

**UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF LOUISIANA  
Lafayette Division**

**IN RE:**

**CASE NO. 16-50740**

**PROGRESSIVE ACUTE CARE, LLC, et al.**

**CHAPTER 11**

**DEBTORS**

**JOINTLY ADMINISTERED**

**MOTION TO REJECT LEASE OF NONRESIDENTIAL REAL PROPERTY**

**NOW INTO COURT**, comes Progressive Acute Care Winn, LLC (“PAC Winn” or “Debtor”), as debtor and debtor-in-possession, which respectfully moves this Court for entry of an order authorizing it to reject an unexpired lease of nonresidential real property (the “Motion”).

In support thereof, the Debtor respectfully represents as follows:

**Background**

1.

On May 31, 2016 (the “Petition Date”), the Debtor filed a petition for voluntary relief under chapter 11 of the Bankruptcy Code. A creditors’ committee has been appointed in the administratively consolidated cases and, the Debtors in each, including PAC Winn, continue to operate their businesses in the ordinary course as debtors-in-possession, pursuant to §§ 1107 and 1108 of the Bankruptcy Code.

2.

PAC Winn is the owner and operator of a community-based hospital in Winnfield, Louisiana (“the Hospital”), which provides inpatient, outpatient and emergency care, primarily for residents of the immediate region of the Hospital.

**Basis for Relief**

3.

The Debtor, by this Motion, seeks authority to reject the property lease agreement between it and Shelton Property West Court Division, LLC (the “Lease”) pursuant to the provisions of 11 U.S.C. §365(a) and (d)(4)(A) as of July 31, 2016. A copy of the Lease is attached hereto as Exhibit “A”.

**Relief Requested**

4.

On April 1, 2014, the Debtor and Shelton Property West Court Division, LLC (“Shelton”) entered into a contract wherein the Debtor leased from Shelton a medical office building located at 609 West Court Street, Suite B, Winnfield, LA 71483 (the “Office Building”) for a term of five (5) years at a rate of \$2,500.00 monthly.

5.

The Debtor will have vacated the Office Building by July 31, 2016 and asks that the rejection be effective as of that date. Pursuant to 11 U.S.C. §365(a) and (d)(4)(A), the Debtor desires to reject the Lease as of July 31, 2016, as the Office Building is not needed for the continued operations of the Debtor’s business. Rejection of the Lease is in the best interest of the estate and its creditors as it will save the estate unnecessary rental expenses.

**WHEREFORE**, the Debtor respectfully requests that this Court enter an Order granting the relief requested herein and approving the rejection of the property lease agreement between it and Shelton Property West Court Division, LLC as of July 31, 2016, and for such other and further relief as may be just and equitable.

Respectfully submitted by:

**STEFFES, VINGIELLO & McKENZIE, L.L.C.**

By: /s/ Noel Steffes Melancon

William E. Steffes (La. Bar No. 12426)

Barbara B. Parsons (La. Bar No. 28714)

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Progressive Acute Care Avoyelles, LLC,  
Progressive Acute Care Oakdale, LLC, and  
Progressive Acute Care Winn, LLC, Debtors*

## LEASE OF COMMERCIAL PROPERTY

THIS AGREEMENT OF COMMERCIAL PROPERTY is made between Shelton Property West Court Division, LLC as "Lessor" and Winn Parish Medical Center as "Lessee".

### 1. PREMISES

Lessor does hereby lease to Lessee, and Lessee does hereby lease from Lessor, that certain property, hereinafter referred to as "Premises", and which is situated at 609 West Court St., Ste. B, Winnfield, LA 71483, described as being approximately 2,378 square feet brick structure.

### 2. TERM

- A. This lease shall be for a term of FIVE (5) years beginning on the 1<sup>st</sup> day of April, 2014,
- B. Lessee shall have the option to extend the term of this lease for up to two (2) additional five (5) year terms by giving written notice of their intent to extend the lease to Lessor within thirty (30) days of the end of original and extended term. The lease payment payable during each extended five (5) year term shall be increased by a percentage equal to the increase, if any, in the last published annual National Consumer Price Index provided that no increase shall exceed ten (10%) percent per year.

