

## North Carolina Department of Health and Human Services Division of Health Service Regulation

Pat McCrory Governor Aldona Z. Wos, M.D. Ambassador (Ret.) Secretary DHHS

> Drexdal Pratt Division Director

November 22, 2013

Douglas J. Abell 491 Williamson Road, Suite 204 Mooresville, NC 28117

### No Review

Facility or Business: Carrolton Home Care LLC d/b/a Community Home Care and Hospice

Project Description: Relocation of facility within the county

County: Montgomery

FID #: 051230

Dear Mr. Abell:

The Certificate of Need Section (CON Section) received your letter of October 15, 2013 regarding the above referenced proposal. Based on the CON law in effect on the date of this response to your request, the proposal described in your correspondence is not governed by, and therefore, does not currently require a certificate of need. However, please note that if the CON law is subsequently amended such that the above referenced proposal would require a certificate of need, this determination does not authorize you to proceed to develop the above referenced proposal when the new law becomes effective.

Moreover, you need to contact the Construction and Adult Care Licensure and Certification Sections of the Division of Health Service Regulation to determine if they have any requirements for development of the proposed project.

It should be noted that this determination is binding only for the facts represented by you. Consequently, if changes are made in the project or in the facts provided in your correspondence referenced above, a new determination as to whether a certificate of need is required would need to be made by the Certificate of Need Section. Changes in a project include, but are not limited to: (1) increases in the capital cost; (2) acquisition of medical equipment not included in the original cost estimate; (3) modifications in the design of the project; (4) change in location; and (5) any increase in the number of square feet to be constructed.



**Certificate of Need Section** 

Douglas J. Abell November 22, 2013 Page 2

Please contact the CON Section if you have any questions. Also, in all future correspondence you should reference the Facility I.D. # (FID) if the facility is licensed.

Sincerely,

Tanya S. Rupp, Project Analyst

Craig R. Smith, Chief

Certificate of Need Section

cc: Medical Facilities Planning Section, DHSR

Construction Section, DHSR

Adult Care Licensure and Certification Section, DHSR





October 15, 2013

## VIA FEDERAL EXPRESS

Mr. Craig Smith, Chief Certificate of Need Section Division of Health Service Regulation North Carolina Department of Health and Human Services 2704 Mail Service Center Raleigh, North Carolina 27699-2704 the colved to th

Re:

Site Relocation for Carrolton Home Care LLC d/b/a Community Home Care and Hospice (License Number: HOS 3199; Facility ID: 051230) (Montgomery County/Health Service Area V)

Dear Mr. Smith:

Pursuant to N.C. Gen. Stat. § 131E-184(a), we are writing to notify you that the above-identified hospice agency, currently located at 344 North Main St., Office #2, Troy, NC 27371-3018 (the "Current Location"), will be relocating its office to 1026 Albemarle Road, Suite 904, Troy, NC 27371-8684 (the "New Location"), effective November 15, 2013. The Current Location is operated under license number HOS 3199. Attached for your review is a redacted copy of the lease for the New Location.

This relocation is being made as a result of the termination of the Current Location's lease. The New Location is located approximately 0.90 miles and approximately two minutes from the Current Location. As such, both the Current Location and the New Location are within the original service area of the hospice agency. This relocation does not involve any activities that would implicate the definition of "new institutional health service" as that term is defined in N.C. Gen. Stat. § 131E-176(16).

The relocation is scheduled to occur on November 15, 2013. In advance of that date, we would appreciate your written confirmation that the proposed relocation does not require a CON.

Thank you for your time, and if you have any questions or need additional information, please do not hesitate to contact me at (704) 662-1771 or via email at dabell@curohs.com. You may also contact either Ross Sallade at (919) 329-3875 or via email at ross.sallade@nelsonmullins.com or Freddie Zufelt at (919) 329-3819 or via email at freddie.zufelt@nelsonmullins.com. We appreciate your consideration of this matter.

Sincerely Yours,

Douglas J. Abell, Esq.

General Counsel

Enclosure

### LEASE AGREEMENT

THIS LEASE AGREEMENT (this "Lease") is effective as of September 18, 2013 (the "Effective Date"), by and between COMMUNITYONE BANK, a national banking association ("Landlord"), and CARROLTON HOME CARE, LLC, a Delaware limited liability company ("Tenant").

Upon the terms and conditions hereinafter set forth and in consideration of the payment of rents hereinafter provided and the performance by Tenant of each and every covenant and agreement herein contained to be kept and performed by Tenant, Landlord does hereby lease to Tenant, and Tenant does hereby lease and rent from Landlord, space located at Landlord's building having an address of 1026 Albemarle Road, Troy, North Carolina 27371 and located on the land described on Exhibit A and incorporated herein (the "Land"). The shopping center includes one freestanding building (the "Building" and together with the Land, collectively, the "Shopping Center") containing approximately 67,498 square feet. The Premises shall consist of (i) approximately 2,500 square feet of commercial office space and is known as Suite 904 of the Building (depicted on Exhibit B attached hereto and incorporated herein) (the "Premises") and (ii) Tenant's rights, during the term of this Lease, to the non-exclusive use (for the employees, licensees, customers of Tenant and other tenants at the Building) of the Common Areas (defined below), as constituted from time to time.

## 1. <u>DELIVERY OF PREMISES; TERM & TERMINATION OPTION</u>.

- a. The term and duration of this Lease shall commence on the earlier of (i) the date that the Landlord's Work (as defined below) is substantially completed or (ii) the date that Tenant takes possession of, or commences the operation of its business in, any or all of the Premises (the "Commencement Date") and shall end at 11:59 p.m. on the date that is five years after the Commencement Date if the Commencement Date is the first day of a month, or if the Commencement Date is other than the first day of the month, then the term of this Lease shall end at 11:59 p.m. on the last day of the month in which the fifth anniversary of the Commencement Date occurs (as applicable, the "Expiration Date"), unless sooner terminated in accordance with the terms hereof (the "Term"). Tenant shall have no option to renew the Lease unless otherwise agreed by the parties in writing hereafter. As used herein, each "Lease Year" shall be from January 1 of the applicable calendar year through December 31 of that calendar year.
- b. Landlord shall deliver the Premises to Tenant on the Commencement Date. Landlord shall not take any action to alter or amend, or voluntarily permit the alteration or amendment of, any certificate of occupancy or similar certificate for the Premises in such a way that the Premises will no longer be allowed to be used for the permitted use set forth in Section 7.a.
- c. Landlord shall, in a good and workmanlike manner and in compliance with all applicable laws, rules, regulations, codes and ordinances, perform the work set forth on <a href="Exhibit D">Exhibit D</a> in the Premises (the "Landlord's Work") at Landlord's sole cost and expense. If Landlord does not substantially complete the Landlord's Work on or before

October 31, 2013 and such delay is not attributable to any act or omission by Tenant or force majeure event, then Tenant may terminate this Lease without charge immediately upon delivering notice to Landlord. Upon such termination, no liability whatsoever shall arise or accrue against Landlord or Tenant as a result of this Lease and each party hereby releases and discharges the other party from and of any claim for damage, loss, or injury of every kind whatsoever as if this Lease were never executed. If such delay is caused by an act or omission of Tenant, then Landlord may, at its election, complete so much of Landlord's Work as may be practical under the circumstances and, by written notice to Tenant, establish the Commencement Date as of the date of such partial completion. Tenant shall identify any outstanding or incomplete minor details of construction, minor mechanical adjustments or decorations with respect to Landlord's Work that do not significantly interfere with Tenant's occupancy (collectively, "punch-list items") in a notice to Landlord after taking occupancy and Landlord shall use commercially reasonable efforts to correct any punch-list items identified by Tenant within thirty (30) days after the date of Tenant's notice. The term "substantial completion" (or "substantially complete") as used in the Lease means the date when Landlord's Work is completed, subject to completion of punch-list items. If there is any disagreement as to when and whether Landlord's Work has been substantially completed, a temporary or final certificate of occupancy issued by the local governing authority shall be conclusive evidence of substantial completion.

- d. Tenant may terminate this Lease without cause effective on or after the third anniversary of the Commencement Date by providing Landlord with ninety (90) days' prior notice of Tenant's intent to terminate (the "Termination Option"). If Tenant exercises the Termination Option, it shall pay Landlord, on or before the effective date of termination, the unamortized portion of the cost of any real estate commissions paid by Landlord in connection with the execution of this Lease, which commissions shall be amortized without interest on a straight-line basis over the Term.
- 2. RENT AND SECURITY DEPOSIT. Commencing on the Commencement Date, Tenant agrees to pay to Landlord as the minimum base rental (the "Base Rent" and together with Tenant's Pro Rata Share (defined below) of TICAM Charges (defined below) and any other amounts due from Tenant hereunder, "Rent" or "rent") for the Premises the amounts set forth on Exhibit C attached hereto and incorporated herein.

All monthly installments of Base Rent shall be paid in advance on the first day of each calendar month, in legal tender of the United States, without notice, demand, set-off or deduction (except as expressly provided in this Lease), at the office of the Landlord as hereinabove set forth or at such other place as Landlord may designate from time to time in writing. Tenant's covenant to pay Base Rent shall be independent of every other covenant of this Lease. In the event the Commencement Date or the Expiration Date of this Lease is other than the first day or last day of a calendar month, respectively, then Tenant shall pay Base Rent hereunder for the fractional month on a prorated basis.

3. <u>LATE PAYMENT PENALTY</u>. If Tenant fails to pay any portion of the Rent at the time due, the amount of such payment shall be increased by five percent (5%) of the amount

overdue (compounded monthly) for any such late payments made by Tenant in addition to any other remedies available to Landlord hereunder.

