

LEASE AGREEMENT

LEASE TERMS

- A. Effective Date:** March 1, 2013
- B. (1) Landlord:** Schapen LLC
(2) Notice Address: 11610 N 1720 RD
Hollis, OK 73550
- C. (1) Tenant:** Mangum City Hospital
D.B.A Mangum Regional Medical Center
(2) Notice Address: One Wickersham Drive
Mangum, OK 73554
- D. Leased Premises:** Approximately 3004 square feet of Net Rentable Space located in the Office Building, hereinafter defined
- E. Lease Term:** The period commencing on the Commencement Date, and continuing for 60 calendar months thereafter, with one five year renewal option
- F. Commencement Date:** March 1, 2013
- G. Base Rental:** For the Lease Term, \$52.57 per Net Rentable Square Feet in the Leased Premises (or \$1750.00 per month)
- H. Permitted Use:** Medical office space and related uses, but for no other purpose

The foregoing Basic Lease Terms are hereby incorporated into and made a part of the Lease identified hereinabove. Each reference in the Lease to any of the information and definitions set forth in the Basic Lease Terms shall mean and refer to the information and definitions hereinabove set forth and shall be used in conjunction with and limited by all references thereto in the provisions of the Lease. In the event of any conflict between the Basic Lease Terms and the Lease, the Lease shall control.

For purposes of this Lease, "Net Rental Square Footage" is conclusively deemed by Landlord and Tenant to equal 3004 square feet based upon measurements determined in good faith by Landlord and approved by Tenant.

ARTICLE D.

RENT

D.1 Beginning on the Commencement Date, Tenant covenants and agrees to pay to Landlord in currency of the United States of America, without any demand, setoff or deduction whatsoever, the Base Rental in equal monthly installments in advance on the first day of each month during the Lease Term. Installments of rent shall be paid to Landlord at the address specified in this Lease or elsewhere as designated from time to time by written notice from Landlord to Tenant.

D.2. The term "additional rent" shall mean all charges and amounts due from Tenant to Landlord under the Lease, other than Base Rental. The term "rent" shall mean Base Rental and additional rent. Notwithstanding anything contained in this Lease to the contrary, all amounts payable by Tenant to Landlord under this Lease, whether or not expressly denominated as rent, shall constitute rent for the purpose of Section 502(b) (7) (or comparable provision of any future bankruptcy law) of the Federal Bankruptcy Code, 11 U.S.C. Sections 101 et seq. (the Federal Bankruptcy Code and any successor or similar statute now or hereafter enacted are hereinafter call the "Bankruptcy Code").

D.3. In the event a monthly installment of rent is not paid within ten (10) days after it is due and payable as set forth in this Article D, Tenant agrees to pay as additional rent a late payment charge in an amount equal to five percent (5%) of such monthly installment of rent, in addition to the monthly installment of rent that is due and payable.

ARTICLE E.

REPAIRS, MAINTENANCE, AND INSURANCE REQUIREMENTS

E.1 Landlord shall, at all times, keep, replace, and maintain in good condition, order, and repair: (i) all portions of the Office Building, (ii) all portions of the ceilings, roof, roof structures and supports, (iii) all structural portions of the Office Building, including, without limitation, the foundation and structural supports, exterior and load bearing walls, floors, gutters, downspouts, and exterior doors.

E.2 Tenant shall obtain all utilities for the Office Building, including, but not limited to, the cost of water and power, heating, lighting, air conditioning, and ventilating for the Office Building. Tenant shall be responsible for obtaining and all costs of all routine maintenance, janitorial, and service agreements for the Office Building, including, but not limited to, alarm service, exterior window cleaning, security service, traffic control, and janitorial service. Tenant shall promptly pay all taxes, assessments, and other governmental charges, whether federal, state, county, or municipal whether they be by taxing districts or authorities presently taxing the Office Building or by other, subsequently created or otherwise, and any other taxes and assessments attributable to the Office Building. Landlord shall obtain and promptly pay for all insurance relating to the Office Building, including, but not limited to, the cost of fire and

extended coverage insurance, rental loss or abatement insurance, casualty and liability insurance applicable to the Office Building. Tenant shall reimburse Landlord for the actual cost of said insurance on a monthly basis. Tenant shall obtain and promptly pay for all insurance related to Tenant's personal property used in connection therewith.

E.3 Notwithstanding anything to the contrary contained in this Lease, Tenant shall, prior to delinquency, pay the full amount of all taxes and assessments imposed by any governmental authority or other taxing authority upon Tenant's leasehold interest under this Lease and all alterations, additions, fixtures (including, without limitation, removable trade fixtures), inventory, and other property installed or placed or permitted at the Leased Premises by Tenant. Within thirty (30) days after notice from Landlord, Tenant shall furnish Landlord a true copy of receipts evidencing such payment received by Tenant from the governmental authority or other taxing authority assessing such charges.

