and 243 in Genck Realty Company's Lakewood Subdivision of a part of Section No. 22, original Rockport Township, as shown by the Plat recorded in Volume 35, Page 26 of Cuyahoga County Map Records, and a part of Section No. 22, original Rockport Township, and bounded and described as follows:

Beginning on the Southerly line of Detroit Avenue, 66 feet wide, at its intersection with the Easterly line of Belle Avenue, 90 feet wide, said point being the northwesterly corner of Sub Lot No. 133 in the Belle Avenue Allotment, as aforesaid; thence southerly along the easterly line of Belle Avenue, 150.01 feet to an angle point; thence southwesterly along the southeasterly line of Belle Avenue, 45.92 feet to an angle point; thence southerly along the easterly line of Belle Avenue, 60 feet wide; 461.63 feet to the southwesterly corner of Sub Lot No. 122, as aforesaid; thence easterly along the southerly line of Sub Lot No. 122, as aforesaid, 187.72 feet to the southeasterly corner thereof; thence northerly along the easterly line of Sub Lot No. 122, as aforesaid 1.49 feet to the southwesterly line of Sub Lot No. 231, 121.02 feet to the westerly line of Marlowe Avenue, 60 feet wide; thence northerly along the westerly line of Marlowe Avenue 529.17 feet to a point 33 feet northerly, measured along the westerly line of Marlowe Avenue from the Southeasterly corner of Sub Lot 242 as aforesaid, said point being the northeasterly corner of land conveyed to the City of Lakewood by Deed dated June 12, 1948 and recorded in Volume 6606, Page 38 of Cuyahoga County Records; thence westerly along the northerly line of land conveyed to the City of Lakewood, as aforesaid 113.06 feet to the westerly line of Sub Lot No. 243, as aforesaid; thence northerly along the westerly line of Sub Lot No. 243, 139.97 feet to the southerly line of Detroit Avenue, 175.00 feet to the place of beginning, be the same more or less, but subject to all legal highways.

According to a Map of Survey and Replat for Lakewood Hospital made April, 1982, by Richard F. Hantel Registered Surveyor and recorded in Volume 228, Page 59 of Cuyahoga County Map Records.

Property Address: Parking Garage
Includes Permanent Parcel Nos.:
314-04-025 Belle Avenue
314-04-050 Belle Avenue
314-04-051 Belle Avenue
314-04-052 Belle Avenue
314-04-054 Belle Avenue
314-04-053 Belle Avenue
314-04-003 St. Charles Avenue
314-04-027 St. Charles Avenue

Situated in the City of Lakewood, County of Cuyahoga and State of Ohio and known as being Sublots Nos. 5, 6, 7, 8 and 9 in the Belle Avenue Allotment as recorded in Volume 41 Page 23 of Cuyahoga County Map Records and additional lands all a part of Original Rockport Township Section No. 22 and more fully described as follows:

Beginning at a point on the Westerly line of Belle Avenue, width varies, at the Northeast corner of said Sublot No. 5 in the Belle Avenue Allotment;

Thence Southerly along the Westerly line of Belle Avenue, as aforesaid, about 226.91 feet to a point at the Southeast corner of said Sublot No. 9;

Thence Westerly along the Southerly line of said Sublot No. 9 a distance of about 162.07 feet to a point on the Easterly line of the Onondaga Park Subdivision as recorded in Volume 68 Page 34 of Cuyahoga County Map Records;

Thence Northerly along the Easterly line of the Onondaga Park Subdivision about 0.35 feet to a point on the Southerly line of Parcel No. 1 conveyed to the City of Lakewood by deed recorded in Volume 11812 Page 315 of Cuyahoga County Deed Records;

Thence Westerly along the Southerly line of said Parcel No. 1 conveyed to the City of Lakewood 145.00 feet to a point on the Easterly line of St. Charles Avenue (50 feet wide);

Thence Northerly along the Easterly line of St. Charles Avenue, as aforesaid, 149.64 feet to a point on the Southerly line of a parcel of land conveyed to Cardinal Federal Savings and Loan Association by deed recorded in Volume 14691 Page 613 of Cuyahoga County Deed Records;

Thence Easterly along the Southerly line of said parcel conveyed to Cardinal Federal Savings and Loan Association 60.00 feet to a point at the Southeast corner thereof;

Thence Northerly along the Easterly line of said parcel conveyed to the Cardinal Federal Savings and Loan Association about 68.18 feet to a point on the Southerly line of a parcel of land conveyed to the Second Federal Savings and Loan Association of Cleveland by deed recorded by

Torrens Title Certificate No. 104434 of Cuyahoga county Records said Southerly line is also the Westerly prolongation of the Northerly line of said Sublot No. 5 in the Belle Avenue Allotment;

Thence Easterly along the Southerly line of said parcel conveyed to the Second Savings and Loan Association of Cleveland and along the Westerly prolongation of the Northerly line of said Sublot No. 5 and along the Northerly line of said Sublot No. 5 a distance of about 235.11 feet to a point on the Westerly line of Belle Avenue, as aforesaid, and the place of beginning, be the same more or less but subject to all legal highways.