# 4. <u>COMMON AREAS; COMMON AREA MAINTENANCE CHARGES;</u> REAL ESTATE TAXES.

- a. Tenant shall have the non-exclusive right to the use, in common with other parties having an interest in the Shopping Center, of all parking areas that Landlord is permitted to use in the Shopping Center, sidewalks, patios, driveways, loading and delivery areas, landscaped areas, retaining walls, lighting facilities, sanitary systems and utility lines, if any, for the general use in common with tenants and others in the Shopping Center and their customers (all herein called "Common Areas"). Landlord reserves the right to change from time to time the dimensions and location of the Common Areas as well as the location, dimensions, identity and type of any improvements on the Common Areas, and to construct new or remove existing improvements, but those actions shall not unreasonably interfere with Tenant's use of the Premises for its primary intended use. Landlord also reserves the right to designate employee and customer parking areas and exclusive parking areas. For the avoidance of doubt, during the period that Food Lion (including, an affiliated company or similar retailer, "Food Lion") is a tenant of the Shopping Center under an enforceable lease for its space (as determined by Landlord in its sole discretion) (the "Food Lion Tenancy"), the trailer parking spaces adjacent to Food Lion's service entrances shall be for the exclusive use of Food Lion.
- b. Commencing on the Commencement Date, Tenant must pay to Landlord as additional Rent Tenant's Pro Rata Share of CAM Charges (defined below), Real Property Taxes (defined below) and Landlord's Insurance Costs (defined below) for the Shopping Center during the Term (collectively, "TICAM Charges").

Tenant's Pro Rata Share of TICAM Charges for the first Lease Year is estimated to be \$1.13 per square foot of the Premises (i.e., \$235.42 per month) ("<u>Tenant's Estimated TICAM Charges</u>"). Tenant shall pay to Landlord one twelfth (1/12) of Tenant's Estimated TICAM Charges beginning on the Commencement Date and on the first day of every successive calendar month thereafter during the Term in addition to Tenant's payment of Base Rent in accordance with <u>Section 2</u> hereof.

If Landlord from time to time reasonably determines that Tenant's Estimated TICAM Charges are incorrect, Landlord shall have the right to provide Tenant with a revised written statement of the Tenant's Estimated TICAM Charges, in which event, Tenant shall pay such revised amount until Landlord provides Tenant with another revised statement of Tenant's Estimated TICAM Charges for a period of less than one month must be prorated on a daily basis based on a three hundred sixty-five (365) day year.

c. The term "<u>CAM Charges</u>" shall mean the out-of-pocket costs and expenses actually paid by Landlord in any calendar year directly attributable to maintaining, operating, and providing services to and for the Common Areas, including the costs of utilities, maintenance, and supplies. Notwithstanding anything the foregoing sentence to the contrary, "CAM Charges" shall not include (i) the cost or expense of maintaining or operating any facility

or furnishing any work or service in any instance where such facility or work or service is made available or furnished to Tenant at an additional charge; (ii) expenses which could be capitalized in accordance with generally accepted accounting principles; (iii) costs to repair damage arising out of fire or other casualty; (iv) the cost or expense of any work or service that Landlord performs for specific tenants, the expenses of which are paid by such tenants; (v) salaries, wages, or other compensation paid to officers or executives of Landlord in their capacities as officers and executives; or (vi) any other expenses to the extent that Landlord actually receives reimbursement from insurance, condemnation awards, other tenants or any other source.

- d. Tenant's "Pro Rata Share" shall mean the ratio of the Gross Leasable Area (defined below) of the Premises to the Gross Leasable Area in the Shopping Center. Landlord represents that as of the date hereof, the Shopping Center contains approximately 67,498 square feet of Gross Leasable Area. Tenant's Pro Rata Share is estimated to be 3.7%. If the number of square feet of Gross Leasable Area in the Shopping Center changes during the Term, then Tenant's Pro Rata Share shall be adjusted accordingly. For purposes of this Lease, "Gross Leasable Area" means the number of gross square feet of leasable floor area (regardless of whether such area is occupied or enclosed) intended primarily for the exclusive use by an occupant for any length of time or used for the sale and display of merchandise and storage space.
- e. The term "Real Property Taxes" shall mean all real estate taxes and assessments against the Shopping Center during the Term.
- f. The term "Landlord's Insurance Costs" shall mean the premium paid by Landlord for Landlord's Insurance (defined below) during the Term.
- g. Annually, Landlord shall furnish to Tenant, at the notice address provided for herein, a statement (the "<u>TICAM Statement</u>") in reasonable detail setting forth (i) Landlord's actual TICAM Charges for that Lease Year; and (ii) Tenant's Pro Rata Share of such actual TICAM Charges. If the actual amount owed for Tenant's Pro Rata Share of TICAM Charges exceeds the sum of Tenant's Estimated TICAM Charges paid for the applicable Lease Year, Tenant must pay the deficiency to Landlord within forty-five (45) days after Tenant's receipt of the TICAM Statement. If the sum of Tenant's Estimated TICAM Charges paid during the Lease Year exceeds the actual amount owed for Tenant's Pro Rata Share of TICAM Charges, then such amount shall be deducted from the next monthly installment(s) of Tenant's Estimated TICAM Charges (unless such statement is with respect to the final Lease Year and Tenant was not in default under this Lease upon the Expiration Date, in which case, Landlord must pay the excess to Tenant within thirty (30) days after the Expiration Date).

## 5. **INSURANCE**.

a. During the Term, Tenant shall provide and keep in force, or cause to be provided and kept in force, commercial general liability insurance and property damage insurance coverage (including glass breakage and repair) with respect to the Premises. The commercial general liability insurance coverage to be provided by Tenant shall designate by endorsement Landlord as an additional insured and shall contain limits of not less than \$2,000,000 for injury or death to any one person and \$2,000,000 for injury or death for any one

accident, together with \$100,000 for damage to property. Any policy or policies of insurance required by this Lease shall be issued by one or more insurance companies having an A.M. Best's rating of A-/VIII or better and authorized to engage in business in the State of North Carolina. Tenant shall notify Landlord at least ten (10) days prior to cancellation of such insurance. Throughout the term of this Lease, Tenant shall provide Landlord with a current certificate of insurance evidencing such insurance.

- b. Tenant shall maintain "all risk" insurance for the full replacement value of all of its furniture, fixtures, inventory and equipment located at the Premises.
- c. Tenant agrees that all personal property in the Premises shall be and remain at Tenant's sole risk, and, except to the extent of the negligence or willful misconduct of Landlord or Landlord's agents, employees or contractors, Landlord shall not be liable for any damage to, or loss of such personal property arising from any acts of negligence of any persons, or from fire, or from the leaking of the roof, or from the bursting, leaking, or overflowing of water, sewer, or steam pipes, or from malfunctions of the heating, plumbing, or electrical systems, or from any other cause whatsoever.
- d. During the Term, Landlord shall obtain and maintain commercially reasonable and appropriate special form property insurance covering the Shopping Center, including the Premises, together with such public liability insurance for Common Areas as Landlord shall determine are necessary in its reasonable judgment ("Landlord's Insurance").
- e. Landlord and Tenant each hereby release the other from any and all liability or responsibility to the other or anyone claiming through or under them by way of subrogation or otherwise for any loss or damage to property caused by fire or any other perils insured in policies of insurance covering such property, even if such loss or damage shall have been caused by the fault or negligence of the other party, or anyone for whom such party may be responsible. All of the hazard/casualty policies of insurance required to be maintained hereunder shall contain waiver of subrogation endorsements in favor of the other party and copies of the same shall be delivered to the other party upon request.
- 6. <u>INDEMNIFICATION</u>. From and after the Commencement Date, Tenant agrees hereby to indemnify, defend and save harmless Landlord, its members, managers, officers, agents and employees (the "<u>Landlord Parties</u>" and each a "<u>Landlord Party</u>") from any and all suits, actions, claims, damages (including actual damages and any punitive damages paid to third parties), losses, fines, penalties, liens, causes of action, judgments, settlements, court costs, and reasonable attorneys' fees to the extent caused by any act of Tenant or arising out of Tenant's occupancy or use of the Premises, except in each instance to the extent caused by the gross negligence or willful misconduct of Landlord or any employee, agent or contractor of Landlord.

Each party shall promptly notify the other of its receipt of any claim that is subject to indemnification under this <u>Section 6</u>. Tenant shall be permitted to assume the defense of any such claim by counsel selected by it and reasonably satisfactory to Landlord; provided, however, Landlord shall have the right to participate in any such defense at its expense. Notwithstanding the foregoing, Tenant shall not, without the prior written consent of Landlord (which consent

shall not be unreasonably withheld, conditioned or delayed), consent to the entry of any judgment or enter into any settlement for any claim for which Tenant must indemnify Landlord, unless such judgment or settlement provides only for the payment of monetary damages by Tenant and unless such judgment or settlement includes a release by the claimant or plaintiff of Landlord and the Landlord Parties. If Tenant fails to undertake a defense within ten (10) days after receipt of notice thereof, then Landlord shall have the right to undertake the defense thereof. The indemnification obligations under this Section 6 shall survive the expiration or earlier termination of this Lease with respect to any occurrences before the effective date of such expiration or termination.

## 7. <u>USE OF PREMISES.</u>

- a. The Premises shall be used and occupied by Tenant for general office use and related purposes and for no other purpose without the prior written consent of Landlord.
- b. In furtherance of the foregoing, the Premises shall under no circumstances be used for any use that violates applicable law (including, without limitation, zoning ordinances) or any of the following:
  - (i) strip club, topless club, music hall or disco;
  - (ii) flea market;
  - (iii) funeral home;
  - (iv) facility for the sale of illicit drug paraphernalia;
- (v) facility for the sale or display of pornographic material (as determined by community standard for the area in which the Shopping Center is located);
  - (vi) betting parlor;
  - (vii) carnival, amusement park or circus;
  - (viii) any illegal or dangerous use;
  - (ix) any use which constitutes a nuisance;
  - (x) facility that dispenses petroleum products of any type;
  - (xi) facility with on premises dry cleaning;
  - (xii) gasoline and other energy sales;
  - (xiii) service stations for vehicles;
  - (xiv) car or truck washes;
  - (xy) utility trailer display or storage;
  - (xvi) mini warehouse or storage facilities; or
  - (xvii) laundromat;

In furtherance of the foregoing, during the Food Lion Tenancy, Tenant shall not use or occupy the Premises for a supermarket, convenience food store or (i) the sale of packaged or fresh seafood, meat, or poultry for off-premises consumption, (ii) the sale of packaged or fresh produce or vegetables for off-premises consumption, (iii) the sale of dairy products (excluding cone ice cream) for off-premises consumption, (iv) the sale of packaged or fresh bakery products for off-premises consumption, or (v) the sale of grocery items, or any of them.