E.4 Notwithstanding anything to the contrary contained in this Lease, Tenant shall maintain, at its sole cost and expense, "all risk" property insurance insuring the Office Building and all real property associated therewith in amounts equal to one-hundred percent (100%) of the full replacement cost thereof and so as to prevent the application of co-insurance provisions. Tenant shall also maintain commercial general liability insurance on an occurrence basis with a minimum limit of liability in the amount of \$2,000,000. Except as expressly provided herein, the limited of such insurance shall not limit the liability of Tenant hereunder. Tenant's insurance for bodily injury liability and property shall include the following coverages: (i) premises/operations, (ii) independent contractors, (iii) broad form contractual liability specifically in support of, but not limited to, the indemnity section of this Lease, (iv) broad form property damage, and (v) personal injury liability with employee and contractual exclusion removed. Tenant's insurance shall name Landlord (and its mortgagee, if any) as additional insureds as respects their insurable interests. Tenant shall at all times during the Lease Term, at Tenant's sole cost and expense, procure and continue in force workers' compensation insurance in form and amounts as shall be required by applicable law. Tenant shall at all times during the term be responsible for all plate glass and Tenant's inventory, equipment, furniture, fixtures, and other personal property on the Leased Premises.

E.5 Tenant covenants to keep the Leased Premises in good condition and not to permit same to become unsanitary or unhealthful. Tenant also agrees to surrender to Landlord immediate possession of the Leased Premises and all keys thereto at the expiration of this Lease by lapse of time or otherwise; the Leased Premises as so surrendered to be in as good condition as when received, ordinary wear and tear excepted.

ARTICLE F.

PARKING

Landlord agrees to provide at no charge the existing non-exclusive parking spaces for the Tenant and its physicians, employees and patients. Landlord reserves the right to require Tenant's employees to park in areas designated by Landlord at Landlord's discretion.

ARTICLE G.

ASSIGNMENT AND SUBLETTING

Tenant will not without Landlord's prior written consent assign this Lease, or allow the same to be assigned by operation of law or otherwise, or sublet the Leased Premises, or any part thereof, or use or permit the same to be used for any purpose than stated in the use clause hereof, or make or allow to be made any alterations or physical additions in or to the Leased Premises.

ARTICLE H.

ALTERATIONS, IMPROVEMENTS AND SIGNAGE

In all instances of Tenant improvement construction, the Landlord reserves the right to prescribe that such improvements shall be the same as or shall conform with building standard items, materials and types of construction. Any and all such alterations, physical additions, or improvements, when made to the Leased Premises by Tenant, shall become the property of Landlord and at Landlord's option shall be surrendered to Landlord upon the termination in any manner of this Lease, but this clause shall not apply to moveable fixtures or furniture of Tenant. Any such moveable fixtures or furniture removed by Tenant shall be done in such a manner as to prevent any physical damage to the Leased Premises so long as no Event of Default (as hereinafter defined) exists at the time of such removal. Any and all such alterations, physical additions or improvements shall be constructed by a contractor and workmen approved by Landlord. Tenant shall keep the Leased Premises free from any and all material-men's or mechanics' liens or affidavits claiming liens or similar claims arising out of any act or omission of Tenant or any work performed, materials furnished, or obligations incurred by Tenant or Tenant's contractor. Tenant agrees to defend, indemnify and hold Landlord, its successors and assigns harmless from and against any such lien or claim or action thereon, together with the costs of the suit and attorneys' fees incurred by Landlord in connection with any such claim or actions. Tenant shall discharge and remove by payment, bonding or otherwise any liens or claims promptly, but in no event less than ten (10) days after notice from Landlord, in order that Landlord's title to any and all parts of the Leased Premises shall be free of and from the effect of such liens or claims. Tenant acknowledges that the Americans With Disabilities Act of 1990 (as amended and supplemented by further laws from time to time, the "ADA") imposes certain requirements upon the owners, tenants and operators of commercial facilities and places of public accommodation, including without limitation prohibitions against discrimination against any individual on the basis of disability. Accordingly, but without limiting the generality of and in addition to all other requirements under and notwithstanding any other provision of this Lease, Tenant agrees that any construction required to cause the Leased Premises to be maintained, used and occupied in compliance with the ADA shall be performed by Tenant at Tenant's sole cost and expense. Tenant shall have the right to install reasonable signage associated with the operation and marketing of the clinic. Landlord shall have the right to review and approve any signage larger than 24" inches by 36" inches. Such approval shall not be unreasonable withheld.

ARTICLE I.