Community Health Care Center
Property Address: 1440 Belle Avenue

Situated in the City of Lakewood, County of Cuyahoga and State of Ohio and known as being the Northerly 43.50 feet of Sublot No. 10 in the Belle Allotment as shown by the recorded plat in Volume 41 of Maps, Page 23 of Cuyahoga County Records, and being 43.50 feet front on the Westerly side of Belle Avenue and extending back 162.07 feet on the Northerly line, about 162.18 feet on the Southerly line and having a rear line of 43.51 feet as appears by said plat, be the same more or less, but subject to all legal highways.

Community Health Care Center
Property Address: 1444 Belle Avenue

Situated in the City of Lakewood, County of Cuyahoga and State of Ohio and known as being all of Sublot No. 11 and the Southerly 1.50 feet of Sublot No. 10 in the Belle Avenue Allotment, of part of Original Rockport Township Section 22, as shown by the recorded plat of said Allotment in Volume 41, Page 23 of Cuyahoga County Map Records; said Sublot No. 11 and part of Sublot No. 10 together form a parcel of land having a frontage of 46-50/100 feet on the Northerly line, 162.31/100 feet on the Southerly line and having a rear line of about 46.52/100 feet as appears by said plat, be the same more or less, but subject to all legal highways.

Exhibit A - 17(2) -

Community Health Care Center
Property Address: 1450 Belle Avenue

Situated in the City of Lakewood, County of Cuyahoga and State of Ohio and known as being Sublot No. 12 in Belle Avenue Allotment of part of Original Rockport Township Section No. 22, as shown by the recorded plat in Volume 41 of Maps, Page 23 of Cuyahoga County Records, and being 45 feet front on the Westerly side of Belle Avenue and extending back 162.31 feet on the Northerly line, 162.44 feet on the Southerly line and having a rear line of 45.01 feet, as appears by said plat.

Community Health Care Center
Property Address: 1437 St. Charles Avenue

Situated in the City of Lakewood, County of Cuyahoga and State of Ohio and known as being Sublot No. 65 in the Onondaga Park Subdivision of part of Original Rockport Township Section No. 22 as shown by the recorded plat in Volume 68 of Maps, Page 34 of Cuyahoga County Records, and being a parcel of land 45 feet front on the Easterly side of St. Charles Avenue and extending back of equal width 145 feet as appears by said plat, be the same more or less, but subject to all legal highways.

Exhibit A - 17(4) -

EXHIBIT B

RESCUE SQUAD AND PARAMEDIC SERVICES

The Lessee shall operate the Rescue Squad and Paramedic Services ("Ambulance Services") for the residents of the City, using ambulances purchased by the City. The Lessee shall bill and use best efforts to collect from third party payors and other parties, when applicable and/or directed by the City. The City shall reimburse the Lessee the costs associated with providing Ambulance Services (the "Costs"). The Costs shall be offset by payments and reimbursement from other parties. The City has the right to direct the Lessee on the amount to charge for Ambulance Services.

The Costs associated with providing Ambulance Services shall be established using Medicare cost allocation principles, with the exception of depreciation expense related to building and ambulance vehicles which shall be excluded from Costs charged to the City.

The Lessee agrees to provide the City with budgeted Costs to be expended for the following year on or before November 1 of the prior year. The City agrees to reimburse the Lessee such budgeted Costs on a quarterly basis. The Lessee agrees to complete an annual reconciliation of actual and budgeted Costs on or before January 31 of the following year. Any adjusted Costs arising from the reconciliation shall be paid by the appropriate party on or before March 15. If the City fails to reimburse the Lessee on or before March 15, Lessee may deduct such Costs from its Additional Payments, pursuant to Section 3.2(a) of this Lease. However, if the City has notified the Lessee of specific disputed Costs, the Lessee shall not deduct these disputed Costs from its Additional Payments until such dispute is resolved by the parties.

The City shall have the right to conduct an annual independent audit of the Costs. The City shall be responsible for all costs associated with the performance of such audit.

The Lessee shall reimburse the City for the cost of the maintenance services of the ambulances provided by the City to the Lessee.