### 3. LEASE PAYMENT

- A. Lessee shall pay as lease payment the sum of TWO THOUSAND FIVE HUNDRED DOLLARS AND NO CENTS (\$2,500.00) per month.
- B. The first payment shall be due April 1, 2014. The succeeding payments shall be due on the 1<sup>st</sup> day of each succeeding month. If any lease payment is not paid within fifteen (15) days of the due date; after written notice, Lessee shall pay interest on the unpaid lease payment at the rate of eighteen (18%) percent per annum.
- C. All lease payments shall be mailed to P. O. Box 1437, Winnfield, LA 71483. Any lease payment received after the 15<sup>th</sup> of each month will require an additional late fee of FIFTY AND NO/100 DOLLARS (\$50.00). Lessor may from time to time designate other places for the payment of the lease payments by written notice to Lessee.

- D. Lease payment at any exercised renewal option period (after the first renewal option period) shall be at Fair Market Lease Value, to be determined by mutual agreement between the Lessor and Lessee. If a mutual agreement cannot be reached, then the Lessor and Lessee shall each select an appraiser (who has sufficient experience in determining market rentals of buildings in the area) at their own expense and such appraisers shall attempt to mutually agree on Fair Market Lease Value. If no such agreement can be reached, then the appraisers shall mutually agree upon a third, independent appraiser, whose appraisal shall serve as the final, binding determination of the Fair Market Lease Value. Lessor and Lessee shall share equally in the cost of retaining the third appraiser.

4. SECURITY DEPOSIT AND TRANSFER OF DEPOSIT

It is agreed that the Lessee will deposit with the Lessor at the time of the execution of this lease the sum of TWO THOUSAND FIVE HUNDRED AND NO/100 DOLLARS, as security for the faithful performance by the Lessee of all of the terms and covenants of this lease. In the event that the Lessee shall fail to perform or observe any of terms, covenants, conditions or agreements to be observed or preformed by the Lessee hereunder, the Lessor shall retain said sum of Dollars or such remaining portion as the Lessor's absolute property, which sum shall be applied toward any and all damages owed to the Lessor by the Lessee as result of such default. In the event the Lessee is not in default as aforesaid, Lessor agrees to return said sum within thirty (30) days after written request by Lessee. Lessor shall not be obligated to place said deposit in an interest bearing account and Lessee shall not be entitled to any interest in said deposit. In the event of bankruptcy or other creditor-debtor proceedings against the Lessee, all securities shall be deemed to be applied for to the payment of rent and other charges due Lessor for all periods prior to the filing of such proceedings. Lessor may deliver the funds deposited hereunder by Lessee to the purchaser of Lessor's interest in the Demised Premises in the event that such interest be sold and thereupon Lessor shall be discharged from any further liability with respect to such deposit, and this provision shall also apply to any subsequent transferees.

5. USE

- A. Lessee shall use and occupy the Premises for the purpose of "medical office" use and for no other purposes except those authorized in writing by Lessor, which authority shall not be unreasonably withheld, delayed or conditioned.
- B. Lessee will not use the premises for any purpose that is unlawful or that tends to injure or depreciate the property. Lessee will indemnify Lessor and hold Lessor harmless from all damage, penalties, and forfeitures imposed by reason of any violation of law committed by Lessee, its agents and invitees. Lessee will not allow any nuisance to exist on the leased premises, and will abate any nuisance promptly without expense to Lessor.

- C. Lessee shall comply, at its own cost and expense, with all laws nonexisting or hereafter enacted, including but not limited to all sanitary laws and ordinances, with all rules and requirements of the State Board of Health, and with all other state, parish, and municipal requirements affecting the use, operation and cleanliness of the leased premises, and shall comply with all rules and regulations of any local Board of any state authorities relating to safeguarding against fires, and shall in every other regard use and occupy the leased premises in accordance with all applicable rules and regulations of the state, parish, and municipal government authorities.
- D. No auction sales, or any sales of furniture and fixtures shall be conducted on the leased premises without the written consent of Lessor.

6. UTILITIES AND TAXES

Lessee shall pay all charges for water, electricity, gas, telephone and other utility services furnished to the Premises.

Lessor shall pay all taxes, assessments and charges which may be assessed and levied upon the building during the term of this lease as they shall become due. Lessee shall pay all taxes, assessments and charges which may be assessed and levied upon any improvements erected after April 1, 2014, on the Premises by Lessee as they shall become due.