INDEMNITY LIABILITY

Tenant will indemnify, and save harmless, Landlord of and from any and all fines, suits, claims, demands, and actions of any kind by reason of breach, violation, or non-performance of any condition hereof on the part of Tenant, its agents or employees. Landlord shall not be liable to Tenant, Tenant's agents, employees, invitees or visitors for any damage to persons or property due to condition, design, or defect in the Leased Premises. Tenant agrees to hold harmless and to indemnify Landlord, its members, partners, officers, directors, shareholders,

employees, agents, lenders and representatives, or any of them, and each and all of them, and the successors and assigns of each and all of them (collectively, Landlord and all such other parties are referred to herein as the "Indemnitees"), from and against any and all claims arising from injury to persons, loss of life, or damage to property occurring in or about the Office Building, and from and against any and all costs, expenses and liabilities (including without limitation commercially reasonable attorneys' fees) incurred by Indemnitees or any of them in connection with any such claim or proceeding based thereon, to the extent such injury to persons, loss of life or damage to property arises out of the negligence, willful misconduct or failure to act of Tenant, or any of its officers, employees, agents, contractors, licensees, or any visitors, guests or invitees of Tenant while in or about the Office Building. Tenant shall also indemnify, defend and hold Indemnitees harmless from any liability, cost, or expense arising from Tenant's use or storage in the Leased Premises of any Hazardous Substance. The provisions of this Article I shall survive the termination of this Lease for any event or claim occurring or accruing prior to such termination.

ARTICLE J.

LAWS AND REGULATIONS

Tenant will comply with all laws, ordinances, orders, rules and regulations (including, without limitation, those of any state, federal, municipal and other agencies or bodies having any jurisdiction thereof) with reference to use, conditions or occupancy of the Leased Premises.

ARTICLE K.

LEGAL USE

K.1. Tenant will not occupy or use, or permit any portion of the Leased Premises to be occupied or used, for any business or purpose which is unlawful in part or in whole or deemed to be disreputable in any manner, or extra hazardous on account of fire.

K.2. Tenant shall not itself, or permit or suffer persons acting under Tenant to, either with or without negligence, injure, overload, deface, damage or otherwise harm the Office Building or any other part of the Property, the Premises, or any part or component thereof; commit any nuisance; permit the emission, discharge, release or other escape of any Hazardous Materials (as defined below) as to impregnate, impair or in any manner affect, even temporarily, any element or part of the Premises or the property or person of others, or allow the storage, generation, disposal or use of such materials (collectively "Hazardous Materials Activities"); nor shall Tenant permit to be brought onto the Premises any such materials (except for normal and customary quantities for the Permitted Uses and in compliance with all Environmental Laws, as defined below); permit any noise, vibration or odors to emanate beyond the Premises; or permit any waste whatsoever to Landlord's property or the Premises. Landlord may inspect the Premises from time to time, and Tenant will cooperate with such inspections. If required by any mortgagee or governmental agency or if Landlord has reason to believe a release may have occurred or a threat of release exists on or about the Premises due to Tenant's acts or omissions or if Tenant's Hazardous Materials Activities do not conform to all Environmental Laws, then Landlord may, but need not, perform appropriate testing in a commercially reasonable manner, and the reasonable costs thereof shall be reimbursed to Landlord by Tenant upon demand as additional rent. In all events, and without limitation, Tenant shall indemnify the Indemnitees in the manner elsewhere provided in this Lease with

respect to Hazardous Materials introduced by Tenant or any person acting under Tenant and Hazardous Materials Activities by Tenant or any person acting under Tenant in the Premises or on the Property whether or not consented to by Landlord or otherwise lawful. The covenants of this Section shall survive the expiration or earlier termination of the Term.

K.3. "Environmental Law(s)" means all statutes, laws, rules, regulations, codes, ordinances, standards, guidelines, authorizations and orders of federal, state and local public authorities pertaining to any of the Hazardous Materials or to environmental compliance, contamination, cleanup or disclosures of any release or threat of release to the environment, of any hazardous or toxic substances, wastes or materials, any pollutants or contaminants which are included under or regulated by any municipal, county, state or federal statutes, laws, rules, regulations, codes, ordinances, standards, guidelines, authorizations or orders, including, without limitation, the Toxic Substances Control Act, 15 U.S.C. § 2601, et seq.; the Clean Water Act, 33 U.S.C. § 1251, et seq.; the Clean Air Act, 42 U.S.C. § 7401, et seq.; the Safe Drinking Water Act, 42 U.S.C. § 300f-300j, et seq.; the Federal Water Pollution Control Act, 33 U.S.C. § 1321, et seq.; the Solid Waste Disposal Act, 42 U.S.C. § 6901, et seq.; the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. Section 9601 et seq.; the Federal Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq.; the Superfund Amendments and Reauthorization Act of 1986, Public Law No. 99-499 (signed into law October 17, 1986); M.G.L. c.21C; and oil and Hazardous Materials as defined in M.G.L. c.21E, as any of the same are from time to time amended, and the rules and regulations promulgated thereunder, and any judicial or administrative interpretation thereof, including any judicial or administrative orders or judgments, and all other federal, state and local statutes, laws, rules, regulations, codes, ordinances, standards, guidelines, authorizations and orders regulating the generation, storage, containment or disposal of any Hazardous Materials, including but not limited to those relating to lead paint, radon gas, asbestos, storage and disposal of oil and hazardous wastes, substances and materials, and underground and above-ground oil storage tanks; and any amendments, modifications or supplements of any of the foregoing.