In consideration for the City paying the Costs of providing Ambulance Services to the City's residents, the Lessee shall not bill City residents for use of Ambulance Services to the extent such arrangement does not violate controlling Medicare Regulations. Such arrangement shall be controlling unless the Lessee receives further direction from the City. The Lessee and the City shall establish educational programs to promote cost-effective utilization of Ambulance Services by City residents.

The Lessee agrees that it shall not change the manner in which Ambulance Services are delivered without approval of the City.

EXISTING FACILITIES

INDEX

<u>Facility</u>	<u>Exhibit Page</u>
Lakewood Hospital.....	- 3(1-10)
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LAKEWOOD HOSPITAL

A WING

VOL. 97-02064 PAGE 40

BUILT: 1917

AREA: 18,007 SQUARE FEET

STRUCTURE: STEEL FRAME WITH CONCRETE PAN SLABS.

EXTERIOR: THE EXTERIOR WALLS ARE MADE UP OF BRICK AND CONCRETE MASONRY. THESE WALLS APPEAR TO BE BEARING WALLS.

ROOF: THE ROOF IS COMPRISED OF BUILT UP ROOFING MATERIALS.

INTERIOR FINISHES: THE INTERIOR WALLS ARE STRUCTURAL TILE COVERED WITH LATHE AND 3/4" PLASTER. THE FIRST FLOOR CORRIDOR IS COVERED WITH MAHOGONY VENEER. ALL OTHER AREAS ARE PAINTED.

BUILDING HEIGHTS:

GROUND FLOOR TO FIRST FLOOR	12'-6"
FIRST FLOOR TO SECOND FLOOR	11'-6"
SECOND FLOOR TO THIRD FLOOR	11'-6"
THIRD FLOOR TO FOURTH FLOOR	11'-6"
FOURTH FLOOR TO ROOF LEVEL	11'-6"
GROUND FLOOR TO ROOF LEVEL	58'-6"

BUILT: 1940 REMODELED 1972

AREA: 51,951 SQUARE FEET

STRUCTURE: THE MAIN STRUCTURE IS STEEL FRAME WITH CONCRETE PAN
SLABS COVERED WITH A TOPPING FOR A FLOOR THICKNESS OF
4 1/2". ADDITIONS OF FIVE FEET TO EACH SIDE IN 1972
ARE STEEL FRAMED WITH CONCRETE FLOORS ON FORM DECK.

EXTERIOR: THE ORIGINAL BRICK EXTERIOR WALLS WERE REMOVED DURING
THE REMODELING IN 1972. THE NEW EXTERIOR WALLS ARE
MADE UP OF PREFABBED METAL PANELS AND GLASS.

ROOF: THE ROOF IS COMPRISED OF BUILT UP ROOFING MATERIALS.

INTERIOR FINISHES: THE INTERIOR WALLS ARE STRUCTURAL TILE
COVERED WITH LATHE AND 3/4" PLASTER, THEN PAINTED OR
WALLCOVERED.

BUILDING HEIGHTS:	GROUND FLOOR TO FIRST FLOOR	12'-6"
	FIRST FLOOR TO SECOND FLOOR	11'-6"
	SECOND FLOOR TO THIRD FLOOR	11'-6"
	THIRD FLOOR TO FOURTH FLOOR	11'-6"
	FOURTH FLOOR TO ROOF LEVEL	11'-6"
	GROUND FLOOR TO ROOF LEVEL	58'-6"

C WING

BUILT: 1950 REMODELED 1972

VOL. 97-02064 PAGE 42

AREA: 49,153 SQUARE FEET

STRUCTURE: THE MAIN STRUCTURE IS STEEL FRAME WITH CONCRETE PAN
SLABS COVERED WITH A TOPPING FOR A FLOOR THICKNESS OF
4 1/2". ADDITIONS OF FIVE FEET TO EACH SIDE IN 1972
ARE STEEL FRAMED WITH CONCRETE FLOORS ON FORM DECK.

EXTERIOR: THE ORIGINAL BRICK EXTERIOR WALLS WERE REMOVED DURING
THE REMODELING IN 1972. THE NEW EXTERIOR WALLS ARE
MADE UP OF PREFABBED METAL PANELS AND GLASS.

ROOF: SINGLE PLY RUBBER MEMBRANE WITH 3" RIGID INSULATION.

INTERIOR FINISHES: THE INTERIOR WALLS ARE STRUCTURAL TILE
COVERED WITH LATHE AND 3/4" PLASTER, THEN PAINTED OR
WALLCOVERED.