In furtherance of the foregoing, during that period that CVS (or an affiliated company) is a tenant of the Shopping Center under an enforceable lease for its space (as determined by Landlord in its sole discretion), Tenant shall not use the Premises as a drugstore, health and beauty aid store, a beauty supply store or for the operation of a pharmacy.

In furtherance of the foregoing, during that period that an auto parts store is a tenant of the Shopping Center under an enforceable lease for its space (as determined by Landlord in its sole discretion), Tenant shall not use the Premises for the primary business of the sale, display or rental of automotive parts, accessories, supplies, and/or maintenance items.

In addition, Tenant shall not, without Landlord's prior written consent, (i) place or permit any items outside of the Premises (including, without limitation, any antenna or speakers), (ii) keep anything within the Premises for any purpose which increases the insurance premium cost or invalidates any insurance policy carried on the Premises or other part of the Shopping Center, or (iii) solicit business or distribute leaflets or other advertising material in the Common Area.

- c. If Tenant ceases operating in the Premises for a period of thirty (30) consecutive days or more not due to force majeure, casualty or condemnation, Landlord, at Landlord's sole option and for a period of six (6) months after the expiration of such thirty (30) day period, shall have the right to terminate this Lease by delivery of written notice to Tenant. Termination of this Lease shall be effective thirty (30) days after the date of such termination notice ("Effective Termination Date"), and from and after the Effective Termination Date the parties shall have no further obligations hereunder except for obligations which by their provisions are intended to survive the termination of this Lease. If this Lease shall be terminated on any day other than the last day of any calendar month, all Rent due Landlord under the terms of this Lease for the month in which this Lease terminates shall be prorated on a per diem basis, based upon the number of days in the calendar month in which this Lease terminates.
- 8. <u>GOVERNMENTAL REQUIREMENTS</u>. Tenant shall be solely responsible for complying with the laws, regulations and ordinances of all governmental authorities now or hereafter in force (collectively, "<u>Governmental Requirements</u>") pertaining to the Premises which are Tenant Generated (defined below), whether structural or non-structural. Landlord shall be solely responsible for compliance with all other Governmental Requirements pertaining to the Premises, whether structural or non-structural. The term "<u>Tenant Generated</u>" means that the Governmental Requirement was made necessary by any act or work performed by Tenant or its agents, employees or contractors, or by the particular nature of Tenant's then current use, or by the particular manner in which Tenant conducts its business, or by an omission of Tenant, or by a default by Tenant of any of the terms of this Lease.
- 9. <u>AMERICANS WITH DISABILITIES ACT</u>. The parties acknowledge that the Americans with Disabilities Act of 1990 and regulations and guidelines promulgated thereunder (the "<u>ADA</u>"), establish requirements for business operations, accessibility and barrier removal. The parties agree that Tenant shall be responsible for ADA compliance in the Premises made necessary by Tenant's specific business operations within the Building.

- 10. **IMPROVEMENTS.** Except for the Landlord's Work, the parties agree that the Premises have been delivered as of the Commencement Date in their as-is, where-is condition and that except as specifically set forth herein, the Landlord does not make any representation or warranty (express or implied) with respect to the Premises or Shopping Center, including the permitted use(s) thereof. Tenant may not make nonstructural, structural, exterior, mechanical, electrical, plumbing, or other system alterations, additions or improvements to the Premises without the prior written consent of Landlord, which Landlord agrees will not be unreasonably withheld. In addition, Tenant shall not install any window treatments or other improvements or signage in the windows without the prior written consent of Landlord, which such consent shall not be unreasonably withheld. Any improvements made pursuant to this Section 10 must be constructed in a good and workmanlike manner by reputable contractors; all work must be in accordance with all applicable laws, codes, and regulations; all material and structural work must be in accordance with plans previously approved by Landlord in writing, and any alteration, addition or improvement made by Tenant shall become Landlord's property upon the expiration or termination of this Lease or any extension unless Landlord notifies Tenant at the time of approval of such work that Tenant must remove such alteration, addition or improvement at the end of the Term.
- 11. <u>UTILITY CHARGES</u>. Tenant shall be solely responsible for contracting and paying for all utilities that may be supplied to the Premises. No diminution or abatement of Rent shall or will be claimed by Tenant as a result of, nor shall this Lease or any of the obligations of Tenant be affected or reduced by, reason of any interruption, curtailment or suspension of utilities.

### 12. MAINTENANCE OF THE PREMISES AND COMMON AREAS.

- (a) Except to the extent that damage to the same is caused by the acts or negligence of Tenant, its agents, employees, or contractors and subject to Tenant's obligations under Section 12(b) below, Landlord, at Landlord's sole cost and expense, shall, within a reasonable time after written notice from Tenant of the need for such maintenance or repairs: 1) maintain the roof and roof membrane of the Building in a water tight condition; 2) keep and maintain the structural soundness of the foundation and exterior walls of the Building and make all structural repairs thereto; 3) maintain and repair all utility systems under the Shopping Center to the point of connection to the Premises, 4) keep and maintain the Common Areas; 5) be responsible for all repairs and replacements to any HVAC and mechanical systems exclusively servicing the Premises that exceed the HVAC Cap (defined below); and 6) be responsible for all repairs and replacements to any plumbing systems, plumbing fixtures and water pipes within the Premises that exceed the Plumbing Cap (defined below). Landlord shall maintain, operate, repair and replace the Common Areas to the standard by which common areas of Class B retail buildings in the Montgomery County, North Carolina area are maintained, operated, repaired and replaced.
- (b) Except as provided in <u>Section 12(a)</u> above, Tenant, at Tenant's sole cost and expense, shall (i) keep and maintain the Premises and all improvements thereon, including, without limitation, the windows and any other glass items, non-structural portions of the exterior walls of the Premises, interior walls, ceilings, floor coverings, doors, door hardware, storefront, fixtures, equipment, and systems (if any) which exclusively serve the Premises in good order,

condition and repair and shall replace the same as necessary, (ii) contract with and deliver to Landlord certification of services from licensed technicians for termite and pest extermination services and customary sprinkler system service and maintenance for the Premises, which such services shall be rendered no less frequently than quarterly, (iii) furnish, maintain and replace all electric light bulbs, tubes and tube casings in the Premises, (iv) make such arrangements as necessary from time to time for the storage and disposal of all garbage and refuse from the Premises, (v) paint the interior and keep the Premises in good condition and repair, and (vi) keep the sidewalks, patios, service-ways and loading areas adjacent to the Premises neat, clean and free from dirt, rubbish, insects and pests at all times and shall store all trash and garbage in designated trash receptacles.

Notwithstanding any provision herein to the contrary, Landlord and Tenant hereby agree that (i) Tenant, at its sole cost, shall be solely responsible for customary maintenance and service of any HVAC system or portion thereof solely serving the Premises, which such service shall be performed no less frequently than quarterly by a licensed technician; (ii) Tenant shall be solely responsible for all repairs and replacements to such HVAC system up to an aggregate amount of \$2,500 over the Term (the "HVAC Cap"); and (iii) Tenant shall be solely responsible for all repairs and replacements to any plumbing systems, plumbing fixtures and water pipes within the Premises up to an aggregate amount of \$2,500 over the Term (the "Plumbing Cap"). Landlord shall be responsible for repairs and replacements to such HVAC system exceeding the HVAC Cap and to such plumbing systems, fixtures and water pipes that exceed the Plumbing Cap. With respect to any item exceeding the HVAC Cap or Plumbing Cap, Landlord shall have the right to obtain the associated quotes and contract for the associated repairs.

If Tenant shall fail, refuse or neglect to fulfill Tenant's obligations regarding maintenance, repairs and replacements, in accordance with the terms and provisions of this Lease, after thirty (30) days prior written notice from Landlord (or without notice in the case of an emergency), or in the event said repairs cannot be made in thirty (30) days, shall fail to commence and diligently pursue said repairs using all due speed, the same shall constitute a default under this Lease and in addition to all rights and remedies at law or in equity provided, Landlord shall have the right, at its option, without notice, to complete such obligation(s) of Tenant and the actual costs and expenses thereof, together with an administrative fee of ten percent (10%) of such costs, shall be due from Tenant to Landlord within ten (10) days after a statement therefore has been delivered to Tenant.

13. <u>MECHANIC'S LIENS</u>. Tenant hereby indemnifies Landlord against, and shall keep the Premises free from any and all mechanics' liens or other such liens arising from any work performed, material furnished, or obligations incurred by Tenant in connection with the Premises, and shall discharge or bond any such liens within thirty (30) days after same are filed.

It is expressly covenanted and agreed that Landlord's interest in the Premises shall not be subject to mechanics or other liens for work, services, repairs, or improvements made by or for Tenant or arising through Tenant and no person who furnished work, labor, services or materials to the Premises, or the furniture, furnishings, fixtures and equipment thereof shall acquire any lien rights against Landlord's interest.

14. <u>DESTRUCTION</u>. Tenant shall give prompt written notice to Landlord in case of any fire or other damage to the Premises. If the Premises shall be damaged by fire or other casualty, then the Minimum Rent shall be fully abated if Tenant is unable to operate its business (using a commercially reasonable standard); otherwise the Minimum Rent shall be equitably adjusted, and Landlord shall promptly repair and restore the Premises (excluding any improvements made by Tenant), limited, however, to the extent of the insurance proceeds actually received by Landlord for such damage or destruction. Tenant shall thereafter restore its improvements within the Premises and reopen for business within sixty (60) days after Landlord re-delivers the Premises to Tenant.