K.4. "Hazardous Materials" means, but shall not be limited to, any hazardous substances, hazardous waste, environmental substances, oil, petroleum products and any waste or substance, which because of its quantitative concentration, chemical, biological, radioactive, flammable, explosive, infectious or other characteristics, constitutes or may reasonably be expected to constitute or contribute to a danger or hazard to public health, safety or welfare or to the environment, including without limitation any asbestos (whether or not friable) and any asbestos-containing materials, lead paint, waste oils, solvents and chlorinated oils, polychlorinated biphenyls (PCBs), toxic metals, etchants, pickling and plating wastes, explosives, reactive metals and compounds, pesticides, herbicides, radon gas, urea formaldehyde foam insulation and chemical, biological (including medical) and radioactive wastes, or any other similar materials which are mentioned under or regulated by any Environmental Law; and the regulations adopted under these acts, and including any other products or materials subsequently found by an authority of competent jurisdiction to have adverse effects on the environment or the health and safety of persons.

If Tenant's transportation, storage, use or disposal of Hazardous Materials on the Property results in the contamination of the soil or surface or ground water or loss or damage to person(s) or property, Tenant agrees to: (a) notify Landlord immediately of any release, threat of release, contamination, claim of contamination, loss or damage; (b) after consultation with Landlord, clean up the release, threat of release, or contamination in full compliance with all

applicable statutes, regulations and standards, and (c) indemnify, defend and hold Landlord and the Indemnitees harmless from and against any claims, suits, causes of action, costs and fees, including attorneys' fees and costs, arising from or connected with any such release, threat of release, contamination, claim of contamination, loss or damage. In the event of such contamination, Tenant agrees to cooperate fully with Landlord and provide such documents, affidavits and information as may be requested by Landlord (1) to comply with any Environmental Law, (2) to comply with the reasonable request of any lender, purchaser or tenant, and/or (3) for any other reasonable reason deemed necessary by Landlord. Tenant shall notify Landlord promptly in the event of any spill or other release of any Hazardous Materials at, in, on, under or about the Premises which is required to be reported to a governmental authority under any Environmental Law, shall promptly forward to Landlord copies of any notices received by Tenant relating to alleged violations of any Environmental Law and shall promptly pay when due any fine or assessment against Landlord, Tenant, or the Premises relating to any violation during the Term of any Environmental Law by Tenant, its employees, agents, independent contractors, or invitees or with respect to the Premises or Property. If any governmental authority files a lien against the Premises due to any act or omission, intentional or unintentional, of Tenant, its agents, employees, or invitees, or for which Tenant is responsible, resulting in the releasing, spilling, leaking, leaching, pumping, emitting, pouring, emptying or dumping of any Hazardous Materials, Tenant shall, within thirty (30) days from the date that Tenant is first given notice of such lien (or within such shorter period of time as may be specified by Landlord if such governmental authority takes steps to cause the Premises to be sold pursuant to such lien) either (A) pay the claim and remove the lien or (B) furnish a cash deposit, bond or such other security as is satisfactory in all respects to Landlord and sufficient to discharge the lien completely.

ARTICLE L

RULES AND OPERATIONAL POLICIES OF BUILDING

Tenant and Tenant's agents, employees, invitees and visitors will comply fully with all requirements of the rules and operational policies of the building which are as reasonably promulgated from time to time by Landlord. Landlord shall at all times have the right to change such rules and operational policies or to amend them in any reasonable manner as may be deemed advisable by Landlord for safety, care and cleanliness of the Leased Premises and for preservation of good order therein, all of which changes and amendments will be sent by Landlord to Tenant in writing and thereafter shall be carried out and observed by Tenant.

ARTICLE M.

ENTRY AND INSPECTION

Tenant will permit Landlord or its officers, agents or representatives the right to enter into and upon any and all parts of the Leased Premises, at all reasonable hours, to inspect same or clean or make repairs or alterations, or additions as Landlord may deem necessary or desirable, and Tenant shall not be entitled to any abatement or reduction of rent by reason thereof.

ARTICLE N.