BUILDING HEIGHTS:

GROUND FLOOR TO FIRST FLOOR	12'-6"
FIRST FLOOR TO SECOND FLOOR	11'-6"
SECOND FLOOR TO THIRD FLOOR	11'-6"
THIRD FLOOR TO FOURTH FLOOR	11'-6"
FOURTH FLOOR TO ROOF LEVEL	11'-6"
GROUND FLOOR TO ROOF LEVEL	58'-6"

BUILT: 1968

AREA: 52,713 SQUARE FEET

STRUCTURE: CONCRETE FRAME WITH CONCRETE PAN SLABS COVERED WITH A TOPPING GIVING A TOTAL FLOOR THICKNESS OF 4 INCHES.

EXTERIOR: THE EXTERIOR WALLS ARE BRICK AND EXPOSED CONCRETE.

ROOF: SIGNLE PLY RUBBER MEMBRANE WITH 3" RIGID INSULATION.

INTERIOR FINISHES: THE CORRIDOR WALLS ARE METAL STUDS COVERED WITH TWO LAYERS OF 1/2" GYPSUM BOARD. ALL OTHER WALLS ARE METAL STUDS COVERED WITH ONE LAYER OF 5/8" GYPSUM BOARD.
ALL STAIRWELLS AND ELEVATOR SHAFTS ARE 2 HOUR RATED MASONRY OR SHAFT WALL CONSTRUCTION.

BUILDING HEIGHTS:

GROUND FLOOR TO FIRST FLOOR	12'-6"
FIRST FLOOR TO SECOND FLOOR	11'-6"
SECOND FLOOR TO THIRD FLOOR	11'-6"
THIRD FLOOR TO FOURTH FLOOR	11'-6"
FOURTH FLOOR TO ROOF LEVEL	11'-6"
GROUND FLOOR TO ROOF LEVEL	58'-6"

E WING

BUILT: 1968

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AREA: 65.989 SQUARE FEET

STRUCTURE: CONCRETE FRAME WITH CONCRETE PAN SLABS COVERED WITH A TOPPING GIVING A TOTAL FLOOR THICKNESS OF 4 INCHES.

EXTERIOR: THE EXTERIOR WALLS ARE BRICK AND EXPOSED CONCRETE.

ROOF: SIGNLE PLY RUBBER MEMBRANE WITH 3" RIGID INSULATION.

INTERIOR FINISHES: THE CORRIDOR WALLS ARE METAL STUDS COVERED WITH TWO LAYERS OF 1/2" GYPSUM BOARD. ALL OTHER WALLS ARE METAL STUDS COVERED WITH ONE LAYER OF 5/8" GYPSUM BOARD. ALL STAIRWELLS AND ELEVATOR SHAFTS ARE 2 HOUR RATED MASONRY OR SHAFT WALL CONSTRUCTION.

BUILDING HEIGHTS:

GROUND FLOOR TO FIRST FLOOR	12'-6"
FIRST FLOOR TO SECOND FLOOR	11'-6"
SECOND FLOOR TO THIRD FLOOR	11'-6"
THIRD FLOOR TO FOURTH FLOOR	11'-6"
FOURTH FLOOR TO ROOF LEVEL	11'-6"
GROUND FLOOR TO ROOF LEVEL	58'-6"

BUILT: 1950 REMODELED 1972

AREA: 59,886 SQUARE FEET

STRUCTURE: THE MAIN STRUCTURE IS STEEL FRAME WITH CONCRETE PAN SLABS COVERED WITH A TOPPING FOR A FLOOR THICKNESS OF 4 1/2". ADDITIONS OF FIVE FEET TO EACH SIDE IN 1972 ARE STEEL FRAMED WITH CONCRETE FLOORS ON FORM DECK.

EXTERIOR: THE ORIGINAL BRICK EXTERIOR WALLS WERE REMOVED DURING THE REMODELING IN 1972. THE NEW EXTERIOR WALLS ARE MADE UP OF PREFABBED METAL PANELS AND GLASS.

ROOF: THE ROOF IS COMPRISED OF BUILT-UP ROOFING MATERIALS.

INTERIOR FINISHES: THE INTERIOR WALLS ARE STRUCTURAL TILE COVERED WITH LATHE AND 3/4" PLASTER, THEN PAINTED OR WALLCOVERED.