Notwithstanding the foregoing, if twenty-five percent (25%) or more of the Premises shall be damaged by fire or other casualty, or if any mortgagee or insurance company shall fail to make insurance proceeds available to Landlord for restoration of the Building, or if those insurance proceeds are not sufficient to restore the Premises to its condition prior to the casualty, then and in such event Landlord or Tenant shall have the right to terminate this Lease by written notice to the other and all insurance proceeds may be retained by Landlord.

15. <u>CONDEMNATION</u>. If the whole of the Premises shall be acquired or condemned by eminent domain for any public or quasi-public use or purposes, then the Term shall cease and terminate as of the date of title vesting in the condemning governmental body or other authority pursuant to such proceeding and all rentals and other charges shall be paid up to that date and Tenant shall have no claim against Landlord for the value of any unexpired Term.

If a part of the Premises shall be acquired or condemned by eminent domain for any public or quasi-public use or purpose, and such partial taking or condemnation shall render the Premises unsuitable for the business of Tenant (using a commercially reasonable standard), then this Term, at the election of Landlord or Tenant, shall cease and terminate as of the date of title vesting in the condemning governmental body or other authority pursuant to such proceeding and Tenant shall have no claim against Landlord for the value of any unexpired Term. In the event of a partial taking or condemnation which, using a commercially reasonable standard, is not extensive enough to render the Premises unsuitable for the business of Tenant, then this Lease shall continue in full force and effect, except that the Minimum Rent shall be reduced in proportion to the portion of the Premises lost in the taking.

In the event of any condemnation or taking as hereinabove provided, whether whole or partial, Tenant shall not be entitled to any part of the award for the Premises or the leasehold thereof, as damages or otherwise, for such condemnation and Landlord is to receive the full amount of such award, but Tenant shall be entitled to separately claim for Tenant's moving expenses and fixtures.

16. ACCESS TO THE PREMISES. Landlord and its authorized representatives shall have the right to enter upon the Premises during regular business hours, with reasonable advance notice and using reasonable efforts to minimize disruption of Tenant's business, (a) for the purpose of exhibiting the same to prospective purchasers and mortgagees and (b) during the final one hundred twenty (120) days of the term of this Lease, for the purpose of exhibiting the same to prospective tenants. Landlord shall also have the right to enter upon the Premises during

all regular business hours (and in emergencies at all times) with reasonable advance notice (except in the case of an emergency) for the purpose of making any repairs or maintenance that is the right or obligation of Landlord under this Lease, including curing any of Tenant's defaults under this Lease.

- 17. HAZARDOUS WASTE. Tenant shall not handle, use, store, release, transport or dispose of Hazardous Substances in or around the Premises or the Shopping Center, or cause or permit the Premises or Shopping Center to be used for the handling, use, storage, release, transportation or disposal of Hazardous Substances, except in compliance with applicable Environmental Laws and only to the extent customarily handled, used, stored, or disposed of in Tenant's business. "Hazardous Substances" shall mean and include, without limitation, all those substances, elements, materials or compounds that are included in any list of hazardous or restricted substances adopted by the United States Environmental Protection Agency ("EPA") or any other substance, element, material or compound defined or restricted as a hazardous, toxic, radioactive or dangerous substance, material or waste by the EPA or any other ordinance, statute, law, code or regulation of any federal, state of local governmental or quasi-governmental entity or any agency, department or other subdivision thereof, whether now or later enacted, issued or promulgated, including, without limitation, "hazardous wastes" as the term is defined in the Federal Resource Conservation and Recovery Act or as "hazardous substances" under the Federal Comprehensive Environmental Response, Compensation and Liability Act. Subject to Section 8, Tenant covenants that it will comply with any ordinance, statute, law, code or regulation of any federal, state of local governmental or quasi-governmental entity or any agency, department or other subdivision thereof, whether now or later enacted, issued or promulgated (collectively, "Environmental Laws") relating to Hazardous Substances or other environmental matters. Tenant shall promptly notify Landlord of any breach of this Section 17 or any notice received by Tenant or of which it becomes aware regarding any Hazardous Materials or Environmental Laws. Tenant hereby indemnifies and agrees to defend and hold Landlord harmless from and against all loss, liability, damage, expense or claim arising under any Hazardous Substances law or other Environmental Laws and any other loss, liability, damage, expense or claim, including, without limitation, expenses incurred in connection with any environmental site assessment or remediation, which may be incurred by or asserted against Landlord, directly or indirectly, arising out of Tenant's or Tenant's agents', contractors' or employees' use, handling, generation, manufacture, refinement, release, storage, transportation or disposal of Hazardous Substances or violation of any Environmental Law.
- 18. ASSIGNMENT OF LEASE. Tenant shall not assign or sublet its interest in this Lease, in whole or in part, without Landlord's consent, which consent shall not be unreasonably withheld or delayed. A change of control of Tenant shall be deemed to be an assignment unless Tenant, after that change, has the same or greater financial wherewithal as before that change. At its election, Landlord may collect rent from the transferee, assignee, subtenant or occupant and apply the net amount collected to the Minimum Rent and additional rent herein reserved. No such transfer, assignment, subletting, occupancy or collection or the acceptance of the transferee, assignee, subtenant or occupant as tenant, shall release Tenant from the performance by Tenant of the covenants in this Lease, and Tenant shall remain primarily liable hereunder. If any rent obtained by Tenant on a sublease or assignment is greater than the rent due hereunder, Tenant shall deliver 100% of such excess to Landlord promptly upon receipt thereof. Tenant shall

provide to Landlord any request to sublease or assign its interest in this Lease in writing at least sixty (60) days in advance of the proposed assignment or subletting, and such notice shall include a copy of the proposed sublease or assignment. Within thirty (30) days after such notice and prior to Landlord's approval of such sublease or assignment, Landlord may recapture the space effective as of the date that is sixty (60) after such notice. Notwithstanding anything in this Section 18 to the contrary, Tenant may assign its rights and obligations under this Lease without Landlord's prior consent (a) to an affiliate that controls, is controlled by or is under common control with Tenant, (b) to the purchaser of all or substantially all of the assets of Tenant or (c) to an entity into which Tenant merges, so long as the assignee has the same or greater financial wherewithal as the assignor.

- 19. <u>SUBORDINATION AND NON-DISTURBANCE</u>. Landlord shall have the right at any time, and from time to time, to place upon the Premises any mortgage which shall be wholly prior to the rights of Tenant under this Lease, and Tenant shall, upon demand, execute any and all instruments necessary to subject and subordinate this Lease, and all rights granted to Tenant by this Lease, to any such mortgage, provided that each such mortgage provides Tenant with a non-disturbance agreement in a form and substance reasonably acceptable to Tenant.
- 20. <u>ESTOPPELS</u>. Tenant shall, upon written request from Landlord, execute, acknowledge and deliver to the other a written statement, within ten (10) days after the date of written request therefor, certifying that this Lease is unmodified and in full force and effect (or that the same is in full force and effect as modified, listing the instruments of modification), the dates to which the Minimum Rent, additional rent and other charges have been paid and whether or not a default exists hereunder (and if so, specifying the nature of the default), it being intended that any such statement delivered pursuant to this <u>Section 20</u> may be relied upon by third parties to whom such statement is delivered.
- 21. <u>DEFAULT</u>. The occurrence of any of the following events shall be a default by Tenant:
- a. Tenant's failure to pay any installment of the Rent within five (5) business days after the due date thereof; or
- b. Tenant's failure to perform any covenants, agreements, conditions, terms or provisions contained in this Lease, which on the part of, or on behalf of, Tenant are to be kept or performed, and the continuance of such failure without cure or remedy of the same for a period of thirty (30) days (or such additional time as is reasonably necessary to cure such default provided that Tenant diligently is pursuing a cure in Landlord's estimation) after the date Landlord shall have given to Tenant written notice of such failure and default; provided, however, that Tenant's cure period shall be reduced from thirty (30) days to ten (10) days after two (2) written notices of the same non-monetary default in any one (1) Lease Year; or
  - c. Tenant shall abandon or vacate any portion of the Premises; or
  - d. Tenant's default under Section 23 hereof.

- 22. <u>REMEDIES</u>. Upon a default, Landlord shall have the option, subject to Tenant's rights as set forth in this Lease, to pursue all rights and remedies at law or in equity provided and, in addition thereto, to do any of the following:
- Terminate this Lease, in which event Tenant shall immediately surrender the Premises to Landlord. In the event that Landlord shall elect so to terminate this Lease, then Landlord may recover from Tenant: (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 unpaid Rent which would have been earned after termination until the time of award; plus (iii) the worth at the time of award of the Rent for the balance of the Term after the time of award; plus; plus (iv) any other amount necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom including, but not limited to, any costs or expenses incurred by Landlord in (A) retaking possession of the Premises, including reasonable attorneys' fees thereof; (B) maintaining or preserving the Premises for the balance of the Term after such default; (C) preparing the Premises for reletting to a new tenant, including repairs or alternations to the Premises for such reletting; (D) leasing commissions in connection with reletting the Premises; (E) any other costs necessary or appropriate to relet the Premises; and (F) 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 applicable law; less (v) any rent for the Premises actually received by Landlord between the time of termination and the time of the award or which Landlord is entitled to receive pursuant to an executed lease for the Premises entered into by Landlord and a third party at or prior to the time of the award, if any. As used in clauses (i) and (ii) above, the "worth at the time of the award" shall be computed by allowing interest in an amount equal to the discount rate of the Federal Reserve Bank of Richmond, Virginia at the time of award, plus five percent (5%). As used in clause (iii) above, the "worth at the time of the award" shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of Richmond, Virginia at the time of award, plus two percent (2%).
- b. Without terminating this Lease, re-enter the Premises by summary proceedings or otherwise and relet the Premises to such tenant or tenants for such term or terms as Landlord may elect, without being obligated to do so, and in the event of a reletting Landlord shall apply the rent therefrom first to the payment of Landlord's expenses, including, without limitation, attorneys' fees incurred by reason of Tenant's default and the expense of reletting, such as repairs, renovation or alteration of the Premises, and then to the payment of the Rent with Tenant remaining liable for any deficiency. Such deficiency shall be calculated and paid monthly. No such re-entry or taking possession of the Premises by Landlord shall be construed as an election on Landlord's part to terminate this Lease unless a written notice of such intention is given to Tenant or unless the termination thereof be decreed by a court of competent jurisdiction.
- c. Tenant shall be liable to Landlord for all costs Landlord shall incur in repossessing or reletting the Premises or collecting sums due to Landlord, including court costs and reasonable attorneys' fees, and, if Landlord terminates this Lease or relets the Premises after a default by Tenant, the amount of any unamortized construction allowance and leasing commissions. Landlord shall have no obligation to mitigate its damages under this Lease. If

Landlord elects to relet the Premises, it may do so on any terms that it deems appropriate in its sole discretion. In the event that Landlord shall take possession of the Premises pursuant to the terms hereof, Landlord shall have the right to keep in place and use, remove, or relinquish possession to any person any and all fixtures and personal property in the Premises without compensation to Tenant therefor and Tenant shall be liable for any costs incurred by Landlord in association therewith.