TENANT'S RISK

All personal property of Tenant, his employees and invitees shall remain in said Leased Premises at the sole risk of the owners thereof, and Landlord shall not be liable for burglary, theft, sabotage, loss, or other causes including accidents and accidental breakage. Tenant shall replace all broken glass appurtenant to said Leased Premises unless employees of Landlord shall have broken the same. Landlord shall not be liable for any losses to Tenant, his employees and invitees due to fire, windstorm, hail, water, explosion, aircraft or other means of locomotion, leaking gas, other physical causes, or to civil commotion, riot, insurrection, rebellion, or war. Tenant shall maintain all appliances installed by Tenant in said Leased Premises so that the same will not cause damage to the building or other tenants therein.

Tenant accepts the Leased Premises as suitable for the purposes for which same are leased, and accepts the Office Building and each and every appurtenance thereof and waives visible defects therein.

ARTICLE O.

HOLDING OVER

No holding over by Tenant after the term of this Lease, either with or without consent and acquiescence of Landlord, shall operate to extend the Lease for a longer period than one month; and any holding over with the consent of Landlord in writing shall thereafter constitute this a lease from month to month at 150% of the monthly rent.

ARTICLE P.

DEFAULT BY TENANT

P.1. The following events shall constitute events of default under this Lease (each separately constituting an "Event of Default"):

A. The failure, refusal or neglect by Tenant to pay any installment of rent or make any other payment required to be made by Tenant hereunder as and when due, and such failure, refusal or neglect shall continue for a period of ten (10) days after delivery of written notice to Tenant of same, which notice shall be in lieu of and not in addition to any notice required by law, provided that if Tenant has failed, refused or neglected two (2) or more times in any twelve (12) consecutive calendar month period to pay any rent or other sum when due and notice of same has been given by Landlord in each instance, no notice shall be required after such second notice until the expiration of twelve (12) full calendar months in which all rent and other sums payable under this Lease have been paid on or before the date due;

B. The failure, refusal or neglect by Tenant to observe or perform any other term, provision or covenant of this Lease to be observed or performed by Tenant within thirty (30) days after delivery of written notice thereof to Tenant, which notice shall be in lieu of and not in addition to any notice required by law, or if such performance cannot be completed within such thirty (30) day period, if Tenant shall not in good faith have commenced such performance within such thirty (30) day period and diligently and continuously proceeded therewith to completion; provided, however, that if Tenant has defaulted in the performance of the same obligation two (2) or more times in any twelve (12) consecutive calendar month period and notice of same has been given by Landlord in each instance, no notice shall be required after such second notice until the expiration of twelve (12) full calendar months without the occurrence of any Event of Default.

C. The filing of an involuntary petition against Tenant, under the Bankruptcy Code or any other state or federal law relating to bankruptcy or insolvency that is not dismissed within ninety (90) days after being filed or the making or entry of a decree or order by a court or determination by any regulatory or governmental agency, if any, having jurisdiction over Tenant (i) that Tenant is bankrupt or insolvent, (ii) approving as properly filed a petition seeking reorganization of Tenant under the Bankruptcy Code or any other state or federal law relating to bankruptcy or insolvency, (iii) appointing a receiver or liquidator or trustee in bankruptcy or insolvency of Tenant or of its property or any substantial portion of its property, or (iv) the winding up or liquidation of the affairs of Tenant.

D. If Tenant shall (i) institute proceedings to be adjudged a voluntary bankrupt, (ii) consent to the filing of a bankruptcy proceeding against it, (iii) file a petition or answer or consent seeking liquidation, reorganization or readjustment under the Bankruptcy Code or any other state or federal law, or otherwise invoke any law for the aid of debtors, or consent to the filing of any such petition, (iv) consent to the appointment of a receiver or liquidator or trustee in bankruptcy or insolvency of it or of its property or any substantial portion of its property, (v) make an assignment for the benefit of the creditors, (vi) admit in writing its inability to pay its debts generally as they become due, (vii) take any corporate action in furtherance of any of the aforesaid purposes, or (viii) be unable to meet current obligations as they mature, even though its assets may greatly exceed its liabilities.

P.2 On occurrence of any Event of Default by Tenant, Landlord, in addition to any other rights and remedies provided herein or by law, may terminate this Lease or terminate Tenant's right to possess the Leased Premises and exercise remedies relating to it without further notice or demand in accordance with the following provisions:

A. So long as the Event of Default remains uncured, Landlord shall have the right to give notice of termination to Tenant, and on the date specified in this notice, this Lease shall terminate.

B. If this Lease is terminated Tenant's right to possess the Leased Premises is terminated, Landlord, by judicial process, may reenter the Premises, remove all persons and property, and repossess and enjoy the Premises, all without prejudice to other remedies that Landlord may have because of Tenant's Event of Default or the termination of this Lease.