BUILDING HEIGHTS:	GROUND FLOOR TO FIRST FLOOR	12'-6"
	FIRST FLOOR TO SECOND FLOOR	11'-6"
	SECOND FLOOR TO THIRD FLOOR	11'-6"
	THIRD FLOOR TO FOURTH FLOOR	11'-6"
	FOURTH FLOOR TO ROOF LEVEL	11'-6"
	GROUND FLOOR TO ROOF LEVEL	58'-6"

AUDITORIUM

VOL. 97-02064 PAGE 46

BUILT: 1968

STRUCTURE: CONCRETE FRAME WITH CONCRETE PAN SLABS COVERED WITH A TOPPING GIVING A TOTAL FLOOR THICKNESS OF 4 INCHES.

EXTERIOR: THE EXTERIOR WALLS ARE PRECAST CONCRETE.

ROOF: THE ROOF IS COMPRISED OF BUILT UP ROOFING MATERIALS.

INTERIOR FINISHES: THE CORRIDOR WALLS ARE METAL STUDS COVERED WITH TWO LAYERS OF 1/2" GYPSUM BOARD. ALL OTHER WALLS ARE METAL STUDS COVERED WITH ONE LAYER OF 5/8" GYPSUM BOARD. ALL STAIRWELLS AND ELEVATOR SHAFTS ARE 2 HOUR RATED MASONRY OR SHAFT WALL CONSTRUCTION.

BUILDING HEIGHTS:

FIRST FLOOR TO ROOF LEVEL 11'-6"

BOILER HOUSE

VOL. 97-02064 PAGE 47

BUILT: 1940

STRUCTURE: STEEL FRAME WITH CONCRETE PANS.

EXTERIOR: BRICK AND CONCRETE MASONRY.

ROOF: THE ROOF IS COMPRISED OF BUILT UP ROOFING MATERIALS

INTERIOR FINISHES: PAINTED MASONRY.

BUILDING HEIGHTS: GROUND FLOOR TO ROOF LEVEL:

CHILLER BUILDING

BUILT: 1984

STRUCTURE: CAST IN PLACE CONCRETE.

EXTERIOR: BRICK AND CONCRETE MASONRY.

INTERIOR FINISHES: PAINTED MASONRY.

BUILDING HEIGHTS:

SUMP BOTTOM TO FIRST FLOOR	16'-8"
FIRST FLOOR TO SECOND FLOOR	11'-4"
SECOND FLOOR TO THIRD FLOOR	12'-0"
THIRD FLOOR TO ROOF LEVEL	11'-6"
SUMP BOTTOM TO ROOF LEVEL	51'-6"

ATRIUM

BUILT: 1984

STRUCTURE: STEEL FRAMING ON ROOF. 10" CONCRETE FLAT SLAB
CONSTRUCTION.

EXTERIOR: NONE

ROOF: SINGLE PLY RUBBER MEMBRANE WITH SKYLIGHTS.

INTERIOR FINISHES: EXPOSED MASONRY ALONG WITH 1/2" GYPSUM BOARD AND
METAL STUDS.

BUILDING HEIGHTS:

GROUND FLOOR TO FIRST FLOOR	12'-6"
FIRST FLOOR TO SECOND FLOOR	11'-6"
SECOND FLOOR TO THIRD FLOOR	11'-6"
THIRD FLOOR TO ROOF LEVEL	23'-0"
GROUND FLOOR TO ROOF LEVEL	58'-6"

LAKEWOOD HOSPITAL SOUTH PARKING GARAGE

Six (6) Levels, 630 Parking Spaces

A. Description of Garage

Lakewood Hospital parking garage, approximately 215' by 189', is located at the southwest corner of the intersection of Detroit Avenue and Belle Avenue in Lakewood, Ohio. The structure was built in two phases of construction. The first phase consisted of four levels of parking (one level on grade and three framed levels) and was completed in 1967. The second phase consisted of building one additional level (present roof level) over the top of then existing garage, and was completed in June 1975. There are four stair towers, one in each corner of the garage. Construction documents for both phases were prepared by Ramp Engineering Associates of Manhasset, New York.

The structural system for both phases consists of 9'-0" wide precast, prestressed single T-beams supported on precast concrete columns with haunches at the support points. Poured-in-place concrete topping reinforced with wire mesh, is provided over the top of precast single "T" units. At the turnaround areas topping slabs are designed as posttensioned slabs spanning between single T-beams. One expansion joint through the roof structure, running north and south, was provided at the newly added top level only (roof level of Phase II construction).

LAKEWOOD HOSPITAL PROFESSIONAL BUILDING

The subject site is currently improved with a seven story office building which has an enclosed pedestrian bridge to a neighboring, municipally owned, parking garage to the south.

This building is occupied by numerous doctors and medically related businesses. This is understandable due to the fact that Lakewood Hospital is immediately east (and across Belle Avenue) from the subject.