- 23. <u>BANKRUPTCY</u>: <u>INSOLVENCY</u>. If at any time after the date of this Lease, whether prior to the Commencement Date of or during this Term, any of the following shall occur and the same shall not be discharged and dismissed within thirty (30) days after the date of the filing, appointment or issuance thereof, then the same shall be deemed a default by Tenant under this Lease and Landlord shall be allowed any and all remedies provided at law or equity or in this Lease:
- a. any proceeding in bankruptcy, insolvency or reorganization is filed by or otherwise against Tenant;
- b. any receiver or trustee is appointed for all or any portion of Tenant's business or property,
- c. any execution or attachment is issued against Tenant or Tenant's business or property;
- d. the estate of Tenant herein shall pass to, or devolve upon, by operation of law or otherwise, anyone other than Tenant, except as herein provided.
- 24. <u>SIGNAGE</u>. Tenant shall be permitted to install, at its sole cost and expense, signage in accordance with Landlord's sign criteria. If no sign criteria are then in effect, the Tenant shall obtain Landlord's prior written consent to any signage (not to be unreasonably withheld, conditioned or delayed). The cost for any signage permitted hereunder shall be at Tenant's sole cost and expense, subject to Landlord's written approval and must be in compliance with all governmental codes and ordinances and any applicable covenants affecting the Land.
- 25. HOLDING OVER. Should Tenant remain in possession of the Premises after the expiration of this Term, without the execution of a new lease, such holding over shall, at the option of Landlord, be deemed to have created and be construed to be a tenancy from month-to-month, at a monthly rental equal to 1 ½ times the sum of the monthly installment of the Minimum Rent payable during the last month of this Term, plus all other sums to be paid by Tenant under this Lease.
- 26. QUIET ENJOYMENT. Landlord covenants that if, and so long as, Tenant is not in default under the terms of this Lease and performs the obligations of Tenant herein, Tenant shall peaceably and quietly have, hold and enjoy the Premises for the term herein mentioned, subject to the provisions of this Lease.

- 27. SURRENDER. Tenant shall, on the expiration or the earlier termination of this Term, surrender the Premises to Landlord, including all improvements constructed or placed by Landlord or Tenant thereon, broom clean, in good condition and free of all occupancies or claims of occupancy by any party, with all signage removed. Tenant shall promptly repair any damage caused by its vacating the Premises. Tenant shall leave HVAC, plumbing and electrical intact and in good working order. Notwithstanding the foregoing, Tenant may remove its trade fixtures, provided it repairs any damage caused by such removal. If Tenant fails to remove its trade fixtures or any other personal property which it is permitted to remove under this Section 27, the same shall automatically become the property of Landlord upon expiration of the term of this Lease or earlier termination of this Lease in accordance with the terms hereof, without credit or compensation to Tenant. Any linoleum, carpeting or other floor covering which may be cemented or otherwise affixed to the floor of the Premises is a permanent fixture and shall become the property of Landlord without credit or compensation to Tenant.
- 28. <u>RELATIONSHIP BETWEEN PARTIES</u>. Nothing contained in this Lease shall be deemed to constitute, or be construed to create, the relationship of principal and agent, partnership, joint ventures or any other relationship between the parties hereto, other than the relationship of tenant and landlord.
- 29. NOTICES. All notices, elections, demands, requests and other communications hereunder shall be in writing, signed by the party making the same and shall be delivered by person or sent by next day delivery by a recognized national carrier such as FedEx or UPS or by certified or registered United States mail, postage prepaid, addressed to the party using the address provided below or such other address as may hereafter be designated in accordance with the terms hereof by the applicable party hereto. The time and date of dispatch of such notice shall be the date received when delivered in person or the next business day if sent by overnight delivery or five (5) days after the time and date on which such certified mail is postmarked.

## Tenant:

Carrolton Home Care, Inc. 1026 Albemarle Road, Suite 904 Troy, North Carolina 27391 Attn: Director of Operations

With a copy to:

Curo Health Services, LLC 491 Williamson Road, Suite 204

Mooresville, NC 28117 Attn: General Counsel

#### Landlord:

CommunityOne Bank, N.A. 1017 East Morehead Street Charlotte, North Carolina 28204 Attn: David Watson With a copy to:

Moore & Van Allen PLLC

100 North Tryon Street, Suite 4700 Charlotte, North Carolina 28202 Attn: Emily B. Reynolds, Esq.

- 30. **ENTIRE AGREEMENT.** This Lease contains the entire agreement between the parties hereto, fully supersedes all prior written or oral agreements and understandings between the parties pertaining to the subject matter hereof, and shall not be modified in any manner except by an instrument in writing executed by the parties hereto.
- 31. <u>SUCCESSORS AND ASSIGNS</u>. All of the terms, covenants and conditions of this Lease shall be binding upon and inure to the benefit of legal representatives, successors and permitted assigns of Tenant and Landlord.
- 32. <u>HEADINGS</u>. The headings contained in this Lease are included for convenience only and shall not be taken into consideration in any construction or interpretation of this Lease or any of its provisions.
- 33. <u>BROKER'S COMMISSIONS</u>. Landlord shall pay a brokerage commission to Mohr Partners, Inc. and Southern Real Estate (collectively, the "<u>Brokers</u>") in the combined amount of \$6,683.67 pursuant to separate written agreements between Landlord and Brokers. Each party represents that no brokers other than Brokers were engaged by that party or can otherwise claim a commission on account of this Lease due to the acts of that party. Each party agrees to hold harmless and indemnify the other from any claim by a broker claiming a commission due to its representation of the indemnifying party regarding this Lease, the Shopping Center or the Premises.
- 34. <u>AUTHORITY</u>. Tenant, by its execution hereof, hereby represents and warrants to Landlord that it is a duly authorized and existing corporation qualified to do business in the state in which the Premises are located, that Tenant has full right and authority to enter into this Lease, and that each person signing on behalf of Tenant is authorized to do so. Landlord, by its execution hereof, hereby represents and warrants to Tenant that Landlord is a duly authorized and existing banking association, that Landlord is qualified to do business in the state in which the Premises are located, that Landlord has full right and authority to enter into this Lease, and that each person signing on behalf of the Landlord is authorized to do so.
- 35. SEVERABILITY; RULES OF CONSTRUCTION. It is the intention of the parties hereto that if any provision of this Lease is capable of two constructions, one which would render the provision invalid and the other of which would render the provision valid, then the provisions shall have the meaning which renders it valid. If any term or provision, or any portion of this Lease or the application thereof to any person or circumstances, shall to any extent be invalid or unenforceable, the remainder of this Lease or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term or provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

- 36. <u>APPLICABLE LAW</u>. The laws of the State of North Carolina shall govern the validity, performance and enforcement of this Lease,
- 37. <u>RECORDING</u>. This Lease Agreement shall not be recorded. Landlord and Tenant agree to sign and record, at the cost and expense of the requesting party, a memorandum or short form of lease setting forth certain material non-monetary provisions of this Lease Agreement, in a form reasonably satisfactory to Landlord, but only after the Commencement Date of this Lease.
- 38. <u>PERSONAL PROPERTY TAXES</u>. Tenant shall pay before delinquency, any and all taxes, assessments, license fees and public charges levied, assessed or imposed against any property of Tenant located on the Premises, which shall become due during the term of this Lease.

## 39. TENANT'S COVENANTS.

- a. Tenant shall not burn any trash, rubbish or garbage in or about the Premises. Tenant shall not store any trash, rubbish or garbage in the Premises except in a sanitary and inoffensive manner in the location designated by Landlord for trash disposal;
- b. Tenant shall give to Landlord prompt written notice of any accident, fire or damage occurring on or to the Premises and the Common Area;
- c. Tenant shall keep the Premises sufficiently heated to prevent freezing of water in pipes and fixtures;
- d. Tenant shall comply with any and all rules and other regulations and recorded documents affecting the Shopping Center which are in effect as of the Effective Date or thereafter, provided that such rules and regulations enacted after the date hereof do not materially affect Tenant's rights or obligations under this Lease and are equitably applied to all tenants of the Shopping Center; and
- e. Tenant shall install fire extinguishers and other life-safety equipment in the Premises as Tenant reasonably deems necessary.
- 40. <u>FORCE MAJEURE</u>. Time is of the essence with respect to all provisions of this Lease; provided, however, neither Landlord nor Tenant shall be deemed in default with respect to the performance of any of the terms, covenants and conditions of this Lease to be performed by it if any failure of its performance shall be due to any strike, lockout, civil commotion, war, warlike operation, invasion, rebellion, hostilities, military or usurped power, sabotage, governmental regulations or controls, inability to obtain any material or service, or Act of God, beyond the reasonable control of Landlord or Tenant, and the time for performance by a party hereto shall be extended by the period of delay resulting from or due to any of said causes. The foregoing shall in no event apply to the monetary obligations of Tenant hereunder.

41. TRANSFER OF LANDLORD'S INTEREST. The term "Landlord" as used in this Lease means only the owner or the mortgagee in possession for the time being of the Shopping Center or the owner of the lease of the Shopping Center of which the Premises are a part so that in the event of any sale or sales of said Shopping Center or of said lease, said Landlord shall be and hereby is entirely freed and relieved of all covenants and obligations of Landlord hereunder thereafter accruing and it shall be deemed and construed without further agreement between the parties or their successors in interest, that the purchaser or the lessee of the Shopping Center has assumed and agreed to carry out any and all covenants and obligations of Landlord hereunder.

