

## CONTRACT, LEASE, AGREEMENT CONTROL FORM

Date: 03-27-2018

Contract/Lease Control #: L98-0106-BCC

Procurement#: NA

Contract/Lease Type: REVENUE LEASE

Award To/Lessee: ELDER SERVICES OF OKALOOSA COUNTY

Owner/Lessor: OKALOOSA COUNTY

Effective Date: 04/08/2018

Expiration Date: 04/07/2028

Description of Contract/Lease: CRESTVIEW OLD HOSPITAL

Department: PW

Department Monitor: AUTREY

Monitor's Telephone #: 850-689-5772

Monitor's FAX # or E-mail: JAUTREY@CO.OKALOOSA.FL.US

Closed:

Cc: Finance Department Contracts & Grants Office

**EXHIBIT B**

**CONTRACT & LEASE AGREEMENT CONTROL FORM**

**Date:** 5/27/1999

**Contract/Lease Control #:** L98-0106-BCC<sup>20</sup>10-24 *du*

**Bid #:** N/A

**Contract/Lease Type:** REVENUE LEASE

**Award to/Lessee:** ELDER SERVICES OF OKALOOSA COUNTY

**Lessor:** OKALOOSA COUNTY

**Effective Date:** 4/7/1998

**Amount:** \$1.00 ANNUAL

**Term/Expires:** <sup>4/7/2018</sup>  
~~4/6/2008~~ *du*

**Description of Contract/Lease:** CRESTVIEW OLD HOSPITAL

**Department Manager:** ADMINISTRATIVE SERVICES

**Department Monitor:** J. ~~CURRY~~ <sup>DELORE MILLER</sup> / ~~JOAN~~ *du*

**Monitor's Telephone #:** 689-5007

**Monitor's Fax #:** 689-5025

**Date Closed:**



# CERTIFICATE OF LIABILITY INSURANCE

OKALO-2      OP ID: LT

DATE (MM/DD/YYYY)

04/11/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Brown & Brown of FL, Inc. 3520 Thomasville Rd #500 Tallahassee, FL 32309 Matt Osiecki	<b>CONTACT NAME:</b> Lynda Turner <b>PHONE (A/C, No., Ext):</b> 850-701-0442 <b>FAX (A/C, No):</b> 850-656-4065 <b>E-MAIL ADDRESS:</b> lturner@bbtally.com												
<b>INSURER(S) AFFORDING COVERAGE</b>													
<b>INSURED</b> Elder Srv of Okaloosa County Elder Home Care ; Okaloosa Co Council on Aging Inc. 207 Hospital Drive NE Fort Walton Beach, FL 32548	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"><b>INSURER A :</b> Philadelphia Indemnity</td> <td style="width: 20%;"><b>NAIC #</b> 18058</td> </tr> <tr><td><b>INSURER B :</b></td><td></td></tr> <tr><td><b>INSURER C :</b></td><td></td></tr> <tr><td><b>INSURER D :</b></td><td></td></tr> <tr><td><b>INSURER E :</b></td><td></td></tr> <tr><td><b>INSURER F :</b></td><td></td></tr> </table>	<b>INSURER A :</b> Philadelphia Indemnity	<b>NAIC #</b> 18058	<b>INSURER B :</b>		<b>INSURER C :</b>		<b>INSURER D :</b>		<b>INSURER E :</b>		<b>INSURER F :</b>	
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<b>INSURER C :</b>													
<b>INSURER D :</b>													
<b>INSURER E :</b>													
<b>INSURER F :</b>													

**COVERAGES**      **CERTIFICATE NUMBER:**      **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:		X	PHPK1769007	04/01/2018	04/01/2019	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 3,000,000 Emp Ben. \$ 1,000,000
A	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			PHPK1769007	04/01/2018	04/01/2019	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ PIP \$ 10,000
	<b>UMBRELLA LIAB</b> OCCUR <b>EXCESS LIAB</b> CLAIMS-MADE DED    RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A				PER STATUTE    OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	<b>Professional Liab</b>			PHPK1769007	04/01/2018	04/01/2019	Per Occ 1,000,000 Agg 3,000,000

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES** (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Okaloosa County Board of County Commissioners is included as an additional insureds with regard to general liability coverage as required by written contract or agreement.

L98-0106-BCC

<b>CERTIFICATE HOLDER</b>  OKALO07  Okaloosa BOCC 302 North Wilson Street Crestview, FL 32536	<b>CANCELLATION</b>  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE 
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## DeRita Mason

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**From:** Zan Fedorak  
**Sent:** Monday, February 26, 2018 1:50 PM  
**To:** DeRita Mason  
**Subject:** FW: Lease for Crestview Manor  
**Attachments:** Crestview Manor Lease.pdf

Good Afternoon DeRita,

Can you please get me a coordination sheet for the attached lease? Legal approval is below. I would love to make this agenda but if we can't I understand that I've asked at the last minute.

Thanks,  
Zan

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**From:** Greg Stewart  
**Sent:** Thursday, February 1, 2018 8:58 AM  
**To:** Zan Fedorak <zfedorak@co.okaloosa.fl.us>  
**Subject:** Lease for Crestview Manor

Here is the lease for Crestview Manor with the changes that I discussed with you. It is approved by legal

Gregory T. Stewart  
County Attorney  
Okaloosa County, Florida

Please note: Due to Florida's very broad public records laws, most written communications to or from County employees regarding County business are public records, available to the public and media upon request. Therefore, this written e-mail communication, including your e-mail address, may be subject to public disclosure.

## DeRita Mason

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**From:** Krystal King  
**Sent:** Tuesday, February 27, 2018 7:41 AM  
**To:** DeRita Mason; Laura Porter  
**Cc:** Renee (Gayla) Biby  
**Subject:** RE: Lease for Crestview Manor

Risk Management approved.

*Krystal King*  
Okaloosa County  
Risk Management  
(850)689-5977  
Fax (850)689-5973

Please note: Due to Florida's very broad public records laws, most written communications to or from County employees regarding County business are public records available to the public and media upon request. Therefore, this written email communication including your email address, may be subject to public disclosure.

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**From:** DeRita Mason  
**Sent:** Tuesday, February 27, 2018 7:20 AM  
**To:** Krystal King <kking@co.okaloosa.fl.us>; Laura Porter <lporter@co.okaloosa.fl.us>  
**Cc:** Renee (Gayla) Biby <rbiby@co.okaloosa.fl.us>  
**Subject:** FW: Lease for Crestview Manor  
**Importance:** High

Can you please review this morning? They want to try and get it on the agenda for next week.

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**From:** Zan Fedorak  
**Sent:** Monday, February 26, 2018 1:50 PM  
**To:** DeRita Mason <dmason@co.okaloosa.fl.us>  
**Subject:** FW: Lease for Crestview Manor

Good Afternoon DeRita,

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**From:** Greg Stewart  
**Sent:** Thursday, February 1, 2018 8:58 AM  
**To:** Zan Fedorak <zfedorak@co.okaloosa.fl.us>  
**Subject:** Lease for Crestview Manor

Here is the lease for Crestview Manor with the changes that I discussed with you. It is approved by legal

**LEASE WITH**  
**ELDER SERVICES OF OKALOOSA COUNTY – CRESTVIEW MANOR**

This lease agreement is executed and entered into this 21 day of March, 2018 by and between, Okaloosa County, a political subdivision of the State of Florida, by and through its Board of County Commissioners, hereinafter referred to as “Lessor”, whose principal address is 1250 N Eglin Parkway, Shalimar, Florida, 32579 and Elder Services of Okaloosa County, hereinafter referred to as “Lessee”, whose address is 207 Hospital Drive, Fort Walton Beach, Florida 32548.

**WITNESSETH:**

**WHEREAS**, the Board of County Commissioners determines that it is in the best interest of the County and the best use of the property to renew the lease with the Elder Services of Okaloosa County .