C. If this Lease is terminated, Landlord shall have all of the rights and remedies of a landlord provided by Texas Property Code, in addition to any other rights and remedies Landlord may have. The damages which Landlord may recover shall include, without limitation:

(i) The worth at the time of award of any unpaid rent which had been earned at the time of such termination; plus

(ii) The worth at the time of award of the amount by which the unpaid rent that would have been earned after termination until the time of award exceeds the amount of such rental loss Tenant proves could have been reasonably avoided; plus

(iii) The worth at the time of award of the amount by which the unpaid rent for the balance of the Term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided; plus

(iv) Any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of events would be likely to result therefrom; and

(v) At Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by the laws of the State of Texas.

As used in clauses (i) and (ii) of this Section P.2 C, the "worth at the time of award" is computed by allowing interest at the lower of eighteen percent (18%) per annum or the highest rate then permitted by law. As used in clause (iii) of this Section P.2 C, the "worth at the time of the award" is computed by discounting such amount at the discount rate of the Federal Reserve Bank of Dallas at the time of award plus two percent (2%).

P.3 Landlord may continue this Lease in effect after Tenant's breach and abandonment and recover rent as it becomes due if Tenant has the right to sublet or assign, subject only to reasonable limitations. Even though one (1) or more Events of Default exist and Tenant has abandoned the Premises, this Lease shall continue in effect for so long as Landlord does not terminate this Lease or Tenant's right to possession, and Landlord may enforce all rights and remedies under this Lease, including the right to recover the rent as it becomes due under this Lease. No acts by Landlord to maintain, preserve or relet the Premises, or to appoint a receiver to protect Landlord's interest under this Lease, or to remove property of Tenant or store such property at a public warehouse or elsewhere at the cost of and for the account of Tenant, or otherwise shall constitute an election to terminate this Lease or Tenant's right of possession unless written notice of such intention is given to Tenant. During the period any Event of Default remains uncured, Landlord may enter the Premises and relet it, or any part thereof, to third parties for Tenant's account. Reletting can be for a period shorter or longer than the remaining Term. Tenant shall pay to Landlord the rent due under this Lease on the dates the rent is due, less the rent Landlord receives from any reletting. If Landlord relets the Premises as provided in this Section P.3, rent that Landlord receives from reletting shall be applied to the payment of: (i) first, any indebtedness from Tenant to Landlord other than rent due from Tenant; (ii) second, all costs and expenses incurred by Landlord in reletting, including, but not limited to, maintenance and remodeling costs and brokers' commissions; and (iii) finally, rent due and unpaid under this Lease. After deducting the payments referred to in this Section P.3, any sum remaining from the rent Landlord receives from reletting shall be held by Landlord and applied in payment of future rent as rent becomes due under this Lease. If, on the date rent is due under this Lease, the rent received from the reletting and applied to rent due is less than the rent due on that date, Tenant shall pay to Landlord the remaining rent due.

P.4 Other Relief

A. The remedies provided in this Lease are in addition to any other remedies available to Landlord at law, in equity, by statute, or otherwise.

B. Efforts by Landlord to mitigate the damages cause by an Event of Default shall not constitute a waiver of Landlord's right to recover damages hereunder.

C. Nothing in this Lease shall limit or prejudice the right of Landlord to prove or obtain as liquidated damages in any bankruptcy, insolvency, receivership, reorganization or dissolution proceeding an amount equal to the maximum allowed by a statute or rule of law governing such proceedings and in effect at the time when such damages are to be proved,

whether or not such amount be greater or less than or equal to the amount of the damages referred to in any of the preceding sections.

D. No waiver by Landlord of any Event of Default shall be deemed or construed to constitute a waiver of any other or later Event of Default. Forbearance by Landlord in enforcement of one (1) or more of the remedies herein provided upon an Event of Default shall not be deemed or construed to constitute a waiver of such Event of Default. The acceptance of any rent hereunder by Landlord following the occurrence of any Event of Default, whether or not known to Landlord, shall not be deemed a waiver of any such Event of Default, except only an Event of Default in the payment of the rent so accepted. **NO ACCEPTANCE BY LANDLORD OF A LESSER SUM THAN THE RENT THEN DUE SHALL BE DEEMED TO BE OTHER THAN ON ACCOUNT OF THE EARLIEST INSTALLMENT OF SUCH RENT DUE, NOR SHALL ANY ENDORSEMENT OR STATEMENT ON ANY CHECK OR ANY LETTER ACCOMPANYING ANY CHECK OR PAYMENT AS RENT BE DEEMED AN ACCORD AND SATISFACTION, AND LANDLORD MAY ACCEPT SUCH CHECK OR PAYMENT WITHOUT PREJUDICE TO LANDLORD'S RIGHT TO RECOVER THE BALANCE OF SUCH INSTALLMENT OR PURSUE ANY OTHER REMEDY PROVIDED IN THIS LEASE. THE DELIVERY OF KEYS TO ANY EMPLOYEE OF LANDLORD OR TO LANDLORD'S AGENT OR ANY EMPLOYEE THEREOF SHALL NOT OPERATE AS A TERMINATION OF THIS LEASE OR A SURRENDER OF THE PREMISES. ANY SURRENDER MUST BE AGREED TO IN WRITING BY LANDLORD AND TENANT.**

P.5 If Tenant (a) fails to pay any sum of money, other than rent, required under this Lease, or (b) fails to perform any other act under this Lease, and this failure continues for thirty (30) days after notice of the failure by Landlord, or a longer period as may be allowed under this Lease, Landlord may, without waiving or releasing Tenant from any obligations of Tenant, make payment or perform other acts required by this Lease on Tenant's behalf. All sums paid by Landlord and all necessary incidental costs shall be payable to Landlord on demand and shall constitute rent under this Lease.