7. ALTERATIONS, ADDITIONS, INSTALLATIONS AND REMOVAL THEREOF

Lessee may, at its own expense, either at the commencement of or during the term of this lease, install such counters, partitions, walls, shelving, fixtures, fittings, machinery and equipment upon or within the Premises as Lessee may consider necessary to the conduct of its business, provided that the structure of the Premises is not affected.

8. CONDITION AND MAINTENANCE

- A The leased premises and appurtenances, including the locks, keys, plumbing, glass, heating and air-conditioning systems, if any, and all other fixtures and equipment are accepted by Lessee in their present condition. Lessee agrees to keep them in the same condition as they were in when received and to care for them in the same manner as a prudent administrator would care for his own property. Lessees shall pay their own utilities. Lessee to take reasonable precautions to prevent freeze damage to plumbing. Lessor will maintain the exterior, roof, and structural parts of the building, and climate control system.

- B. Lessee agrees to pay all bills for water, sewer, electricity, gas and other utilities used in the leased premises.
- C. At the termination of this lease, by expiration of its terms or otherwise, Lessee shall return the premises in as good order as they were in when received and swept broom clean, the usual wear and tear expected. Lessee shall make actual delivery of the keys to Lessor.

9. IMPROVEMENTS, CHANGES, AND ALTERATIONS

Lessee will not make any additions or alterations whatever to the leased premises without Lessor's written permission. If Lessor permits additions or alterations, Lessee shall: (a) make such additions and alterations in a workmanlike manner; (b) provide protection against liens on the leased premises by providing a bond in the full amount of the construction cost for completion of the improvements, and for payment for them, as well as against all liens, issued by a bonding company authorized to do business in Louisiana. All additions, alterations or improvements no matter how attached (except movable trade fixtures), shall become the property of Lessor, and Lessee waives all right to compensation. Lessor, however has the option to require the property to be restored to its original condition at Lessee's expense, except for any approved permanent additions.

10. RESPONSIBILITY FOR DAMAGE

- A. Lessor will not be responsible for any damages to the Lessee or to any person whatsoever, except in the case of Lessor's positive neglect or failure to take action toward the remedying of such defects within a reasonable time after receipt of written notice of such defects and of the damage caused. Should Lessee fail to notify Lessor promptly of any such defects, Lessee will become responsible for any damage resulting to Lessor, Lessee or others.
- B. Lessee's assuming possession of the leased premises constitutes an admission that it has examined the leased premises and found them in good and safe condition at that moment. Pursuant to the provisions of La. R.S. 9:3221, Lessee agrees to hold Lessor harmless from any responsibility whatsoever for damages to the Lessee or to any person whomsoever or to any property of the Lessee or others arising from the condition, upkeep and maintenance of the leased premises, and Lessee expressly relieves Lessor of any and all liability for injuries or damages caused by any vice or defect of the leased premises to the Lessee or to any adjacent street, sidewalks, curbs, parking areas, or other walks or areas adjacent to the leased premises. Lessee expressly assumes all such liability, agreeing to indemnify and hold Lessor harmless from any person or persons whomsoever or to the property of any person or persons whomsoever arising out of the occupancy, use, condition or state of repair of the leased premises, except as expressly set forth above. The indemnity shall extend to attorney's fees and costs.

- C. Lessee will indemnify Lessor and hold Lessor harmless from all loss and expense of any kind which Lessor may sustain or which may be asserted against Lessor as the result of injuries to persons or property resulting or alleged to result from any fault or negligence of Lessee or of Lessee's agents or employees, or from the ownership, use, occupancy or maintenance of the leased premises.

11. DAMAGES TO PREMISES AND EXPROPRIATION

- A. If the improvements on the leased premises are wholly or substantially destroyed by fire or other casualty or accident or damaged to such an extent as to render them wholly unfit for occupancy, without the fault or negligence of Lessee or Lessee's agents or employees, this lease shall terminate.
- B. If however, the premises are only partially damaged and if the damages can be repaired within thirty (30) days from the date of the fire or casualty, then the lease shall not be terminated automatically. Under such circumstances, Lessor shall have the option either: (a) to terminate the lease upon notice to Lessee in writing, or (b) to notify Lessee within ten (10) days from the date of the fire or casualty that Lessor will repair the damages; in the event, Lessee shall be entitled only to such a reduction or remission of rent as shall be just and proportionate on the ratio that the Lessee is deprived of the utility of the leased premises. If there should be a remission or reduction in rent as a result of such fire, casualty or accident, this lease shall be extended automatically for a period of time equal to the period of time equal to the period of time during which rent is reduced or not paid. Should repairs not be completed within thirty (30) days Lessee has the right to terminate the lease.
- C. If a portion of the leased premises should be taken by expropriation or condemnation proceedings, or if the Lessor should convey a portion of the leased premises under the threat of such proceedings, the rental shall be reduced in a just and proportional amount in the ratio that Lessee is deprived of the utility of the leased premises. If, however, all of the leased premises are taken or conveyed for such purposes, or the portion taken or sold is such as to prevent substantially Lessee's use of the leased premises, this lease shall terminate.