**NOW THEREFORE** the Lessor and Lessee, for the consideration herein set forth, agree as follows:

**SECTION ONE**  
**Leased Property**

1.1 Lessor does hereby lease a portion of the building and land located in Okaloosa County, Florida, property address 603 N. Pearl Street, Crestview, Florida, 32536, more particularly described in Exhibit A, together with joint use with other tenants of said building and the parking area adjacent, which is a portion of the following described property: Block 52 & 53, Map of Crestview, Florida as recorded in Plat Book 1, Page 72A Okaloosa County, Florida. (“Leased Premises”), to Lessee for the following purposes:

- a. To provide an assisted living facility of the congregate living type to accommodate residents throughout the term of this lease. (Currently known as Crestview Manor.)
- b. No other use is authorized for any portion of the Lease Premises.

**SECTION TWO**  
**Lease Term**

2.1 The term of the Lease shall begin on April 8, 2018, and end on April 7, 2028.

### **SECTION THREE**

#### **Rent**

3.1 The Lessee shall pay to the Lessor the annual rate of \$1 per year for the lease of the portion of the building and land located in Okaloosa County, Florida, property address 603 N. Pearl Street, Crestview, Florida, 32536, Block 52 & 53, Map of Crestview, Florida as recorded in Plat Book 1, Page 72A Okaloosa County, Florida. The Lessee shall pay to Lessor at 1250 North Eglin Pkwy, Shalimar, Florida 32579 the lease amount of \$1 for the entire year. Rent shall be due and payable in advance of the first day of the Lease period of each year.

3.2 If Lessee fails to pay the lease when due, Lessee shall then pay interest to the Lessor at the maximum legal allowable rate authorized by the State of Florida. If any rental fee or other charge remains delinquent for a period of ten (10) days after written notice has been given, Lessor shall have the option of terminating this Agreement as set forth in Section twenty-eight (28) below.

3.3 In addition, Lessee shall pay any and all taxes, assessments, charges, costs and expenses that may be due as a result of this Lease, together with all interest and penalties that may accrue thereon. In the event of the failure of Lessee to pay those items, and all other damages, costs, expenses, and sums that Lessor may suffer or incur, or that may become due, by reason of any default of the Lessee or failure by the Lessee to comply with the terms and conditions of this Lease shall be deemed to be additional rent, and in the event of non-payment, Lessor shall have all rights and remedies as herein provided for failure to pay rent.

### **SECTION FOUR**

#### **Utilities**

4.1 The Lessee agrees to pay one-half (50%) of all charges for utility services and costs of installations, including water, heat, light, power, sewage and garbage.

### **SECTION FIVE**

#### **Improvements to Lessor**

5.1 Any and all improvements hereafter installed, erected, or placed within the Leased Premises, including alterations and repairs shall become, upon the termination of this Lease for any cause, the absolute and sole property of the Lessor and shall not be removed from the Leased Premises. If on termination of this Lease, Lessee is not in default, Lessee shall have the right to remove from the Leased Premises any equipment or trade fixtures that can be removed without damage to the Leased Premises (and if any damage does occur on any such removal, Lessee shall promptly repair the same).

### **SECTION SIX**

#### **Building, Alterations and Permits**

6.1 Lessee shall at its expense apply for and obtain any and all building, construction, or other permits and licenses to build, repair or maintain the improvements contemplated by the Lease.

Lessor makes no representations or warranty relative to the availability of such licenses or permits, and Lessee assumes full responsibility for securing same.

6.2 Prior to commencement of work, the plans and specifications for any alterations estimated to cost Five Thousand Dollars (\$5,000) or more, shall be submitted to Lessor for written approval prior to commencing work.

6.2 Lessee shall, at all times during the lease and at its own cost and expense, repair, replace, and maintain in a good, safe, and substantial condition, all portions of the buildings, and shall use all reasonable precaution to prevent, waste, damage, or injury to the demised premises, and shall further make all repairs indicated as necessary by inspection reports of any governmental authority including the licensing authority within six (6) months of the date of such report.

### **SECTION SEVEN Unlawful or Dangerous Activity**

7.1 Lessee shall neither use nor occupy the Leased Premises or any part thereof for any unlawful or hazardous business purpose nor operate or conduct its business in a manner constituting a nuisance of any kind. Lessee shall immediately, on discovery of any unlawful or hazardous use, take action to halt such activity.

7.2 Furthermore, Lessee shall not commit or suffer to be committed on said premises, any waste, nuisance or unlawful act.

### **SECTION EIGHT Insurance**

Lessee shall maintain, during the term of this lease, adequate insurance coverage through insurance policies upon which the Lessor shall be named as an additional insured as follows:

- a. Workers Compensation –
  1. State – statutory limit
  2. Employers liability - \$100,000 limit each accident
- Lessee must comply with Florida Statutes as it pertains to the purchase of worker's compensation coverage. If Lessee is a sole proprietor or has fewer employees than required for the purchase of coverage, workers' compensation coverage requirement may be waived.
- b. Business Automobile - \$1,000,000 each occurrence (combined single limit)
- c. Commercial General Insurance - \$1,000,000 each occurrence (combined single limit)

Lessee shall provide to lessor Certificates of Insurance demonstrating that the required insurance coverage has been obtained and showing that Lessor is names as an additional insured on such insurance policies.

Lessee also agrees to indemnify Lessor against all expenses, liabilities, and claims of every kind, including reasonable counsel fees, by or on behalf of any person or entity arising out of either:

1. A failure by Lessee to perform any of the terms or conditions of this lease.



2. Any injury or damage happening on or about the Lessor's building or property resulting from the Lessee's occupancy, operations, or use of the Leased Premises pursuant to this Lease.
3. Failure to comply with the laws of any governmental entity.
4. Any mechanic's lien or security interest filed against the Lessor's building or property or any equipment installed or caused to be installed by Lessee at the Leased Premises, or any materials used or caused to be used by Lessee on or at the Leased Premises, or any work done or caused to be done by Lessee at the Leased Premises for any purpose.

## **SECTION NINE Indemnification**

9.1 Lessee agrees to indemnify Lessor against all expenses, liabilities, cost and claims of every kind, including reasonable attorney's fees, by or on behalf of any person or entity arising out of either:

- a. A failure by Lessee to perform any of the terms and conditions of this Lease.
- b. Any injury or damage happening on or about the Lessor's property resulting from the Lessee's occupancy, operations, or use of the Leased Premises.
- c. Failure to comply with any law of any governmental authority having jurisdiction,
- d. Any mechanics' lien or security interest filed against the Lessor's property or any equipment installed or caused to be installed by Lessee at the Leased Premises, or any materials used or caused to be used by Lessee on or at the Leased Premises, or any work done or caused to be done by Lessee at the Leased Premises for any purpose.

## **SECTION TEN Easements, Agreements, or Encumbrances**

10.1 The parties shall be bound by all existing easements, agreements and encumbrances of record relating to the Leased Premises and Lessor shall not be liable to Lessee for any damages resulting from any action taken by the holder of the interest pursuant to the rights of that holder thereunder.

## **SECTION ELEVEN Liability; Risk of Loss**

11.1 Lessee shall be in exclusive control and possession of the Leased Premises and Lessor shall not be liable for any injury or damages to any property or to any person on or about the Leased Premises or any property of Lessee. Lessor has the right to inspect the Leased Premises at any time upon reasonable notice. The provisions herein permitting Lessor to enter and inspect the Leased Premises are made to ensure that Lessee is in compliance with the terms and conditions hereof and make repairs that Lessee has failed to make or are necessary as a consequence of a repair that was necessary that was outside the responsibility of Lessee. Lessor shall not be liable to Lessee for any entry on the premises for inspection or necessary repair purposes.

11.2 Lessee assumes the risk of loss or damage to the property and its contents, whether from windstorm, fire, earthquake, or any other cause whatsoever.