Any security given by Tenant to Landlord to secure performance of Tenant's obligations hereunder may be assigned and transferred by Landlord to the successor in interest to Landlord; and, upon acknowledgement by such successor of receipt of such security and its express assumption of the obligation to account to Tenant for such security in accordance with the terms of this Lease, Landlord shall thereby be discharged of any further obligation relating thereto.

Landlord's assignment, sale or transfer of this Lease or of any or all of its rights herein shall in no manner affect Tenant's obligations hereunder. Tenant shall thereafter attorn and look to such assignee, as Landlord, provided Tenant has first received written notice of such assignment of Landlord's interest.

- 42. <u>LIMITATION OF LANDLORD'S LIABILITY</u>. If Landlord shall fail to perform any covenant, term or condition of this Lease upon Landlord's part to be performed within thirty (30) days after written notice from Tenant (unless such condition is incapable of being cured within said thirty (30) day period, in which event it shall not be deemed a default so long as Landlord is diligently pursuing the completion of same), and, as a consequence of such default, Tenant shall recover a money judgment against Landlord, such judgment shall be satisfied solely out of the proceeds of sale received upon execution of such judgment levied thereon against the right, title and interest of Landlord in the Shopping Center as the same may then be encumbered; and no Landlord Party shall have any personal liability for any deficiency. It is understood and agreed that in no event shall Tenant or any person claiming by or through Tenant have the right to levy execution against any property of Landlord other than its interest in the Shopping Center.
- 43. <u>SURVIVAL</u>. All obligations of Tenant or Landlord which by their nature involve performance, in any particular, after the end of the term of this Lease, or which cannot be ascertained to have been fully performed until after the end of the term, shall survive the expiration or sooner termination of the term.
- 44. <u>FINANCIAL INFORMATION OF TENANT</u>. Tenant shall at any time and from time to time during the term of this Lease, within thirty (30) days after written request by Landlord, deliver to Landlord a balance sheet and income statement for Tenant.

- 45. <u>NO CONSEQUENTIAL DAMAGES</u>. In no event shall Landlord or Tenant be entitled to collect from the other party consequential or speculative damages due to any default of this Lease on the part of such other party.
- ATTORNEYS FEES, WAIVER OF JURY TRIAL, ARBITRATION. If the 46. parties hereto become involved in any action or proceeding arising out of or in connection with this Lease, the Premises or the Shopping Center (including, without limitation, the enforcement or interpretation of this Lease or either party's rights, duties or obligations hereunder), the prevailing party shall be entitled to recover from the non-prevailing party all actual and reasonable expenses of attorneys' fees, paralegal fees and costs, expenses and disbursements incurred by the prevailing party in such action or proceeding, without the necessity for a cross-action by the prevailing party. Such reimbursement shall include all such expenses incurred prior to and at any such trial or proceeding and at all levels of appeal and post judgment proceedings. ALL PARTIES HERETO WAIVE ANY RIGHT TO A JURY TRIAL. Either party may elect to arbitrate issues and matters arising under this Lease by sending written notice to the other party and the Regional Office of the American Arbitration Association. Unless otherwise required by state law, arbitration shall be conducted in the metropolitan area where the Property is located by a single arbitrator unaffiliated with either party. The parties consent to the jurisdiction of any appropriate court to enforce the arbitration provisions of this Lease and to enter judgment upon the decision of the arbitrator. Notwithstanding the foregoing, the following matters and issues shall be excluded from the arbitration provisions of this Section: (a) Landlord's exercise of its rights and remedies upon a default under this Lease, and (b) disputes regarding whether arbitration hereunder is barred by applicable law.
- 47. PATRIOT ACT COMPLIANCE. Tenant represents to Landlord that Tenant is not a person or entity described by Section 1 of the Executive Order (No. 13224) Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism, 66 Fed. Reg. 49,079 (September 24, 2001), and does not engage in any dealings or transactions, and is not otherwise associated, with any such persons or entities or any forbidden entity. A "forbidden entity" is defined as (i) the governments of Cuba, Iran, North Korea, Myanmar, Syria and Sudan (each, a "Prohibited Country") and any of their agencies, including but not limited to, political units and subdivisions (each, a "Prohibited Government"); (ii) any company that (1) is wholly or partially managed or controlled by a Prohibited Government, (2) is established, organized under, or whose principal place of business is in any Prohibited Country, (3) has failed to submit an affidavit following request therefor averring that it does not own or control any property or asset in and has not and does not transact business with any Prohibited Country; and (iii) to Tenant's knowledge, any publicly traded company identified by an independent researcher specializing in global security as (1) owning or controlling property or assets or having employees or facilities located in, (2) providing goods or services to or obtaining goods or services from, (3) having distribution agreements with, issuing credits or loans to or purchasing bonds or commercial paper issued by, or (4) investing in any Prohibited Country or any company domiciled in any Prohibited Country. For purposes of this Section, a "company" is any entity whether publicly traded or privately owned capable of affecting commerce, including but not limited to, a government, government agency, natural person, legal person, sole proprietorship, partnership, firm, corporation, subsidiary, affiliate,

franchisor, franchisee, joint venture, trade association, financial institution, utility, public franchise, provider of financial services, trust, or enterprise and any association thereof.

48. <u>GUARANTY</u>. Tenant's sole member, Curo Community Hospice, LLC, shall guaranty those of Tenant's obligations under this Lease described in that certain Lease Guaranty attached hereto as <u>Exhibit E</u> and incorporated herein by execution of such Lease Guaranty as of the Effective Date of this Lease.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have duly executed this Lease as of the day and year first above written.

LANDLORD:
COMMUNITYONE BANK, a national banking association
Ву:
Name:
Title:
TENANT:
CARROLTON HOME CARE, LLC, a Delaward limited liability company
$\Omega$
By: 1/4
Name: Douglas J. Abell
Title; General Counsel

#### EXHIBIT A

## **Legal Description of Land**

Troy Township, Montgomery County, North Carolina:

A tract or parcel of land lying and being in Troy Township, Montgomery County, North Carolina, about 2,000 ft. southwest of Troy on the north side of State Highway No. 24-27 and 109, more particularly described as follows:

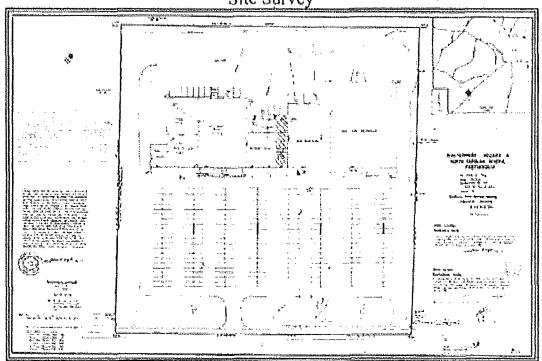
BEGINNING at a concrete monument with a brass cap, set on the northern margin of the right-of-way of said Highway No. 24-27 and 109, being South 43-18-11 West 1,259,56 ft, from N.C. Grid Monument "TEXACO"; thence a new line South 47-32-04 East 30.00 ft, to a point in the center line of said highway; thence with the said center line South 41-05-15 West 595.29 ft. to a point in the center line of said highway; thence leaving the highway North 47-57-55 West crossing a concrete monument with a brass cap set on the northern margin of the right-of-way of said highway continuing for a total distance from said point in the center line of said highway of 630.00 ft., to a 11/4 inch pipe set; thence North 41-13-33 East 600.00 ft, to a 11/2 inch pipe set; thence South 47-32-04 East 598.65 ft, to the BEGINNING, containing 8.63 acres, more or less, as shown on a survey for Southern Farm Bureau Annulty Insurance Company, dated January 6, 1986, and revised June 12, 1986; June 26, 1986; July 16, 1990; March 31, 1994; and August 12, 1994, entitled "Montgomery Square, a North Carolina General Partnership in Town of Troy, Troy Township, Montgomery Co., N. C." prepared by James L. Wright, R.L.S. This being the same land conveyed by the deed from McRae Industries, Inc., to Ernest C. Watkins, Jr. and J. D. King, dated March 15, 1985, and recorded in Deed Book 216, Page 412 of the Montgomery County Public Registry.

SAVE AND EXCEPT that portion of the property released by Deed of Release dated June 13, 2007 and recorded in Deed Book 594, Page 622 of the Montgomery County Public Registry and conveyed to Partners in Healthcare of Montgomery County, LLC by Deed dated June 8, 2007, and recorded in Deed Book 594, Page 204 of the Montgomery County Public Registry.

## EXHIBIT B

## **Depiction of Premises**

Site Survey



## EXHIBIT C

## Rent Schedule.

Time Period	Annual Base Rent Amount	Monthly Base Rent Amount
Commencement Date - end of		
first full year of Term	·	
(including any partial month		
in which Commencement		
Date occurs)		
Second full year of Term	(333.33 <b>3)</b>	
Third full year of Term		
Fourth full year of Term		
Fifth full year of Term	(804-804-804-80)	

## EXHIBIT D

## Landlord's Work.



P O Box 545 121 North Main Street Norwood, NC 28128

## **Estimate**

ĺ	Dale	Estimate #
	6/9/7013	7 <b>5</b> 20

Community Ilme Care & Hospice Brooke Ritchie, RN 533 Fayevveville St Asheboro, NC 27203

Proy.Upfi(	
Description	<b>1</b> 691
Remove and Replace Carpet/VCT and Cova Base	1,160,EQ
Paint all Walls - one color	7.373.60
Replace stained Ceiling tiles (approx 50)	400.00
Remove 5 cabinets, Cap Plumbing, Repair Drywall and cap of plumbing where s-ray machine was.	1,7(a.no
Install entrance lack on file room Door	75.96
Remove Key Lock on inside of front door and replace with thumblatch	250/95
Subtotal of Charges	1 (750/00)
Contractor's Pes	2,132.40
Hard Committee of the C	CONTRACTOR OF THE CONTRACT OF
	production of the committee and the particular and
The second secon	

Total

115,162.50

### EXHIBIT E

## Guaranty

THIS LEASE GUARANTY (this "Guaranty") is made effective as of September 18, 2013 by CURO COMMUNITY HOSPICE, LLC, having an address of 491 Williamson Road, Suite 204, Mooresville, NC 28117 ("Guarantor"), in favor of CommunityOne Bank, a national banking association having an address of 1017 East Morehead Street, Charlotte, North Carolina 28204 ("Landlord").