12. INSURANCE

- A. For the mutual protection of Lessor and Lessee, Lessee agrees to carry the following insurance protection:

\$50,000.00 - Personal Property

\$1,000,000.00 - Single Limit Bodily Injury & Property Damage Liability



\$2,000,000.00 - Aggregate

- B. Lessee shall put nothing in the leased premises nor do anything which would forfeit the insurance. Should any action be taken by Lessee, whether authorized or unauthorized under this lease, which results in an increase in the rate of the premiums on insurance on the building or its contents as fixed by Louisiana Fire Bureau, or any similar institution, then Lessee shall pay the additional premiums caused by the increased rate.

13. SIGNS, DISPLAYS, PAINTING OR DECORATIONS

- A. Lessee shall not display in, on or above the leased premises any sign or decoration, which in the judgement of Lessor is dangerous, unsightly, or detrimental to the property. Lessee shall not paint or install any signs on the leased property without the written consent of Lessor, and Lessee shall promptly remove at or before the expiration of this lease any and all signs painted or placed in or upon any part of the leased premises, to Lessor's satisfaction. If Lessee fails to do so, Lessee shall reimburse Lessor for all costs of removal, plus agent's or attorney's fees. No outside walls, roofs or other exterior portions of any improvement now or hereafter located on the leased premises shall be used for advertising purposes except the direct advertising of Lessee's business, and then only in such a manner as not to damage the leased premises or cause them to depreciate in value.

Lessor confirms that permission has already been granted to Lessee to erect one each sign at the front of the property and one each small sign on the door or adjacent to the door. Lessor agrees not to unreasonably withhold its consent to other reasonable requests for placement of signs by the Lessee.

- B. Lessee shall not paint or decorate any part of the exterior of the premises without first obtaining Lessor's written approval of such painting or decoration; and Lessee agrees to remove promptly upon order of Lessor any paint or any such decoration; and Lessee agrees to remove promptly upon order of Lessor any paint or any such decoration which has been applied to or installed upon the exterior of the premises without Lessor's prior written approval, or to take such other action with reference thereto as Lessor may direct.

14. RIGHT OF ENTRY AND POSTING OF SIGNS

Landlord's Access. After reasonable prior written notice to Tenant, Landlord and its authorized agents shall have the right during Normal Business Hours, except as otherwise reasonably requested in writing by Tenant, to enter the Leased Premises to (i) inspect the Leased Premises; (ii) show the Leased Premises to prospective lenders or purchasers; (iii) within the last (4) months of the Initial Term or, if applicable, the then current Extension Term, show the Leased Premises to prospective tenants; and (iv) fulfill Landlord's obligations or

exercise its rights under this Lease. Notwithstanding the foregoing, Landlord will not be required to give Tenant prior notice of Landlord's entry unto the Leased Premises in case of emergency involving the threat of imminent harm to person(s) or material damage to property, but Landlord will notify Tenant of such entry within 48 hours thereafter. Landlord's entry under this provision shall be made in a reasonable manner and shall not unreasonably interfere with the operation of Tenant's business.

HIPAA. For purposes of this Section of the Lease, "protected health information" ("PHI") shall have the meaning defined by the Standards of Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Subparts A and E of Part 164 and all amendments thereto (commonly known as the "Privacy Standards"), as promulgated by the U. S. Department of Health and Human Services pursuant to the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996 and all amendments thereto ("HIPAA"). In the event that in its use of the Leased Premises for the Permitted Use, Tenant creates, stores or maintains PHI in the Leased Premises, the parties agree that neither Landlord nor Landlord's employees and agents shall need access to, or the use of, any PHI of Tenant. However, in the event PHI is seen by or disclosed (whether inadvertently or otherwise) to Landlord or its employees or agents, the party discovering such disclosure shall promptly notify the other party and Landlord agrees to promptly take commercially reasonable measures to prevent any subsequent dissemination by Landlord or Landlord's employees or agents of such PHI to third parties. The parties agree that the provisions of this Section do not create, and are not intended to create, a "business associate" relationship between the parties as that term is defined by the Privacy Standards.