The structure occupies most of the site. There is, however, a paved driveway along the west and south side to accommodate a "drive in" banking facility. There is also a small front yard area which includes some landscaping components.

The description of these improvements in greater detail is as follows:

OFFICE BUILDINGEXTERIOR

Foundation:	Concrete reinforced walls, piers and footers
Foundation Area:	104 feet 2 inches by 104 feet 2 inches or 10,850 ⁺ square feet
Gross Floor Area:	86,805 ⁺ square feet
Roof:	Concrete roof deck with composition surface
Windows:	Metal casement fixed windows
Store Front:	Aluminum framed, plate glass windows and doors
Age:	Built in 1974-1975
Quality of Construction:	Good
Condition:	Good

INTERIOR

Floors:	Concrete slab floors
Floor Covering:	Vinyl tile or carpet in hallways and offices; tile in bathrooms
Walls:	Wood frame, drywall partitioned walls
Ceiling:	Acoustical, grid type, suspended panels

INTERIOR - cont.

Electrical Fixtures: Fluorescent light fixtures with rigid conduit wiring

Heating System: Gas fired hot water system which heats through a central, ducted system

Air Conditioning: Central system with zone controls

Sprinkler System: In rubbish storage room only

Elevators: There are three automatic, passenger elevators which have a capacity of 2,500 pounds each. All are situated in the center core of the building and one opens to the front and rear of the building.

Special Features:

- (1) There is a glass enclosed bridge which provides access from the subject's third story level to the parking garage to the south.
- (2) The penthouse includes a large generator which can produce electricity in emergency conditions.
- (3) The first floor bank suite includes a vault, a "drive in window" facility, etc.

Interior Condition: Good

Net Rentable Area: 70,776 square feet (7,700⁺ square feet in the basement is yet unfinished)

Story Height: Seven

Basement: Full (and partially finished)

FLOOR USAGE

BASEMENT:

Approximately 1,300 square feet is fully finished and is utilized for office purposes. The remainder is yet unfinished.

FIRST FLOOR:

This space is occupied by a branch bank and other retail orientated offices (travel agency, real estate, insurance, etc.).

SECOND THROUGH SEVENTH FLOOR

These office suites are generally occupied by doctors or medically orientated businesses. All of this space is fully "finished off".

MADISON SQUARE MEDICAL BUILDING
DESCRIPTION OF IMPROVEMENTS

The subject site is currently improved with a two story office building which is occupied by numerous doctors and medically related businesses.

The structure occupies the southwest segment of the site. The remainder of the land is generally covered with three asphalt paved, parking lots.

The description of these improvements in greater detail is as follows:

OFFICE BUILDING

EXTERIOR

Foundation:	Concrete reinforced walls, piers and footers.
Foundation Area:	150+ feet (east) by 110 feet (south) and 97 feet (north) or 15,525+ square feet.
Gross Floor Area:	46,120+ square feet (Including the english basement area).
Story Height:	Two.
Basement:	Full (fully finished for a bowling facility usage).
Walls:	Brick
Roof:	Steel roof deck with a built up surface. The roof is the original and is approximately 34 years old.
Windows:	Metal casement fixed windows (replaced in recent years).
Store Front:	Aluminum framed, plate glass windows and doors.

EXTERIOR - cont.

Skylights: There are some skylights in the roof to provide sunlight to interior second floor suites.

Age: Built in 1948.

Quality of Construction: Average to Good.

Condition: Average to Good.

INTERIOR

Floors: Concrete slab floors

Floor Covering: Vinyl tile or carpet in hallways and offices; tile in bathrooms; carpet and terrazo in bowling alley.

Walls: Wood frame, drywall partition walls and concrete block partition walls. The bowling alley has some wood paneling.

Ceiling: Acoustical, grid type, suspended panels.

Electrical Fixtures: Fluorescent light fixtures with rigid conduit wiring.

Heating System: Gas fired hot water system.

Air Conditioning: Nine, air conditioning units serving different areas of the building.

Elevators: There is one automatic, passenger elevator which is situated in the front of the building.

Interior Condition: Average to Good.

Exhibit C - 6 (2) -

FLOOR USAGE

BASEMENT:

This basement is fully finished and is utilized for a bowling alley usage. It includes 16 alleys, a "bar room", a pool table area, a seating area, two bathrooms with locker areas, etc.

FIRST FLOOR:

This space is occupied by a drug store (in the southwest area) and offices generally occupied by medical doctors and dentists.

SECOND FLOOR:

These office suites are generally occupied by doctors or medically orientated businesses. There are also two public bathrooms on this level.