WHEREAS, contemporaneously herewith, CARROLTON HOME CARE, LLC, a Delaware limited liability company ("Tenant"), executed that certain Lease Agreement with Landlord dated of even date herewith (the "Lease"), the terms and conditions of which Lease are hereby incorporated herein by reference, for certain premises known as Suite 904 located at the Montgomery Square Shopping Center on NC Highway 2427, Troy, North Carolina (the "Premises").

WHEREAS, as a condition to Landlord's execution of the Lease, Landlord is requiring that Guarantor execute and deliver to Landlord this Guaranty.

WHEREAS, to induce Landlord to execute the Lease and with the understanding that Landlord would not execute the Lease without Guarantor's execution and delivery to Landlord of this Guaranty, Guarantor desires to guaranty Tenant's performance under the Lease as hereinafter provided.

- NOW, THEREFORE, IN CONSIDERATION of, and as an inducement for the granting, execution and delivery of the Lease, and in further consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration, the adequacy and sufficiency of which Guarantor specifically acknowledges, Guarantor agrees as follows:
- A. Guaranty. Guarantor guarantees to Landlord: (a) the full and prompt payment of all rent and additional sums payable by Tenant under the Lease; and (b) the full, faithful and prompt performance and observance of all the covenants, terms, conditions, obligations and agreements required to be performed and observed by Tenant under the Lease. In addition, all losses, damages, reasonable attorneys' fees and other costs and expenses incurred by Landlord in connection with or incidental to the enforcement of this Guaranty shall immediately be payable by Guarantor to Landlord. Guarantor does hereby become surety to Landlord for and with respect to all of the aforesaid obligations of Tenant under the Lease.
- B. Covenants. Guarantor hereby covenants and agrees to and with Landlord that if Tenant defaults in the payment of any rent or other sums payable by Tenant under the Lease or in the performance of any of the covenants, terms, conditions, obligations or agreements contained in the Lease, Guarantor will immediately: (a) pay such rent or other sums to Landlord and any arrears thereof (including all interest and late fees); (b) faithfully perform and fulfill all such covenants, terms, conditions, obligations and agreements; and (c) pay to Landlord all damages.

costs and expenses that Landlord incurs as a result of any default by Tenant under the Lease (including, without limitation, reasonable attorneys' fees incurred by landlord as a result of such default). This Guaranty is a primary, absolute, continuing and unconditional guaranty of payment and of performance. Guarantor's liability hereunder is direct and may be enforced by Landlord without Landlord being required to resort to any other right, remedy or security. Guarantor hereby expressly agrees that the validity of this Guaranty and the obligations of Guarantor hereunder shall not be terminated, affected or impaired by reason of the assertion or the failure to assert by Landlord against Tenant of any of the rights or remedies reserved to Landlord pursuant to the provisions of the Lease.

- Non-Release. This Guaranty shall not be released, discharged, terminated or in any way impaired by (a) any amendment, modification, extension or renewal of the Lease (whether material or otherwise), or any assignment or transfer the Lease or this Guaranty; (b) any exercise or non-exercise of any of Landlord's rights, remedies or privileges under the Lease or this Guaranty, or any waiver, consent or approval by Landlord with respect to any of the covenants, terms, conditions or agreements contained in the Lease; (c) the granting of any indulgences or extensions of time to Tenant; (d) any defenses, setoffs or counterclaims of Tenant; or (e) the voluntary or involuntary liquidation or dissolution of Tenant; the sale of substantially all of the assets of Tenant, or other similar proceeding affecting Tenant or any of Tenant's assets. Guarantor further acknowledges and agrees that this Guaranty is in addition to any other guaranty in favor of Landlord in connection with the Lease, and that such other guaranty shall not in any way limit, impair, reduce, affect or diminish this Guaranty or the obligations, liabilities or duties of Guarantor under this Guaranty. This Section C shall be selfoperative; provided, however, Guarantor agrees to execute and deliver to Landlord upon demand such agreements and/or instruments as requested by Landlord to further evidence and/or implement the terms and provisions of this Section C, including, without limitation, such consents and/or approvals requested by Landlord in connection with any amendment, modification, extension or renewal of the Lease (whether material or otherwise), or any assignment or transfer of the Lease.
- D. Rejection of Lease. This Guaranty will continue unchanged by any bankruptcy, reorganization or insolvency of Tenant or any successor or assignee thereof, or by a disaffirmance or abandonment of the Lease by a trustee of Tenant. No limitation on the liability of Tenant under the Lease which may now or hereafter be imposed by any federal, state or other statute, law, regulation or court decision shall in any way limit the obligations of Guarantor hereunder. The obligations of Guarantor hereunder are co-extensive with Tenant's obligations as set forth in the Lease without regard to any such statutory or legal limitation.
- E. Waiver of Notice; Other Waivers. Guarantor has been advised of the following rights and hereby waives: (a) presentment, demand for payment, and protest of non-performance under the Lease; (b) notice of any kind, including, but not limited to, notice of acceptance, notice of default and/or notice of any obligations or liabilities contracted or incurred by Tenant; (c) any right to require Landlord to enforce its rights and remedies against Tenant under the Lease or otherwise, and Guarantor hereby specifically waives the provisions of North Carolina General Statutes §§ 26-7 through 26-9; (d) any right to require Landlord to proceed against any security held from Tenant; (e) any right of subrogation against Tenant by reason of any payment or act of

performance by or on behalf of Guarantor in connection with this Guaranty; and (f) any right to indemnity, reimbursement or contribution which Guarantor now or hereafter shall have against Tenant by reason of any payment or act of performance by or on behalf of Guarantor in connection with this Guaranty. In addition, Guarantor hereby unconditionally and irrevocably waives any duty on the part of Landlord to disclose to Guarantor any matter, fact or thing relating to the Lease or to the business, condition (financial or otherwise), operations, performance, properties or prospects of Tenant now or hereafter known by Landlord, and in no event shall Landlord be required to provide Guarantor with any information or documentation relating to the Lease or to Tenant.

- F. Joint and Several Liability. Guarantor's liability shall be primary and joint and several with that of Tenant and any other guarantor of the Lease, notwithstanding the fact that Guarantor has had no prior notice of any default or of any forbearance or extension. Landlord may proceed against Guarantor under this Guaranty without initiating or exhausting any legal remedy against Tenant or such other guarantor and may proceed against Tenant, Guarantor and such other guarantor separately or concurrently.
- G. Assignment by Landlord. Landlord may, without notice to Guarantor, assign this Guaranty in whole or in part. Guarantor shall not assign this Guaranty without the prior written consent of Landlord.
- H. Guarantor's Warranties and Representations. Guarantor warrants and represents to Landlord that the making and performance of this Guaranty by Guarantor will not result in any breach of any term, condition or provision of, or constitute a default under, any contract, agreement or other instrument to which Guarantor is a party or by which it may be bound, or result in any breach of any regulation, order, writ, injunction or decree of any court or any commission, board or other administrative agency entered in any proceeding to which Guarantor is a party or by which it may be bound.

#### I. Miscellaneous.

- 1. <u>No Waiver</u>. All of Landlord's rights and remedies under the Lease and under this Guaranty are intended to be distinct, separate and cumulative and no such right and remedy therein or herein mentioned is intended to be in exclusion of or a waiver of any of the others.
- 2. <u>Inducement</u>. Guarantor hereby acknowledges and agrees that (a) the Lease is a direct material benefit to Guarantor; (b) Guarantor has a direct, material pecuniary interest in Tenant; and (c) Landlord would not have executed the Lease without the benefit of this Guaranty.
- 3. <u>Successors and Assigns</u>. This Guaranty shall be legally binding upon Guarantor and its successors, heirs and assigns and shall inure to the benefit of Landlord and its successors and assigns.

- 4. Governing Law. This Guaranty shall be governed by the laws of the State where the Premises is located (without application of choice of law provisions), and Guarantor hereby irrevocably agrees to non-exclusive personal jurisdiction in the State where the Premises is located.
- 5. <u>Invalidity</u>. The invalidity or unenforceability of any term herein shall not affect the validity or enforceability of any other term.
- 6. <u>Modification</u>. This Guaranty may not be modified, amended or terminated other than by an agreement in writing signed by Landlord.
- 7. <u>Counterparts</u>. This Guaranty may be executed in two or more counterparts, each of which shall be deemed an original but all of which taken together shall constitute one and the same instrument.
- 8. <u>Financial Statements</u>. Upon Landlord's written request, Guarantor shall, within ten (10) days of Landlord's request, furnish to Landlord or Landlord's designee financial statements describing Guarantor's then current financial condition in form and content as normally produced by Guarantor in the ordinary course of business.
- 9. Waiver of Jury Trial. TO THE EXTENT PERMITTED BY LAW, LANDLORD AND GUARANTOR MUTUALLY AGREE THAT THEY HEREBY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER AGAINST THE OTHER AS TO ANY MATTERS ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS GUARANTY.
- 10. <u>Reasonable Attorneys' Fees</u>. The term "reasonable attorneys' fees" when used hereunder shall mean the fees of Landlord's attorneys at their customary hourly rates actually incurred, notwithstanding any North Carolina statutory presumption to the contrary.

[SIGNATURE ON FOLLOWING PAGE]

IN WITNESS WHEREOF, Guarantor, intending to be legally bound hereby, has caused this Guaranty to be executed, sealed and delivered effective as of the date first above written.