Lessor reserves the right to post "For Sale" and "For Rent" signs during the ninety (90) days receding the expiration of this lease.

15. SUBLEASE

Lessee shall not rent or sublet or grant use of possession of the premises to any other party without the written consent of Lessor, and then only in accordance with the terms of this lease.

Lessee may sub-lease or assign their interests in this lease to a corporation or other entity in which they may hereafter conduct their professional practices provided that Lessee shall individually remain liable upon this lease by the giving of their personal guarantee along with any such sub-lease or assignment. Lessor agrees that its consent to other sub-leases or assignments will not be unreasonably withheld.

16. DEFAULT OF LESSEE

A. The following actions or inactions by the Lessee shall be considered a default under

this lease. If the Lessee: (a) violates at any time any of the covenants, conditions and obligations of this lease; (b) discontinues the use of the premises for the purpose for they are rented or fails to actively conduct that business in the leased premises; ©) fails to pay the rent, to provide the insurance required by this lease, to pay the premiums for such insurance, or to pay utility bills or other expenses or obligations assumed under this lease promptly as stipulated; (d) is adjudicated a bankrupt, or if any sub-lessee or assignee of Lessee then occupying all or a part of the leased premises; (e) is placed in receivership; (f) fails in business or becomes insolvent; (g) fails to permit the posting of signs by the Lessor as provided in this lease.

- B. Lessee shall not be in default due to the occurrence of the above listed events until the Lessor has given written notice to Lessee of an alleged default and Lessee has been allowed ten (10) days to cure a non-payment of rent and thirty (30) days to cure any other alleged default.
- C. In the event, after the required notices Lessee shall fail to cure a default within the time required above, Lessor shall have the following options in the event of any such default: (a) accelerate the rental for the whole of the unexpired term, which rental shall become immediately due and eligible; or (b) immediately cancel this lease; or ©) proceed for past due installments only, reserving its right to later proceed for the remaining installments; or (d) re-enter the leased premises and let them for such price and on such terms may be immediately obtainable and apply the net amount realized to the payment of the rent.
- D. If Lessor has elected to accelerate the rental for the unexpired term of the lease, then, at Lessor's option, Lessor shall have the further option to re-enter the premises and to attempt to lease them for such rental and on such terms as Lessor may be able to obtain, in reduction of the amount due Lessor, or, if Lessor is unable to lease them, to let them on a month-to-month basis, and credit the net amount realized on the payment of the rental due for the full unexpired term of the lease, reserving the right to sue thereafter for any balance remaining due after credit for the rental actually received or estimated to be received. Any balance thus due shall be considered rental due under this lease and shall be secured by the Lessor's privilege and right of retention. Exercise of this right of re-entry and privilege to re-let shall not in any way prejudice Lessor's right to hold Lessee liable for any amount due under this lease in excess of the amount for which the property is re-let. In addition, if the Lessee fails or refuses to permit Lessor to re-enter the premises, Lessor shall have the right to eject Lessee in accordance with the provisions of Louisiana Code of Civil Procedure, Articles 4701-4735, without forfeiting any of Lessor's rights under this paragraph under the other terms of this lease, and Lessee may at the same time or subsequently sue for any money due or to enforce any other rights which Lessor may have.
- E. In the event that the Lessor chooses to exercise his option to cancel the lease, the Lessee expressly waives the right to written notice to vacate the leased premises

and agrees that upon termination of his right of occupancy, for any reason, the Lessor or his agents may immediately institute eviction proceedings. Lessee shall remain responsible for all damages or loses suffered by Lessor. Lessee waives any requirement of "putting-in-default" for any such breach, except as expressly required by this lease.

- F. Failure to enforce strictly and promptly the conditions set forth above shall not operate as a waiver of Lessor's rights. Lessor expressly reserves the right always to enforce prompt payment of rent or to cancel this lease regardless of any indulgences or extensions previously granted. Lessor's accepting any rent in arrears, or after notice of institution of any suit for possession or cancellation of this lease, will not be considered as a waiver of such notice, or of the suit, or of any of the other rights of Lessor.