11.3 The damage, destruction, or partial destruction of any permanent building or other improvement which is part of the Leased Premises shall not release Lessee from any obligations hereunder not shall it cause a rebate or an abatement in rent then due or thereafter becoming due under the terms hereof. In case of damage to or destruction of any such building or improvement, Lessee shall at its own expense, promptly repair and restore the property to a condition as good or better than that existed prior to the damage or destruction.

## **SECTION TWELVE**

### **Representations by Lessor**

12.1 At the commencement of the term Lessee shall accept the Leased Premises and the fixtures and equipment included therein in their existing condition and state of repair, and Lessee agrees that no representations, statements, or warranties, expressed or implied, have been made by or on behalf of Lessor in respect therein except as contained in the provisions of this Lease, and Lessor shall in no event be liable for any latent defects within the Leased Premises.

## **SECTION THIRTEEN**

### **Waivers**

13.1 The failure of Lessor to insist on a strict performance of any of the terms and conditions hereof shall not be deemed a waiver of the rights or remedies the Lessor may have to enforce performance of the terms and conditions of this Lease at any time.

## **SECTION FOURTEEN**

### **Notice**

14.1 All notices to be given with respect to this Lease shall be in writing. Each notice shall be sent certified mail, postage prepaid and with return receipt requested, to the party to be notified at the address set forth below or at such other address as either party may from time to time designate in writing.

As to Lessor:

Okaloosa County Board of County Commissioners  
John Hofstad, County Administrator  
1250 N Eglin Pkwy  
Shalimar, Florida 32579

As to Lessee:

Elder Services of Okaloosa County  
207 NE Hospital Drive  
Fort Walton Beach, Florida 32548

**SECTION FIFTEEN**  
**Assignment or Sublease**

15.1 The Leased Premises may not be sublet, in whole or in part, and Lessee shall not assign this Lease or any portion of this Lease at any given time without prior written consent of Lessor.

**SECTION SIXTEEN**  
**Termination of the Lease**

16.1 The Lessor may terminate this Lease for convenience and be released from all obligations thereunder by providing Lessee with ninety (90) days written notice.

**SECTION SEVENTEEN**  
**Compliance with Governmental Procedures**

17.1 Lessee shall conform to all the requirements of applicable State and Federal statutes and regulations and all County Ordinances and regulations, and shall secure such permits and licenses as may be duly required by any such laws, ordinance's, or regulations as may be promulgated by Lessor. Federal Requirements that Lessee must adhere to include, but are not limited to those set forth in Exhibit B, attached hereto and incorporated herein. In addition, Lessee shall comply with all policies, rules, regulations, or ordinances of the County, which are currently, or may be hereinafter adopted relating to County owned facilities.

**SECTION EIGHTEEN**  
**Surrender of Possession**

18.1 Lessee shall quietly and peaceably vacate the Leased Premises and surrender possession to Lessor on or before the last day of the Lease, or on an earlier termination and forfeiture of the Lease, free of subtenancies, in good condition and repair. Lessee shall remove all property of every description in the Leased Premises that is not the property of Lessor on or before 12:00 a.m. (midnight) on the last day of the Lease.

**SECTION NINETEEN**  
**Default or Breach**

- 19.1 Each of the following events shall constitute a default or breach of this Lease by Lessee:
- a. If Lessee or any successor or assignee of Lessee while in possession shall file a petition in bankruptcy or insolvency or for reorganization under any bankruptcy act, or shall voluntarily take advantage of any such act by answer or otherwise or shall make an assignment for the benefit of creditors.
  - b. If voluntary proceedings under any bankruptcy law or insolvency act shall be instituted against Lessee or if a receiver or trustee shall be appointed of all or substantially all of the property of Lessee, and such proceedings shall not be dismissed or the receivership or trusteeship vacated within Sixty (60) days after the institution or appointment.

- c. If Lessee shall fail to pay Lessor any rent, or additional rent required hereunder when such becomes due and shall not make the payment within ten (10) days after notice thereof by Lessor to Lessee.
- d. If the Lessee fails to maintain in full force and affect the insurance coverage required pursuant to Section Twenty (20) or fails to name Lessor as an additional insured on such insurance policies.
- e. If Lessee shall vacate or abandon the Leased Premises.
- f. If the Lease or the estate of Lessee hereunder shall be transferred to or shall pass to or devolve on any other person or party, except in the manner herein permitted.
- g. If the Lessee fails to take possession of the Leased Premises on the term commencement date or within ten days after notice that the Leased Premises are available for occupancy, if the term commencement date is not fixed herein or shall be deferred as herein provided.

**SECTION TWENTY**  
**Effect of Default**

20.1 In the event of any default hereunder, as set forth in Section Twenty (20) the rights or Lessor shall be as follows:

- a. In the event of a default, the Lessor shall give written notice of the default to the Lessee. The Lessee shall have fifteen (15) days from the date of the notice to cure the default. If the cure of the default cannot be reasonably be completed within the fifteen (15) days, then the Lessor has the authority to extend the time for the completion of the cure. Such extension shall be in writing. The decision of the Lessor to grant an extension of time is subject to the sole discretion of the Lessor.
- b. Following written notice of an event of default and the failure of the Lessee to cure such default within the time set forth above, the Lessor shall have the right to cancel and terminate this Lease, as well as all of the rights, title, and interest of Lessee hereunder, by giving to Lessee not less than fifteen (15) days' notice of the cancellation and termination. On expiration of the time fixed in the notice, this Lease and the right, title, and interest of Lessee hereunder shall terminate in the same manner and with the same force and effect, except as to Lessee's liability, as if the date fixed in the notice of cancellation and termination were the end of the term herein originally determined. Such time shall not be an additional cure period but rather to allow the orderly transfer of the possession of the property to the Lessor.
- c. Lessor may elect, but shall not be obligated, to make any payment required of Lessee herein or comply with any agreement, term, or condition required hereby to be performed by Lessee, and Lessor shall have the right to enter the demised premises for the purpose of correcting or remedying any such default to remain until the default has been corrected and

remedied, but any expenditure for the correction by Lessor shall not be deemed to waive or release the default of Lessee or the right of Lessor to take any action as may be otherwise permissible hereunder in the case of any default.

- d. Lessor may re-enter the premises immediately and remove the property of Lessee, and store and dispose of the property in accordance with chapter 705, Florida Statutes.
- e. Lessor shall have any other remedy available by law.

**SECTION TWENTY-ONE**  
**Entire Lease; Applicable to Successors**

21.1 This Lease contains the entire agreement between the parties and cannot be changed except by written instruments subsequently executed by the parties hereto. This Lease and the terms and conditions hereof apply to and are binding on the heirs, legal representatives, successors, and assigns of both parties.

**SECTION TWENTY-TWO**  
**Applicable Law and Venue**

22.1 This Lease shall be governed by and construed in accordance with the laws of the State of Florida. Venue for any legal actions relating to this Lease shall be brought in the courts in and for Okaloosa County, Florida.

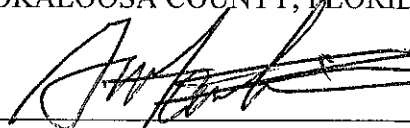
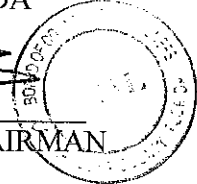
**SECTION TWENTY-THREE**  
**Construction and Application of Terms**

23.1 The section and paragraph headings in this Lease are inserted only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of intent of any portion hereof. The parties have participated jointly in the negotiation and drafting of this Lease. In the event an ambiguity or question of intent or interpretation arises, this Lease shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Lease. Both parties have had an opportunity to have their respective legal counselors review this Lease.

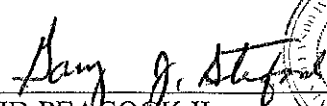

(This area left intentionally blank.)