ARTICLE Q.

FIRE CLAUSE/DAMAGE TO STRUCTURE

If damage by fire or otherwise to the building be caused, Landlord shall have repairs made with reasonable diligence, and in case the damage is such that the Leased Premises or any particular portion therein cannot be occupied while being repaired, a proportionate rental reduction shall be allowed for the period during which the particular part of the premises cannot be occupied.

If destruction of such magnitude occurs to the Leased Premises from any cause that Landlord decides not to or cannot repair said damage in a reasonable time after such damage is done to said building, then this Lease shall terminate and the unmaturred rent shall be canceled and any unearned portion of paid rental shall be refunded; but in any such case, Tenant shall not be entitled to any part of the proceeds of any policies of insurance carried upon the premises by Landlord.

ARTICLE R.

TRANSFER OF LANDLORD'S INTERESTS

Landlord shall have the right to transfer and assign, in whole or in part, all and every feature of its rights and obligations hereunder and in building and property referred to herein. Such transfers or assignments may be made either to a corporation, trust, company, individual or group of individuals, and howsoever made, are to be in all things acknowledged and followed by Tenant. In the event of the transfer and assignment by Landlord of its interest in the Office Building, Landlord shall thereby be released from any subsequent obligations hereunder, and Tenant agrees to look solely to such successor in interest of Landlord for the performance of such obligations.

ARTICLE S.

WAIVER

Failure of Landlord to declare any Event of Default immediately upon occurrence thereof or delay in taking any action in connection therewith shall not waive such Event of Default nor any future Events of Default, but Landlord shall have the right to declare any such Event of Default at any time and take such action as might be lawful or authorized hereunder, either in law or in equity.

ARTICLE T.

ASSIGNMENT BY LANDLORD

This Lease shall inure to the benefit of the successors and assigns of Landlord and, with the written consent of Landlord had and obtained, but not otherwise, to the benefits of the heirs, executors and/or administrators, successors and assigns of Tenant.

ARTICLE U.

SALES TAX

In the event that a sales tax or use tax is levied by any Governmental authority upon the rental to be paid by the Tenant herein or for the use of the Leased Premises by the Tenant, then Tenant agrees to pay such sales tax and use tax to the Landlord, as an additional consideration and rent for the use and occupancy of the Leased Premises and to make such payments monthly, on a prorated basis.

ARTICLE V.

WAIVER OF SUBROGATION

Each party hereby waives any and every claim which may arise in its favor and against the other party hereto during the term of this Lease or any extension or renewal thereof for any or all loss of, or damage to, any of its property which loss or damage is covered by valid and collectible fire and extended coverage insurance policies, to the extent that such loss or damage is recovered under said insurance policies. Said waivers shall be in addition to, and not in limitation or derogation of, any other waiver or release contained in this Lease with respect to

any loss or damage to property of the parties hereto. Inasmuch as the above mutual waivers will preclude the assignment of any claim by way of subrogation (or otherwise) to an insurance company (or any other person), each party hereto hereby agrees immediately to give to each insurance company which has issued to it policies of fire and extended coverage insurance written notice of the terms of said mutual waivers, and to have said insurance policies properly endorsed, if necessary, to prevent the invalidation of said insurance coverage by reason of said waivers.

ARTICLE W.

GOVERNING LAW

This Lease shall be interpreted in accordance with and governed by the laws of the State of Texas. The parties hereto expressly agree and acknowledge that Milam County, Texas is the proper venue for the resolution of any dispute(s) arising from either the terms of this Lease and/or the relationship between the Landlord and Tenant. The language in all parts of this Agreement shall be, in all cases construed according to its fair meaning and not strictly for or against either of the parties.

ARTICLE X.