LAND IMPROVEMENTS

The land improvements are comprised, for the most part of, three contiguous, surface, paved parking lots. Two parking lots front on (and are at grade with) Madison Avenue. The lot immediately east of the building accommodates 34 automobiles while the neighboring lot to the east accommodates 26 automobiles. These two lots have surfaces which are in "average" condition.

There is a large crack along the north side of the lot adjacent to the building. Reportedly the retaining wall will be replaced and the crack will be repaired prior to any sale. Therefore this lot is considered repaired as a condition of this valuation.

The third lot is north of the building and the larger parking lot. It is at grade with Hilliard Road and is approximately twelve (12) feet below the level of the previously mentioned lot. A metal staircase provides access from one lot to another. This north lot will accommodate 45 automobiles. Currently part of this lot's surface is being replaced and its condition is "average to good".

Total parking capacity: 105 automobiles.

COMMUNITY HEALTH CARE CENTER

The subject site is currently improved with a three story office building which is occupied by child and geriatric day care centers and physician offices.

The structure occupies the northeast segment of the site. The remainder of the land is covered with asphalt paved, parking lots, the most southeast segment of the site is a courtyard. There is a paved one way driveway exiting onto Belle Avenue to the north side of the structure, with outdoor parking to the north and west of the structure.

The description of these improvements in greater detail is as follows:

OFFICE BUILDINGEXTERIOR

Foundation:	concrete slab
Gross Floor Area:	34,938 square feet
Roof:	flat roof, metal deck, steel joist with composition surface
Story Height:	Three
Walls:	Brick
Skylights:	Glass skylights on the northeast corner of the building to provide light to the interior
Windows:	Metal casement fixed windows
Store Front:	Aluminum framed, plate glass windows and doors

Exhibit C - 7 (1) -

Age: Built in 1990, third floor tenant space
constructed in 1991

Quality of Construction: Good

Condition: Good

INTERIOR

Floor: poured concrete slab floors, steel joist

Floor covering: Vinyl tile or carpet in hallways and offices; tile in
bathrooms

Walls: plaster or drywall partitioned walls

Ceiling: Acoustical, grid type, suspended panels

Elevators: Two automatic passenger elevators situated in the
northeast portion of the building

Air Conditioning: Central

Interior Condition: Good

FLOOR USAGE

The areas used by hospital are restricted to Geriatric Assessment - at the west end of the second floor, Women's Health/OB - west/ central area of third floor. Other tenants are physician offices and child and geriatric day care centers that are licensed/inspected by the state.

First Floor: 11,818 square feet
Occupied by the Lakewood Hospital Child Day Care
Center

Second Floor:

11,468 square feet

Occupied by Lakewood Hospital Geriatric Assessment;
physician offices; Education Center Health Screening and
A New Day - Adult Day Care Center

Third Floor:

11,642 square feet

Occupied by Northcoast Women's Health, Inc.;
Lakewood Hospital Women's Health Center and
Women's Health physician offices

Exhibit C - 7 (3) -

RESIDENTIAL HOMES

The following properties are Residential Homes that Lessee has entered into Leasing Arrangements:

1458 Belle Avenue
1462 Belle Avenue
1466 Belle Avenue
1467 Belle Avenue
1476 Belle Avenue
1477 Belle Avenue
1483 Belle Avenue
1451 St. Charles Avenue
1461 St. Charles Avenue
1471 St. Charles Avenue

PAVED PARKING LOTS

The following properties are paved parking lots:

1463 Belle Avenue
1466 Marlowe Avenue

Exhibit C - 9 -

PAYMENT SCHEDULE

DATE	AMOUNT DUE	DATE	AMOUNT DUE	DATE	AMOUNT DUE
March 31, 1997	\$ 333,333	March 31, 2017	\$ 383,333	March 31, 2037	\$ 441,667
June 30, 1997	333,333	June 30, 2017	383,333	June 30, 2037	441,667
September 30, 1997	333,334	September 30, 2017	383,334	September 30, 2037	441,666
March 31, 1998	333,333	March 31, 2018	391,667	March 31, 2038	441,667
June 30, 1998	333,333	June 30, 2018	391,667	June 30, 2038	441,667
September 30, 1998	333,334	September 30, 2018	391,666	September 30, 2038	441,666
March 31, 1999	333,333	March 31, 2019	391,667	March 31, 2039	450,000
June 30, 1999	333,333	June 30, 2019	391,667	June 30, 2039	450,000
September 30, 1999	333,334	September 30, 2019	391,666	September 30, 2039	450,000
March 31, 2000	341,667	March 31, 2020	391,667	March 31, 2040	450,000
June 30, 2000	341,667	June 30, 2020	391,667	June 30, 2040	450,000
September 30, 2000	341,666	September 30, 2020	391,666	September 30, 2040	450,000
March 31, 2001	341,667	March 31, 2021	400,000	March 31, 2041	450,000
June 30, 2001	341,667	June 30, 2021	400,000	June 30, 2041	450,000
September 30, 2001	341,666	September 30, 2021	400,000	September 30, 2041	450,000
March 31, 2002	341,667	March 31, 2022	400,000	March 31, 2042	458,333
June 30, 2002	341,667	June 30, 2022	400,000	June 30, 2042	458,333
September 30, 2002	341,666	September 30, 2022	400,000	September 30, 2042	458,334
March 31, 2003	350,000	March 31, 2023	400,000	March 31, 2043	458,333
June 30, 2003	350,000	June 30, 2023	400,000	June 30, 2043	458,333
September 30, 2003	350,000	September 30, 2023	400,000	September 30, 2043	458,334
March 31, 2004	350,000	March 31, 2024	408,333	March 31, 2044	458,333
June 30, 2004	350,000	June 30, 2024	408,333	June 30, 2044	458,333
September 30, 2004	350,000	September 30, 2024	408,334	September 30, 2044	458,334
March 31, 2005	350,000	March 31, 2025	408,333	March 31, 2045	466,667
June 30, 2005	350,000	June 30, 2025	408,333	June 30, 2045	466,667
September 30, 2005	350,000	September 30, 2025	408,334	September 30, 2045	466,666
March 31, 2006	358,333	March 31, 2026	408,333	March 31, 2046	466,667
June 30, 2006	358,333	June 30, 2026	408,333	June 30, 2046	466,667
September 30, 2006	358,334	September 30, 2026	408,334	September 30, 2046	466,666
March 31, 2007	358,333	March 31, 2027	416,667	March 31, 2047	466,667
June 30, 2007	358,333	June 30, 2027	416,667	June 30, 2047	466,667
September 30, 2007	358,334	September 30, 2027	416,666	September 30, 2047	466,666
March 31, 2008	358,333	March 31, 2028	416,667	March 31, 2048	475,000
June 30, 2008	358,333	June 30, 2028	416,667	June 30, 2048	475,000
September 30, 2008	358,334	September 30, 2028	416,666	September 30, 2048	475,000
March 31, 2009	366,667	March 31, 2029	416,667	March 31, 2049	475,000
June 30, 2009	366,667	June 30, 2029	416,667	June 30, 2049	475,000
September 30, 2009	366,666	September 30, 2029	416,666	September 30, 2049	475,000
March 31, 2010	366,667	March 31, 2030	425,000	March 31, 2050	475,000
June 30, 2010	366,667	June 30, 2030	425,000	June 30, 2050	475,000
September 30, 2010	366,666	September 30, 2030	425,000	September 30, 2050	475,000
March 31, 2011	366,667	March 31, 2031	425,000	March 31, 2051	483,333
June 30, 2011	366,667	June 30, 2031	425,000	June 30, 2051	483,333
September 30, 2011	366,666	September 30, 2031	425,000	September 30, 2051	483,334
March 31, 2012	375,000	March 31, 2032	425,000	March 31, 2052	483,333
June 30, 2012	375,000	June 30, 2032	425,000	June 30, 2052	483,333
September 30, 2012	375,000	September 30, 2032	425,000	September 30, 2052	483,334
March 31, 2013	375,000	March 31, 2033	433,333	March 31, 2053	483,333
June 30, 2013	375,000	June 30, 2033	433,333	June 30, 2053	483,333
September 30, 2013	375,000	September 30, 2033	433,334	September 30, 2053	483,334
March 31, 2014	375,000	March 31, 2034	433,333	March 31, 2054	491,667
June 30, 2014	375,000	June 30, 2034	433,333	June 30, 2054	491,667
September 30, 2014	375,000	September 30, 2034	433,334	September 30, 2054	491,666
March 31, 2015	383,333	March 31, 2035	433,333	March 31, 2055	491,667
June 30, 2015	383,333	June 30, 2035	433,333	June 30, 2055	491,667
September 30, 2015	383,334	September 30, 2035	433,334	September 30, 2055	491,666
March 31, 2016	383,333	March 31, 2036	441,667	March 31, 2056	491,667
June 30, 2016	383,333	June 30, 2036	441,667	June 30, 2056	491,667
September 30, 2016	383,334	September 30, 2036	441,666	September 30, 2056	491,666
TOTAL					<u>\$74,250,000</u>

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