IN WITNESS, the parties hereto have executed these presents as of the day and year first above written.

BOARD OF COUNTY COMMISSIONERS  
OKALOOSA COUNTY, FLORIDA

  
GRAHAM W. FOUNTAIN, CHAIRMAN 

ATTEST:

  
J.D. PEACOCK II  
CLERK OF COURT 

LESSEE'S NAME

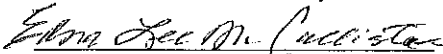
  
ELDER SERVICES OF OKALOOSA  
COUNTY

**ACKNOWLEDGEMENTS**

STATE OF FLORIDA  
COUNTY OF OKALOOSA

Before me, the undersigned officer duly authorized to take acknowledgements in Okaloosa County, Florida, aforesaid, personally appeared Ruth R. Lovejoy who, under oath, deposes and says that he/she is authorized to execute contracts and lease agreements and that he/she executed the foregoing instrument for the uses and purposes contained therein.

Sworn and subscribed before me this 16<sup>th</sup> day of FEBRUARY, 2018.

  
NOTARY

My Commission Expires: \_\_\_\_\_

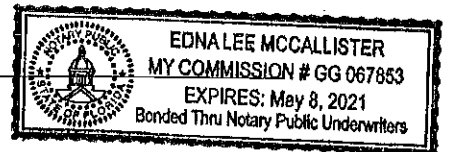
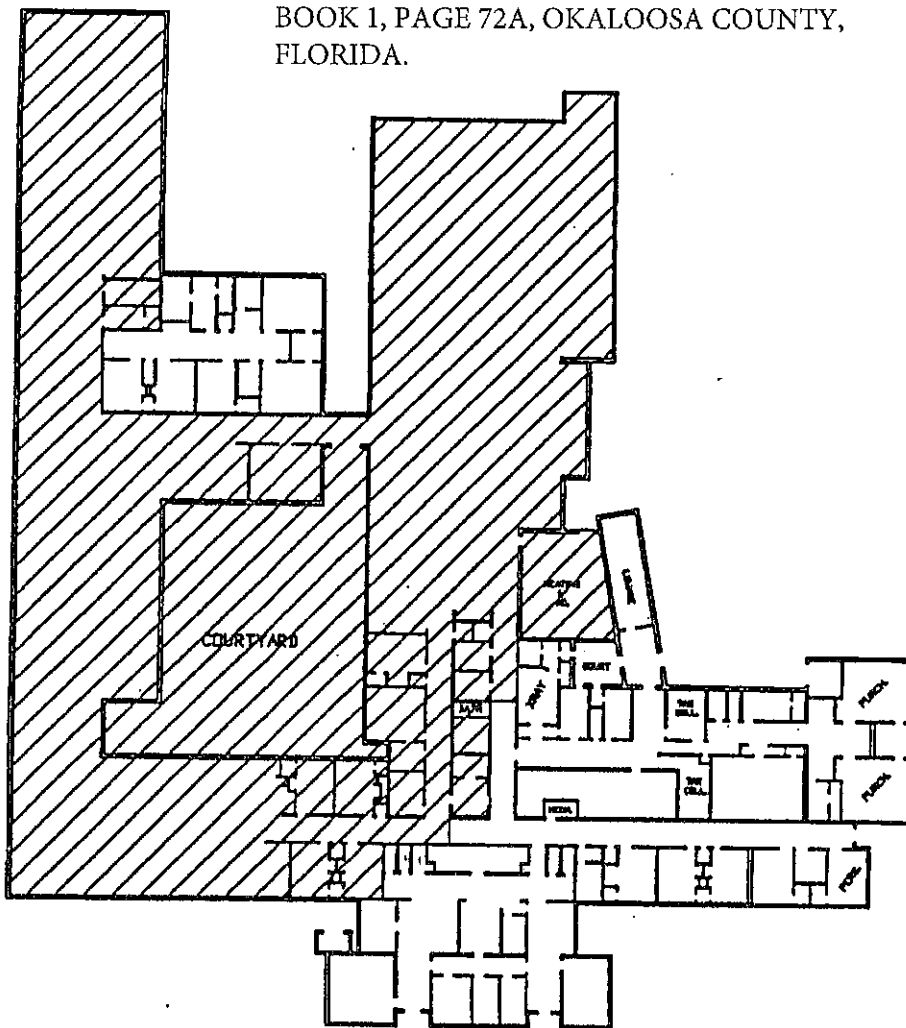


Exhibit A

ATTACHMENT FOR  
ILLUSTRATION PURPOSES  
ONLY

A PORTION OF BLOCK 52 & 53, MAP OF  
CRESTVIEW, FLORIDA AS RECORDED IN PLAT  
BOOK 1, PAGE 72A, OKALOOSA COUNTY,  
FLORIDA.



*OLD CRESTVIEW MEMORIAL  
HOSPITAL BUILDING  
LEASE AGREEMENT LAYOUT*

SCALE 1" = 40'



HATCHING INDICATES LEASED AREA.

PREPARED BY: OKALOOSA COUNTY ENGINEERING DEPARTMENT OKALOOSA COUNTY, FLORIDA					
OLD CRESTVIEW MEMORIAL HOSPITAL LEASE AGREEMENT LAYOUT					
DATE	BY	DATE	DATE	DATE	DATE
10/15	10/15	10/15	10/15	10/15	10/15
SCALE 1" = 40'		PROJECT NO. 94-8-28			

EXHIBIT B  
FEDERAL REQUIREMENTS

**Title VI Clauses for Compliance with Nondiscrimination Requirements**

**Compliance with Nondiscrimination Requirements**

During the performance of this contract/lease, the contractor/lessee for itself, its assignees, and successors in interest (hereinafter referred to as the “contractor”) agrees as follows:

1. **Compliance with Regulations:** The contractor (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts And Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
2. **Non-discrimination:** The contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.
3. **Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding, or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor’s obligations under this contract and the Nondiscrimination Acts And Authorities on the grounds of race, color, or national origin.
4. **Information and Reports:** The contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts And Authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the contractor will so certify to the sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.
5. **Sanctions for Noncompliance:** In the event of a contractor’s noncompliance with the Non-discrimination provisions of this contract, the sponsor will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:
  - a. Withholding payments to the contractor under the contract until the contractor complies; and/or



- b. Cancelling, terminating, or suspending a contract, in whole or in part.
6. **Incorporation of Provisions:** The contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The contractor will take action with respect to any subcontract or procurement as the sponsor or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the contractor may request the sponsor to enter into any litigation to protect the interests of the sponsor. In addition, the contractor may request the United States to enter into the litigation to protect the interests of the United States.

#### **Title VI List of Pertinent Nondiscrimination Acts and Authorities**

##### **Title VI List of Pertinent Nondiscrimination Acts and Authorities**

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation—Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 *et seq.*), as amended, (prohibits discrimination on the basis of disability); and 49 CFR part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 *et seq.*), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38;

- The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).