SUBORDINATION AND NON-DISTURBANCE AGREEMENT

This Lease is subject and subordinate to all ground or underlying leases, mortgages and deeds of trust which now affect the Office Building or any part thereof, or Landlord's interest or estate therein, or portion thereof, or which affect the ground or underlying leases, if any, and to all renewals, modifications, consolidations, replacements and extensions thereof. This Lease, at the option of Landlord, may be made subordinate to any ground or underlying leases, mortgages, or deeds of trust which may hereafter affect the Office Building or any part thereof, or affect the ground or underlying leases; provided that Landlord delivers to Tenant a nondisturbance and attornment agreement on the lender's or lessor's standard form providing that Tenant's right to quiet possession of the Leased Premises shall not be disturbed so long as Tenant shall pay the rent and observe and perform all of the provisions of this Lease, unless this Lease is terminated pursuant to specific provisions contained herein. Tenant or Tenant's successors in interest, will execute and deliver upon the demand of Landlord, and in no event more than ten (10) days following the demand of Landlord, any and all instruments desired by Landlord subordinating in the manner requested by Landlord, this Lease to such lease or deed of trust. Landlord is hereby irrevocably appointed and authorized as agent and attorney-in-fact of Tenant to execute all such subordination instruments if Tenant fails to execute such instruments within ten (10) days after notice from Landlord demanding the execution thereof. This Lease or Landlord's interest herein or both may be assigned by Landlord to any Mortgagee or trust deed beneficiary as additional security. Tenant, at the written request of either the lessor under such ground or underlying lease or the purchaser of the Project, shall attorn to such lessor or to such purchaser, or at such lessor's or such purchaser's option, shall enter into a new lease for the balance of the Term hereof upon the identical terms and provisions as are contained in this Lease.

ARTICLE Y.

MISCELLANEOUS

Y.1 Words of any gender used in this Lease shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires.

Y.2 The terms, provisions and covenants and conditions contained in this Lease shall apply to, inure to the benefit of, and be binding upon the parties hereto and their respective successors and assigns. Except as otherwise expressly provided herein, time is of the essence under this Lease.

Y.3 The captions inserted in this Lease are for convenience only and in no way define, limit or otherwise describe the scope or intent of this Lease, or any provision hereof, or in any way affect the interpretation of this Lease.

Y.4 Each party agrees, from time to time within ten (10) days after request of the other party, to deliver to the requesting party, or the requesting party's designee, an estoppel certificate stating that this Lease is in full force and effect, the date to which rent has been paid, the unexpired term of this Lease and such other matters pertaining to this Lease as may be reasonably requested by the requesting party. Tenant agrees not to record this Lease or any memorandum hereof.

... changed or amended except by an instrument in
... hereto.

Y.6 If any clause or provision of this Lease is illegal, invalid or unenforceable under present or future laws effective during the Lease Term, then it is the intention of the parties hereto that the remainder of this Lease shall not be affected thereby, and it is also the intention of the parties to this Lease that, in lieu of each clause or provision of this Lease that is illegal, invalid or unenforceable, there be added as a part of this Lease a clause or provision as similar in terms to such illegal, invalid or unenforceable clause or provision as may be possible and be legal, valid and enforceable.

Y.7 Should any legal action be commenced in connection with this Lease, the prevailing party in such action shall be entitled to recover, in addition to court costs, the prevailing party's reasonable attorneys' fees. Any and all indemnities of Tenant and any and all covenants of Tenant not fully performed on the date of the expiration or termination of this Lease shall survive such expiration or termination. Tenant agrees to look solely to Landlord's equity in the Office Building for the recovery of any judgment against Landlord, and Landlord shall not be liable for any deficiency.

Y.8 Tenant hereby grants to Landlord a lien and security interest in all property of Tenant now or hereafter placed in or upon the Leased Premises and such property shall be and remain subject to such lien and security interest of Landlord for payment of all rent and other sums agreed to be paid by Tenant under this Lease. The provisions of this section relating to such lien and security interest shall constitute a Security Agreement under and subject to the Texas Business and Commerce Code so that Landlord shall have and may enforce a security interest in all property of Tenant now or hereafter placed in or on the Leased Premises, in addition and cumulative of Landlord's liens and rights provided by law or by the other terms and provisions of this Lease. Landlord may enforce this landlord's lien immediately upon a breach of this Lease by Tenant if Tenant is vacating or is threatening to vacate the Premises. Tenant agrees to execute as debtor such financing statement or statements as Landlord may now or hereafter request. Landlord may at its election at any time file a copy of this page of the Lease

THIS LEASE, INCLUDING ANY EXHIBITS, ATTACHMENTS, RIDERS AND ADDENDA ATTACHED HERETO, EMBODIES THE ENTIRE AGREEMENT BETWEEN THE PARTIES AND SUPERSEDES ALL PRIOR AGREEMENTS AND UNDERSTANDINGS, INCLUDING ANY LETTERS OF INTENT, IF ANY, RELATING TO THE SUBJECT MATTER HEREOF.

EXECUTED in duplicate originals effective this 1st day of March, 2013

LANDLORD:

Schafen, LLC

By: *Steph Pennington*
Title: *owner*

TENANT:

Mangum City Hospital
DBA Mangum Regional
Medical Center

By: _____
Title: _____