## **GUARANTOR**:

CURO COMMUNITY HOSPICE, LLC, a Delaware limited liability company

By:	
Name:	
Title:	

#### LEASE GUARANTY

THIS LEASE GUARANTY (this "Guaranty") is made effective as of September 18, 2013 by CURO COMMUNITY HOSPICE, LLC, having an address of 491 Williamson Road, Suite 204, Mooresville, NC 28117 ("Guarantor"), in favor of CommunityOne Bank, a national banking association having an address of 1017 East Morehead Street, Charlotte, North Carolina 28204 ("Landlord").

WHEREAS, contemporaneously herewith, CARROLTON HOME CARE, LLC, a Delaware limited liability company ("Tenant"), executed that certain Lease Agreement with Landlord dated of even date herewith (the "Lease"), the terms and conditions of which Lease are hereby incorporated herein by reference, for certain premises known as Suite 904 located at the Montgomery Square Shopping Center on NC Highway 2427, Troy, North Carolina (the "Premises").

WHEREAS, as a condition to Landlord's execution of the Lease, Landlord is requiring that Guarantor execute and deliver to Landlord this Guaranty.

WHEREAS, to induce Landlord to execute the Lease and with the understanding that Landlord would not execute the Lease without Guarantor's execution and delivery to Landlord of this Guaranty, Guarantor desires to guaranty Tenant's performance under the Lease as hereinafter provided.

- NOW, THEREFORE, IN CONSIDERATION of, and as an inducement for the granting, execution and delivery of the Lease, and in further consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration, the adequacy and sufficiency of which Guarantor specifically acknowledges, Guarantor agrees as follows:
- A. Guaranty. Guarantor guarantees to Landlord: (a) the full and prompt payment of all rent and additional sums payable by Tenant under the Lease; and (b) the full, faithful and prompt performance and observance of all the covenants, terms, conditions, obligations and agreements required to be performed and observed by Tenant under the Lease. In addition, all losses, damages, reasonable attorneys' fees and other costs and expenses incurred by Landlord in connection with or incidental to the enforcement of this Guaranty shall immediately be payable by Guarantor to Landlord. Guarantor does hereby become surety to Landlord for and with respect to all of the aforesaid obligations of Tenant under the Lease.
- A. Covenants. Guarantor hereby covenants and agrees to and with Landlord that if Tenant defaults in the payment of any rent or other sums payable by Tenant under the Lease or in the performance of any of the covenants, terms, conditions, obligations or agreements contained in the Lease, Guarantor will immediately: (a) pay such rent or other sums to Landlord and any arrears thereof (including all interest and late fees); (b) faithfully perform and fulfill all such covenants, terms, conditions, obligations and agreements; and (c) pay to Landlord all damages, costs and expenses that Landlord incurs as a result of any default by Tenant under the Lease (including, without limitation, reasonable attorneys' fees incurred by landlord as a result of such default). This Guaranty is a primary, absolute, continuing and unconditional guaranty of

payment and of performance. Guarantor's liability hereunder is direct and may be enforced by Landlord without Landlord being required to resort to any other right, remedy or security. Guarantor hereby expressly agrees that the validity of this Guaranty and the obligations of Guarantor hereunder shall not be terminated, affected or impaired by reason of the assertion or the failure to assert by Landlord against Tenant of any of the rights or remedies reserved to Landlord pursuant to the provisions of the Lease.

- C. Non-Release. This Guaranty shall not be released, discharged, terminated or in any way impaired by (a) any amendment, modification, extension or renewal of the Lease (whether material or otherwise), or any assignment or transfer the Lease or this Guaranty; (b) any exercise or non-exercise of any of Landlord's rights, remedies or privileges under the Lease or this Guaranty, or any waiver, consent or approval by Landlord with respect to any of the covenants, terms, conditions or agreements contained in the Lease; (c) the granting of any indulgences or extensions of time to Tenant; (d) any defenses, setoffs or counterclaims of Tenant; or (e) the voluntary or involuntary liquidation or dissolution of Tenant, the sale of substantially all of the assets of Tenant, or other similar proceeding affecting Tenant or any of Tenant's assets. Guarantor further acknowledges and agrees that this Guaranty is in addition to any other guaranty in favor of Landlord in connection with the Lease, and that such other guaranty shall not in any way limit, impair, reduce, affect or diminish this Guaranty or the obligations, liabilities or duties of Guarantor under this Guaranty. This Section C shall be selfoperative; provided, however, Guarantor agrees to execute and deliver to Landlord upon demand such agreements and/or instruments as requested by Landlord to further evidence and/or implement the terms and provisions of this Section C, including, without limitation, such consents and/or approvals requested by Landlord in connection with any amendment, modification, extension or renewal of the Lease (whether material or otherwise), or any assignment or transfer of the Lease.
- D. Rejection of Lease. This Guaranty will continue unchanged by any bankruptcy, reorganization or insolvency of Tenant or any successor or assignee thereof, or by a disaffirmance or abandonment of the Lease by a trustee of Tenant. No limitation on the liability of Tenant under the Lease which may now or hereafter be imposed by any federal, state or other statute, law, regulation or court decision shall in any way limit the obligations of Guarantor hereunder. The obligations of Guarantor hereunder are co-extensive with Tenant's obligations as set forth in the Lease without regard to any such statutory or legal limitation.
- E. Waiver of Notice; Other Waivers. Guarantor has been advised of the following rights and hereby waives: (a) presentment, demand for payment, and protest of non-performance under the Lease; (b) notice of any kind, including, but not limited to, notice of acceptance, notice of default and/or notice of any obligations or liabilities contracted or incurred by Tenant; (c) any right to require Landlord to enforce its rights and remedies against Tenant under the Lease or otherwise, and Guarantor hereby specifically waives the provisions of North Carolina General Statutes §§ 26-7 through 26-9; (d) any right to require Landlord to proceed against any security held from Tenant; (e) any right of subrogation against Tenant by reason of any payment or act of performance by or on behalf of Guarantor in connection with this Guaranty; and (f) any right to indemnity, reimbursement or contribution which Guarantor now or hereafter shall have against Tenant by reason of any payment or act of performance by or on behalf of Guarantor in

connection with this Guaranty. In addition, Guarantor hereby unconditionally and irrevocably waives any duty on the part of Landlord to disclose to Guarantor any matter, fact or thing relating to the Lease or to the business, condition (financial or otherwise), operations, performance, properties or prospects of Tenant now or hereafter known by Landlord, and in no event shall Landlord be required to provide Guarantor with any information or documentation relating to the Lease or to Tenant.

- F. Joint and Several Liability. Guarantor's liability shall be primary and joint and several with that of Tenant and any other guarantor of the Lease, notwithstanding the fact that Guarantor has had no prior notice of any default or of any forbearance or extension. Landlord may proceed against Guarantor under this Guaranty without initiating or exhausting any legal remedy against Tenant or such other guarantor and may proceed against Tenant, Guarantor and such other guarantor separately or concurrently.
- G. Assignment by Landlord. Landlord may, without notice to Guarantor, assign this Guaranty in whole or in part. Guarantor shall not assign this Guaranty without the prior written consent of Landlord.
- H. Guarantor's Warranties and Representations. Guarantor warrants and represents to Landlord that the making and performance of this Guaranty by Guarantor will not result in any breach of any term, condition or provision of, or constitute a default under, any contract, agreement or other instrument to which Guarantor is a party or by which it may be bound, or result in any breach of any regulation, order, writ, injunction or decree of any court or any commission, board or other administrative agency entered in any proceeding to which Guarantor is a party or by which it may be bound.

### I. Miscellaneous.

- 1. <u>No Waiver</u>. All of Landlord's rights and remedies under the Lease and under this Guaranty are intended to be distinct, separate and cumulative and no such right and remedy therein or herein mentioned is intended to be in exclusion of or a waiver of any of the others.
- 2. <u>Inducement</u>. Guarantor hereby acknowledges and agrees that (a) the Lease is a direct material benefit to Guarantor; (b) Guarantor has a direct, material pecuniary interest in Tenant; and (c) Landlord would not have executed the Lease without the benefit of this Guaranty.
- 3. <u>Successors and Assigns</u>. This Guaranty shall be legally binding upon Guarantor and its successors, heirs and assigns and shall inure to the benefit of Landlord and its successors and assigns.
- 4. Governing Law. This Guaranty shall be governed by the laws of the State where the Premises is located (without application of choice of law provisions), and Guarantor hereby irrevocably agrees to non-exclusive personal jurisdiction in the State where the Premises is located.

- 5. <u>Invalidity</u>. The invalidity or unenforceability of any term herein shall not affect the validity or enforceability of any other term.
- 6. <u>Modification</u>. This Guaranty may not be modified, amended or terminated other than by an agreement in writing signed by Landlord.
- 7. <u>Counterparts</u>. This Guaranty may be executed in two or more counterparts, each of which shall be deemed an original but all of which taken together shall constitute one and the same instrument.
- 8. <u>Financial Statements</u>. Upon Landlord's written request, Guarantor shall, within ten (10) days of Landlord's request, furnish to Landlord or Landlord's designee financial statements describing Guarantor's then current financial condition in form and content as normally produced by Guarantor in the ordinary course of business.
- 9. <u>Waiver of Jury Trial</u>. TO THE EXTENT PERMITTED BY LAW, LANDLORD AND GUARANTOR MUTUALLY AGREE THAT THEY HEREBY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER AGAINST THE OTHER AS TO ANY MATTERS ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS GUARANTY.
- 10. <u>Reasonable Attorneys' Fees</u>. The term "reasonable attorneys' fees" when used hereunder shall mean the fees of Landlord's attorneys at their customary hourly rates actually incurred, notwithstanding any North Carolina statutory presumption to the contrary.

[SIGNATURE ON FOLLOWING PAGE]

IN WITNESS WHEREOF, Guarantor, intending to be legally bound hereby, has caused this Guaranty to be executed, sealed and delivered effective as of the date first above written.

## **GUARANTOR:**

CURO COMMUNITY HOSPICE, LLC, a Delaware limited liability company

By: Name: Douglas J. Abell
Title: General Counsel