OKALO-2

OP ID: LT

# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

04/04/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Brown & Brown of FL, Inc. 3520 Thomasville Rd #500 Tallahassee, FL 32309 Matt Osiecki	<b>CONTACT NAME:</b> Lynda Turner <b>PHONE (A/C, No, Ext):</b> 850-701-0442 <b>FAX (A/C, No):</b> 850-656-4065 <b>E-MAIL ADDRESS:</b> lturner@bbtally.com												
<b>INSURER(S) AFFORDING COVERAGE</b>													
<b>INSURED</b> Elder Srv of Okaloosa County Elder Home Care ; Okaloosa Co Council on Aging Inc. 207 Hospital Drive NE Fort Walton Beach, FL 32548	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"><b>INSURER A :</b> Philadelphia Indemnity</td> <td style="width: 20%;"><b>NAIC #</b></td> </tr> <tr> <td><b>INSURER B :</b></td> <td></td> </tr> <tr> <td><b>INSURER C :</b></td> <td></td> </tr> <tr> <td><b>INSURER D :</b></td> <td></td> </tr> <tr> <td><b>INSURER E :</b></td> <td></td> </tr> <tr> <td><b>INSURER F :</b></td> <td></td> </tr> </table>	<b>INSURER A :</b> Philadelphia Indemnity	<b>NAIC #</b>	<b>INSURER B :</b>		<b>INSURER C :</b>		<b>INSURER D :</b>		<b>INSURER E :</b>		<b>INSURER F :</b>	
<b>INSURER A :</b> Philadelphia Indemnity	<b>NAIC #</b>												
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<b>INSURER C :</b>													
<b>INSURER D :</b>													
<b>INSURER E :</b>													
<b>INSURER F :</b>													

**COVERAGES****CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Professional Liab GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:			PHPK1633581	04/01/2017	04/01/2018	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 3,000,000 Emp Ben. \$ 1,000,000
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			PHPK1633581	04/01/2017	04/01/2018	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A				PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attach

**Contract # L98-0106-BCC**  
**ELDER SERVICIES OF OKALOOSA COUNTY**  
**CRESTVIEW OLD HOSPITAL**  
**EXPIRES: 04/07/2018**

**CERTIFICATE HOLDER****CANCELLATION**

OKALO07  Okaloosa BOCC 302 North Wilson Street Crestview, FL 32536	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE 
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## CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
04/10/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Brown & Brown of FL, Inc. 3520 Thomasville Rd #500 Tallahassee, FL 32309 Matt Osiecki	<b>CONTACT NAME:</b> Lynda Turner	
	<b>PHONE (A/C, No, Ext):</b> 850-656-3747	<b>FAX (A/C, No):</b> 850-656-4065
<b>E-MAIL ADDRESS:</b> lturner@bbtally.com		
<b>INSURER(S) AFFORDING COVERAGE</b>		<b>NAIC #</b>
<b>INSURER A:</b> Philadelphia Indemnity		18058
<b>INSURER B:</b>		
<b>INSURER C:</b>		
<b>INSURER D:</b>		
<b>INSURER E:</b>		
<b>INSURER F:</b>		

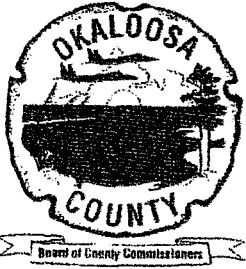
**COVERAGES**                      **CERTIFICATE NUMBER:**                      **REVISION NUMBER:**

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INSR LTR	TYPE OF INSURANCE	ADDL SUBR (NSD, WVD)	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY		PHPK1157774	04/01/2015	04/01/2016	EACH OCCURRENCE \$ 1,000,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR					DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000
	<input checked="" type="checkbox"/> Professional Liab					MED EXP (Any one person) \$ 20,000
	GEN'L AGGREGATE LIMIT APPLIES PER:					PERSONAL & ADV INJURY \$ 1,000,000
	<input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC					GENERAL AGGREGATE \$ 3,000,000
	OTHER:					PRODUCTS - COM/POP AGG \$ 3,000,000
						Emp Ben. \$ 1,000,000
A	<b>AUTOMOBILE LIABILITY</b>		PHPK1157774	04/01/2015	04/01/2016	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input checked="" type="checkbox"/> ANY AUTO					BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS	<input type="checkbox"/> SCHEDULED AUTOS				BODILY INJURY (Per accident) \$
	<input checked="" type="checkbox"/> HIRED AUTOS	<input checked="" type="checkbox"/> NON-OWNED AUTOS				PROPERTY DAMAGE (Per accident) \$
						\$
	<b>UMBRELLA LIAB</b>	<input type="checkbox"/> OCCUR				EACH OCCURRENCE \$
	<b>EXCESS LIAB</b>	<input type="checkbox"/> CLAIMS-MADE				AGGREGATE \$
	DED	RETENTION \$				\$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b>					PER STATUTE OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	Y/N	N/A			E.L. EACH ACCIDENT \$
	If yes, describe under DESCRIPTION OF OPERATIONS below					E.L. DISEASE - EA EMPLOYEE \$
A	Professional		PHPK1157774	04/01/2015	04/01/2016	Per Occ 1,000,000 Agg 3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

<b>CERTIFICATE HOLDER</b>  OKAL007  Okaloosa BOCC 1804 Lewis Turner Blvd. Fort Walton Beach, FL 32547	<b>CANCELLATION</b>  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE 
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# Board of County Commissioners Risk Management Department

AMENDMENT #2  
LEASE # L98-0106-BCC20-24

State of Florida

June 9, 2008

Ruth Lovejoy  
Elder Services of Okaloosa County  
207 Hospital Drive NE  
Fort Walton Beach, FL 32548

Dear Ruth,

On Tuesday June 3, 2008, the Okaloosa Board of County Commissioners approved a request authorizing the Baker Area Recreational Association (BARA) reduce their general liability insurance limits as stated in their contract with the County from \$1,000,000 down to \$300,000 per occurrence.

In addition to the Board approving BARA's request, other not-for-profit organizations that contract with Okaloosa County were approved as well. Elder Services of Okaloosa County has been given approval to reduce the contractual general liability insurance limits from \$1,000,000 down to \$300,000 per occurrence.

The Board of County Commissioners realizes that in these tight economic times, lowering the general liability insurance limits should financially help your organization. But the Board also cautioned this reduction is approved with the expressed understanding that this action can be reviewed at any time and if necessary, returned to a \$1,000,000 limit.

If you have any questions, don't hesitate to call me at 689-5977.

Sincerely,

James Taylor  
Risk Management Director

APPROVED OKALOOSA COUNTY:

 6/10/08  
RICHARD BRANNON DATE:  
PURCHASING DIRECTOR

Cc: John Christopher, Purchasing

**First Amendment To The Lease  
Between  
The Okaloosa County Board of County Commissioners  
And  
Elder Services of Okaloosa County**

THIS FIRST AMENDMENT is made and entered into on the last day of the last signature by and between the Okaloosa County Board of County Commissioners, a political subdivision of the State of Florida, herein referred to as COUNTY or LESSOR, and Elder Services of Okaloosa County, 207 Hospital Drive, City of Fort Walton Beach, County of Okaloosa, State of Florida, herein referred to as LESSEE is hereby amended as follows as pertains to the property described below (Crestview Facility):

BLOCK 52 & 53, MAP OF CRESTVIEW, FLORIDA, AS RECORDED  
IN PLAT BOOK 1, PAGE 72A, OKALOOSA COUNTY, FLORIDA.

Section Four, Alterations , Additions, and Improvements is amended as follows:

Paragraph a, is amended to delete "and shall comply with all governmental regulations for the licensing of assisted living facilities."

Paragraph b(1), is amended to change the estimated cost for alterations from Five Thousand Dollars (\$5,000.00) to One Thousand Dollars (\$1,000).

Section Eight, The following paragraph is added:

"Prior to the 7<sup>th</sup> day of April of each year, Lessee must submit to the Okaloosa County Purchasing Department a Certificate of Insurance from lessee's insurance carrier showing, at a minimum, insurance carrier's name and contact information, all coverages, limits, deductibles, policy period, and policy number for the next twelve (12) months with Lessor shown as a named co-insured. Lessor may find the Lessee in default for Lessee's failure to provide said certificate."

With signatures duly affixed, this amendment extends the term of this lease for ten (10) years to April 7, 2018 with an option for a ten (10) year renewal.

IN WITNESS WHEREOF, the Lessee has hereunto set its hand and seal this 15<sup>th</sup> day of APRIL, 2008, to this First Amendment to above Lease upon acceptance and execution by Lessor.