17. OTHER LESSOR RIGHTS

In addition to the other rights given to the Lessor and Lessee by the express terms of this lease in the event of any breach or default, Lessor and Lessee shall each expressly reserve all rights and privileges granted to Lessors and Lessees by the laws of Louisiana.

18. SURRENDER OF PREMISES

At the expiration of this lease, or any renewal or extension provided above and provided that no notice of further extension permitted by this lease has been given, or its termination for other causes, Lessee shall immediately surrender possession. Should Lessee fail to do so, Lessee shall pay any and all damages suffered by Lessor, but in no case less than five (5) times the rent per day, plus attorney's fees and costs. Should Lessor allow or permit Lessee to remain in the leased premises after the expiration or termination of this lease, this shall not be construed of a re-conduction of this lease.

19. ATTORNEY'S FEES

If an attorney is employed to judicially enforce or protect any claim or right of Lessor or Lessee arising from this lease, the prevailing party shall be entitled to reasonable attorney's fees to be fixed and awarded by the Court.

20. NOTICES

All notices required to be given under the terms of this lease shall be in writing and by registered certified mail addressed to Lessee at 301 West Boundary Street, Winnfield, LA 71483, or to Lessor at the address fixed for payment of the lease payments.

21. APPLICABLE LAW

The provisions of this lease have the effect of law between the parties, but in reference to matters not covered by it, this lease shall be governed by the ordinances of the City of Winnfield, and the laws of the State of Louisiana.

22. INTERPRETATION, ALTERATION, AND RIDERS

- A. This lease may not be modified except by an instrument in writing, signed by the parties hereto, their heirs, legal representatives, successors or assigns.
- B. The Lease and the Exhibits, and Rider, if any, attached hereto and forming a part hereof, set forth all the covenants, promises, agreements, conditions and understandings, either oral or written, between them other than are herein set forth. Except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this lease shall be binding upon Lessor or Lessee unless reduced to writing and signed by them.
- C. Wherever there is a conflict in this lease between the printed clauses and the specially written or typewritten clauses of this lease, the specially written or typewritten clauses shall apply.
- D. The paragraph captions, as to contents of the particular paragraphs herein, are inserted only for convenience, and are in no way to be construed as part of this lease agreement or as a limitation on the scope of the particular paragraph to which they refer.
- E. If any section, clause, sentence, word, or provision of this lease or the application thereof to any party or circumstance shall, to any extent, be or become invalid or illegal, and such provisions shall thereby become null and void, the remainder of this lease shall not be affected thereby and each remaining provision of this lease shall be valid and enforceable to the fullest extent permitted by law.
- F. Lessee shall not record this lease without the written consent of Lessor; however upon the request of either party hereto the other party shall join in the execution of a memorandum or so-called "short form" of this lease for the purposes of recording. Said memorandum or short form of this lease shall describe the parties, the leased premises, and the term of this lease and shall incorporate this lease by reference. Lessee shall record this lease or said short form and shall pay the cost of recording same.

23. HEIRS, SUCCESSORS, ASSIGNS

- A. This lease binds each of the parties and their respective heirs, successors and assigns.

All of the terms of this lease, including the provisions against sub-lease, apply to any persons claiming by or through either party. Nothing contained in this lease shall in any manner restrict Lessor's right to assign or encumber this lease in its sole discretion.

B. Signed by the Lessee on the 1<sup>st</sup> day of April, 2014, in the presence of the undersigned competent witnesses. This instrument may be executed in counterpart copies, each of which shall be deemed an original for all purposes.

24. Lessor will maintain grounds around building, grounds maintenance meaning mowing grass and maintaining flower bed and grounds general cleaning.
25. Lessee shall have the option of "first right of refusal" to purchase the property, if property is put on the market by Lessor.
26. The lease area for this property is approximately 2,378 square feet.

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

WITNESS TO LESSEE:

LESSEE: WINN PARISH MEDICAL CENTER

Lori Parker

Patricia Flowers

Signed by Lessor on the 1<sup>st</sup> day of April, 2014, in the presence of the undersigned competent witnesses. This instrument may be executed in counterpart copies, each of which shall be deemed an original for all purposes.

WITNESS OF LESSOR:

LESSOR: SHELTON PROPERTY

John McBay

Stephen Skate