L98-0106-BCC20-24  
LESSEE: ELDER SERVICES OF  
OKALOOSA COUNTY  
CRESTVIEW FACILITY  
EXPIRES: 4/7/2018

In Presence of:

ELDER SERVICES OF OKALOOSA COUNTY

Edna Lee M. Cullerton

Lois R. Jorgon  
Executive Director

Camela S. Roeser

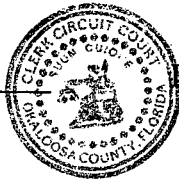
ATTEST: \_\_\_\_\_

IN WITNESS WHEREOF the Lessor has hereunto set its hand and seal this  
1st day of April, 2008.

ATTEST:

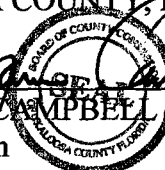
BOARD OF COUNTY COMMISSIONERS  
OKALOOSA COUNTY, FLORIDA

Don W. Howard  
DON W. HOWARD



By:

James Campbell  
JAMES CAMPBELL  
Chairman



RW.  
L98-0100-BC10-24  
\$ 1.00/YEAR

Crestview  
OLD  
HOSPITAL  
Bldg

Curry

LEASE

Lease made the 7th day of April, 1998, between OKALOOSA COUNTY, a political subdivision of the State of Florida, by and through its Board of County Commissioners, herein referred to as lessor, and ELDER SERVICES OF OKALOOSA COUNTY, of 207 NE Hospital Drive, City of Fort Walton Beach, County of Okaloosa, State of Florida, herein referred to as lessee.

RECITALS

1. Lessor is the sole owner of the premises described below, and has utilized the same as a hospital facility, and has sold and repurchased the same with a similar business activity being conducted during the time of non-ownership by Lessor.

2. Lessor is ever mindful of the responsibility of all citizens to respond to the needs of the elderly and disabled and in furtherance thereof is willing to dedicate the use of this valuable facility as herein below stated without creating any additional tax burdens on the residents of Okaloosa County.

3. Lessee is a non-profit corporation attending to the various needs of the elderly citizens of Okaloosa County, Florida, and after considerable research and study has determined that it can operate the premises as an assisted living facility without any subsidization or financial assistance from Lessor other than the waiver of rent.

In consideration of the mutual covenants contained herein, the parties agree as follows:

SECTION ONE  
SUBJECT AND PURPOSE

Lessor leases that portion of the building and land located



in the County of Okaloosa, State of Florida, and more particularly described in EXHIBIT A, attached hereto, together with joint use with other tenants of said building and the parking area adjacent, which is a portion of the following described property:

BLOCK 52 & 53, MAP OF CRESTVIEW, FLORIDA AS RECORDED IN  
PLAT BOOK 1, PAGE 72A OKALOOSA COUNTY, FLORIDA.

to Lessee for Lessee's use and Lessee agrees to use the premises for the following purposes:

1. Lessee shall provide an assisted living facility of the congregate living type to accommodate residents throughout the term of this lease.

SECTION TWO  
TERM AND RENT

Lessee shall pay Lessor for the use and occupancy of the demised premises \_\_\_\_\_ ONE \_\_\_\_\_ DOLLAR (\$1.00) per year, payable in advance on the tenth (10th) day of January each and every calendar year, which rental rate shall continue for ten years from such date of occupancy. All rental payments shall be made to Lessor at the Office of the Clerk of Circuit Court, Okaloosa County Courthouse, Crestview, Florida. Lessee shall pay the rent as specified herein and in Section Three thereof.

SECTION THREE  
ADDITIONAL RENT

All taxes, charges, costs, and expenses that Lessee assumes or agrees to pay hereunder, together with all interest and penalties that may accrue thereon in the event of the failure of Lessee to pay those items, and all other damages, costs,

expenses, and sums that Lessor may suffer to incur, or that may become due, by reason of any default of Lessee or failure by Lessee to comply with the terms and conditions of this lease shall be deemed to be additional rent, and, in the event of non-payment, Lessor shall have all the rights and remedies as herein provided for failure to pay rent.

SECTION FOUR  
ALTERATIONS, ADDITIONS, AND IMPROVEMENTS

a. Subject to the limitation that no substantial portion of the building on the demised premises shall be demolished or removed by Lessee without the prior written consent of Lessor, and, if necessary of any mortgagee, Lessee may at any time during the lease term, subject to the conditions set forth below and at his own expense, make any alterations, additions, or improvements in and to the demised premises and the building. Alterations shall be performed in a workmanlike manner and shall not weaken or impair the structural strength or lessen the value of the building on the premises, or change the purposes for which the building, or any part thereof, may be used, and shall comply with all governmental regulations for the licensing of assisted living facilities.

b. Conditions with respect to alterations, additions, or improvements are as follows:

(1) Before commencement of any work all plans and specifications shall be filed with and approved by all governmental departments or authorities having jurisdiction and any public utility company having an interest herein, and all work shall be done in accordance with requirements of local

regulations. The plans and specifications for any alterations estimated to cost Five Thousand Dollars (\$5,000.00) or more, shall be submitted to Lessor for written approval prior to commencing work; said request to be approved or disapproved by Lessor with-in 14 days.

(2) Prior to commencement of any work, Lessee shall pay the amount of any increase in premiums on insurance policies provided for herein because of endorsements to be made covering the risk during the course of work. In addition, if the estimated cost of work shall exceed Five Thousand Dollars (\$5,000.00) Lessee shall, without cost to Lessor, furnish Lessor with a performance bond written by a surety acceptable to Lessor in an amount equal to the estimated cost of the work, guaranteeing the completion of work, free and clear of liens, encumbrances, and security interests, according to the approved plans and specifications.

c. All alterations, additions, and improvements on or in the demised premises at the commencement of the term, and that may be erected or installed during the term, shall become part of the demised premises and the sole property of Lessor, except that all moveable trade fixtures installed by Lessee shall be and remain the property of Lessee.

d. Lessee agrees that the demised premises conform to all requirements of all federal, state, city or county statutes, ordinances, rules or regulations. If the demised premises do not conform, Lessee shall promptly take all steps necessary to see that all changes as may be required are taken at Lessee's expense. Lessee agrees to make all repairs, alterations,

additions or replacements to the demised premises required by any law, statute, ordinance, order or regulations of any governmental authority; to keep the demised premises equipped with all fire and safety appliances, devices, equipment and appliances so required, including but not limited to smoke and fire alarms, sprinkler systems and approved fire extinguishers of the type and number recommended, to procure any licenses and permits required and to comply with the orders and regulations of all governmental authorities, including, but not limited to all requirements as set forth in the Americans with Disabilities Act as said act now exists or as the same may be amended in the future.

SECTION FIVE  
REPAIRS

Lessee shall, at all times during the lease and at its own cost and expense, repair, replace, and maintain in a good, safe, and substantial condition, all portions of the buildings and any improvements, additions, and alterations thereto, hereby leased to Lessee, and shall use all reasonable precaution to prevent waste, damage, or injury to the demised premises, and shall further make all repairs indicated as necessary by inspection reports of any governmental authority including the licensing authority within six (6) months of the date of such report.

SECTION SIX  
TAXES

Lessee shall pay on or before the last day on which payment may be made without penalty or interest, all taxes, assessments, or other governmental charges that shall or may during the lease term be imposed on, or arise in connection with the use of the

demised premises or any part thereof. Lessee shall pay all taxes assessed in lieu of or in addition to the foregoing under all present or future laws of all governmental authorities whatsoever. Lessee shall have the right to apply for the conversion of any special assessment for local improvements in order to cause the same to be payable in installments, and on the conversion Lessee shall be obligated to pay only those installments that may become due during the lease. Lessee shall within 30 days after the time provided for the payment of any tax or other governmental charge by Lessee, produce and exhibit to Lessor satisfactory evidence of the payment. It is the intention of the parties that the rent herein is not rental, and Lessor shall receive the same free from all taxes that are made payable by Lessee.

SECTION SEVEN  
UTILITIES

Lessee shall pay all utility services on its demised premises.

SECTION EIGHT  
PROPERTY INSURANCE

Lessee shall maintain in force commercial property insurance covering the building, fixtures, equipment, Lessee improvements and betterments. The commercial property insurance shall at a minimum cover the perils insured under the ISO special causes of loss form (CP 10 30) or its equivalent and law and ordinance coverage. The policy shall cover the replacement cost of the property insured. Any coinsurance requirement in the policy shall be eliminated through the attachment of an agreed amount

endorsement, the activation of an agreed value option, or as is otherwise appropriate under the particular policy form. Lessor shall be included as an insured and loss payee under the commercial property insurance.

Lessee may, at its option, purchase business income, business interruption, extra expense or similar coverage as part of this commercial property insurance, and in no event shall Lessor be liable for any business interruption or other consequential loss sustained by Lessee, whether or not it is insured, even if such loss is caused by the negligence of Lessor, its employees, officers, directors or agents.

Lessor may, at its option, purchase insurance to cover its personal property. In no event shall Lessor be liable for any damage to or loss of personal property sustained by Lessee, whether or not it is insured, even if such loss is caused by the negligence of Lessor, its employees, officers, directors or agents.

Lessor and Lessee hereby waive any recovery of damages against each other (including their employees, officers, directors, agents or representatives) for loss or damage to the building, Lessee improvements and betterments, fixtures, equipment, and any other personal property to the extent covered by the commercial property insurance required above. If the commercial property insurance purchased by the Lessee as required above do not expressly allow the insured to waive rights of subrogation prior to loss, Lessee shall cause them to be endorsed with a waiver of subrogation as required above.

Any deductible applicable to the commercial property

insurance shall be approved by the Lessor. Lessee shall pay to Lessor any amount in excess of \$10,000 not insured because of the deductible.

All amounts received on such policies shall be available to Lessee for the reconstruction or repair, as the case may be, of any such building or buildings. In case of the work of reconstruction or repair being started promptly and prosecuted with reasonable dispatch, and there being no default on the part of Lessee in the performance and observance of the covenants hereof, the Lessor shall, from the amounts received on such policies and as far as is necessary, pay out the amount or amounts by it so received on the estimates of any responsible architect having supervision of such construction or repair and certifying that the amount of such estimate is being applied to the payment of the reasonable cost of such construction. However, in case of a plan of reconstruction being adopted which will require an expenditure of an amount in excess of the amount held by the lessor, the lessor may withhold such payments until such time as it is made to appear to its satisfaction that any amount necessary to provide for such reconstruction or repair, according to the plan adopted, in excess of the amount held by the Lessor has been provided for by Lessee and its application for such purposes assured. Any amount remaining in the hands of the Lessor from such source after the restoration or reconstruction of any buildings as herein required shall, if there is at that time no default on the part of Lessee in the performance of the covenants hereof, be paid to Lessee.

In case Lessee does not begin the reconstruction or repair

of any such building within a period of six months after such destruction or injury by casualty and does not thereafter prosecute the same with such dispatch as would be necessary, in case of the entire reconstruction of the building, to effect completion of the same within a period of eighteen (18) months thereafter, then the amount so received by the Lessor or any balance remaining in its hands, shall be retained as security for the performance and observance by Lessee of the covenants hereof. In this event, no part thereof shall be paid to Lessee or for reconstruction except with the consent of Lessor and after a restoration of the building or buildings, it being the option of Lessor in the meantime to terminate this lease on account of any such default and retain such amount as liquidated damages resulting to it from the failure to promptly and within a reasonable time complete such work or reconstruction or repair.

SECTION NINE  
LIABILITY INSURANCE

Lessee shall procure and maintain in force during the term of this lease and any extension thereof, at his expense, business automobile insurance and general liability insurance covering all potential liabilities in companies approved by Lessor, adequate to protect against liability for damage claims through public use of or arising out of accidents occurring in or around the leased premises or as the result of Lessee or its agent's negligence in a minimum amount ONE MILLION DOLLARS (\$1,000,000.00) for any one accident. Such insurance policies shall provide coverage for Lessor as an additional insured.

All liability insurance shall be written on an occurrence



basis and shall not be written on a claim-made basis. If the insurance is issued with an aggregate limit of liability, the aggregate limit of liability shall apply only to the demised premises. If, as the result of any claims or other reasons, the available limits of insurance reduce to less than those required above the Lessee shall notify the Lessor in writing. Lessee shall purchase additional liability insurance to maintain the requirements established in this lease. Umbrella or excess Liability insurance can be purchased to meet the requirements specified in this lease.

In addition, Lessee shall procure and maintain Workmen's Compensation Insurance as required by Florida Statutes. The policies shall be delivered to Lessor for keeping. Lessee agrees to obtain a written obligation from the insurers to notify Lessor in writing at least 30 days prior to cancellation or refusal to renew any such policies. Lessee agrees that if such insurance policies are not kept in force during the entire term of this lease and any extension thereof, Lessor may procure the necessary insurance and pay the premium therefore, and that such premium shall be repaid to Lessor as an additional rent installment for the month following the date on which such premiums are paid.

SECTION TEN  
MECHANICS' LIENS-CONSENT OF LESSOR

Nothing in this lease shall be deemed or construed in any way as constituting the consent or request of Lessor, express or implied, by inference or otherwise, to any contractor, sub-contractor, laborer, or materialman for the performance of any labor or the furnishing of any materials for any specific im-

provement, alteration to, or repair of the demised premises or any part thereof, nor as giving Lessee any right, power, or authority to contract for or permit the rendering of any services or the furnishing of any materials that would give rise to the filing of any lien against the demised premises or any part thereof.

SECTION ELEVEN  
UNLAWFUL OR DANGEROUS ACTIVITY

Lessee shall neither use nor occupy the demised premises or any part thereof for any unlawful, or ultrahazardous business purpose nor operate or conduct his business in a manner constituting a nuisance of any kind. Lessee shall immediately, on discovery of any unlawful, or ultrahazardous use, take action to halt such activity.

SECTION TWELVE  
INDEMNIFICATION AND HOLD HARMLESS

Lessee shall protect, defend, indemnify and hold the Lessor, its officers, and employees completely harmless from and against any and all liabilities, demands, suits, claims, losses, fines, or judgements arising by reason of the injury or death of any person or damage to any property, including all reasonable costs from investigation and defense thereof (including but not limited to attorney fees, court costs, and expert fees), of any nature whatsoever arising out of or incident to this contract or Lessee's officers, employees, agents, contractors, subcontractors, licensees or invitees regardless of where the injury, death or damage may occur, unless such injury, death or damage is caused by the sole negligence of the Lessor. The

Lessor shall give Lessee reasonable notice of any such claims or actions. Lessee, in carrying out its obligations hereunder, shall use counsel reasonably acceptable to the Lessor. The provisions of this section shall survive the expiration or earlier termination of this contract.

The Lessor agrees to pay the Lessee the sum of Ten Dollars (\$10.00) and other good and valuable consideration as specified consideration for the above stated indemnification in accordance with the provisions of Florida Statutes, Section 725.06. Furthermore, the Lessee acknowledges that the rental price includes said consideration for the indemnification provision.

SECTION THIRTEEN  
ACCESS TO PREMISES, SIGNS POSTED BY LESSOR

Lessee shall permit Lessor or its agents to enter the demised premises at all reasonable hours to inspect the premises or make repairs that Lessee may neglect or refuse to make in accordance with the provisions of this lease, and also to show the premises to prospective buyers. At any time within one year prior to expiration of the term, Lessor may show the premises to persons wishing to rent the premises. Lessee shall, within six months prior to expiration of the term, permit the usual notices of "For Rent" and "For Sale" to be placed on the demised premises and to remain thereon without hindrance and molestation.

SECTION FOURTEEN  
EASEMENTS, AGREEMENTS, OR ENCUMBRANCES

The parties shall be bound by all existing easements, agreements, and encumbrances of record relating to the demised premises, and Lessor shall not be liable to Lessee for any

damages resulting from any action taken by a holder of an interest pursuant to the rights of that holder thereunder.

SECTION FIFTEEN  
QUIET ENJOYMENT

Lessor warrants that Lessee shall be granted peaceable and quiet enjoyment of the demised premises free from any eviction or interference by Lessor if Lessee pays the rent and other charges provided herein, and otherwise fully and punctually performs the terms and conditions imposed on Lessee.

SECTION SIXTEEN  
LIABILITY OF LESSOR

Lessee shall be in exclusive control and possession of the designated portion of the demised premises, and Lessor shall not be liable for any injury or damages to any property or to any person on or about the demised premises nor for any injury or damage to any property of Lessee. The provisions herein permitting Lessor to enter and inspect the demised premises are made to insure that Lessee is in compliance with the terms and conditions hereof and makes repairs that Lessee has failed to make. Lessor shall not be liable to Lessee for any entry on the premises for inspection purposes.

SECTION SEVENTEEN  
REPRESENTATIONS BY LESSOR

At the commencement of the term Lessee shall accept the designated portion of the buildings and improvements and any equipment in their existing condition and state of repair, and Lessee agrees that no representations, statements, or warranties, express or implied, have been made by or on behalf of Lessor in respect thereto except as contained in the provisions of this

lease, and Lessor shall in no event be liable for any latent defects.

SECTION EIGHTEEN  
WAIVERS

The failure of Lessor to insist on a strict performance of any of the terms and conditions hereof shall be deemed a waiver of the rights or remedies that Lessor may have regarding that specific instance only, and shall not be deemed a waiver of any subsequent breach or default in any terms and conditions.

SECTION NINETEEN  
NOTICE

All notices to be given with respect to this lease shall be in writing. Each notice shall be sent by registered or certified mail, postage prepaid and return receipt requested, to the party to be notified at the address set forth herein or at such other address as either party may from time to time designate in writing.

SECTION TWENTY  
ASSIGNMENT, MORTGAGE, OR SUBLEASE

Neither Lessee nor his successors or assigns shall assign, mortgage, pledge, or encumber this lease or sublet the demised premises in whole or in part, or permit the premises to be used or occupied by others, nor shall this lease be assigned or transferred by operation of law, without the prior consent in writing of Lessor in each instance. If this lease is assigned or transferred, or if all or any part of the demised premises is sublet or occupied by anybody other than Lessee, Lessor may, after default by Lessee, collect rent from the assignee, transferee, subtenant, or occupant, and apply the net amount collected to the

rent reserved herein, but no such assignment subletting occupancy, or collection shall be deemed a waiver of any agreement or condition hereof, or the acceptance of the assignee, transferee, subtenant, or occupant as Lessee. Lessee shall continue to be liable hereunder in accordance with the terms and conditions of this lease and shall not be released from the performance of the terms and conditions hereof. The consent by Lessor to an assignment, mortgage, pledge, or transfer shall not be construed to relieve Lessee from obtaining the express written consent of Lessor to any future transfer of interest.

SECTION TWENTY-ONE  
LICENSURE

Lessee shall take all steps necessary to procure a license for the operation of an assisted living facility from all governmental agencies having authority to license the same, and by submitting this offer to lease does hereby assure Lessor that it has ascertained that the said license is obtainable for the conducting of the business herein required and contemplated to be conducted on the premises. Lessor agrees to cooperate with Lessee in obtaining the said license.

SECTION TWENTY-TWO  
OPTION TO RENEW/TERMINATE

Lessor grants to Lessee an option to renew this lease for another term equal to the term hereof at a rental rate to be negotiated between the parties hereto, with all other terms and conditions of the renewal lease to be the same as those herein excluding only the option to renew. To exercise this option, Lessee must give Lessor written notice of the intention to do so

at least 180 days before this lease expires.

Lessor reserves the right to terminate the lease on giving 180 days written notice of such termination to Lessee. Lessee reserves the right to terminate the lease on giving 180 days written notice of such termination to Lessor.

SECTION TWENTY-THREE  
SURRENDER OF POSSESSION

Lessee shall, on the last day of the term, or on an earlier termination and forfeiture of the lease, peaceably and quietly surrender and deliver the demised premises to Lessor free of subtenancies, including all buildings, additions, and improvements constructed or placed thereon by Lessee, except moveable trade fixtures, all in good condition and repair. Any trade fixtures or personal property not used in connection with the operation of the demised premises and belonging to Lessee, if not removed at the termination or default, and if Lessor shall so elect, shall be deemed abandoned and become the property of Lessor without any payment or offset therefore. Lessor may remove such fixtures or property from the demised premises and store them at the risk and expense of Lessee if Lessor shall not so elect. Lessee shall repair and restore all damage to the demised premises caused by the removal of equipment, trade fixtures, and personal property.

SECTION TWENTY-FOUR  
DEFAULT OR BREACH

Each of the following events shall constitute a default or breach of this lease by Lessee:

1. If Lessee, or any successor or assignee of Lessee while

in possession, shall file a petition of bankruptcy or insolvency or for reorganization under any bankruptcy law, or shall voluntarily take advantage of any such act by answer or otherwise, or shall make an assignment for the benefit of creditors.

2. If voluntary proceedings under any bankruptcy law or insolvency act shall be instituted against Lessee, or if a receiver or trustee shall be appointed of all or substantially all of the property of Lessee, and such proceedings shall not be dismissed or the receivership or trusteeship vacated within 60 days after the institution or appointment.

3. If Lessee shall fail to pay Lessor any rent or additional rent when the rent shall become due and shall not make the payment within 15 days after notice thereof by Lessor to Lessee.

4. If Lessee shall fail to perform or comply with any of the conditions of this lease and if the nonperformance shall continue for a period of 15 days after notice thereof by Lessor to Lessee or, if the performance cannot be reasonably had within the 15 day period, Lessee shall not in good faith have commenced performance within the 15 day period and shall not diligently proceed to completion of performance.

5. If Lessee shall vacate or abandon the demised premises.

6. If this lease or the estate of Lessee hereunder shall be transferred to or shall pass to or devolve on any other person or party, except in the manner herein permitted.

7. If Lessee fails to take possession of the demised premises on the term commencement date, or within ten days after notice that the demised premises are available for occupancy, if



the term commencement date is not fixed herein or shall be deferred as herein provided.

SECTION TWENTY-FIVE  
EFFECT OF DEFAULT

In the event of any default hereunder, as set forth in Section Twenty-Four, the rights of Lessor shall be as follows:

1. Lessor shall have the right to cancel and terminate this lease, as well as all of the rights, title, and interest of Lessee hereunder, by giving to Lessee not less than 60 days notice of the cancellation and termination. On expiration of the time fixed in the notice, this lease and the rights, title, and interest of Lessee hereunder, shall terminate in the same manner and with the same force and effect, except as to Lessee's liability, as if the date fixed in the notice of cancellation and termination were the end of the term herein originally determined.

2. Lessor may elect, but shall not be obligated, to make any payment required of Lessee herein or comply with any agreement, term, or condition required hereby to be performed by Lessee, and Lessor shall have the right to enter the demised premises for the purpose of correcting or remedying any such default and to remain until the default has been corrected or remedied, but any expenditure for the correction by Lessor shall not be deemed to waive or release the default of Lessee or the right of Lessor to take any action as may be otherwise permissible hereunder in the case of any default.

3. Lessor may re-enter the premises immediately and remove the property and personnel of Lessee, and store the property in a

public warehouse or at a place selected by Lessor, at the expense of Lessee. After re-entry, Lessor may terminate the lease by giving 15 days written notice of termination to Lessee. Without the notice, re-entry will not terminate the lease. On termination Lessor may recover from Lessee all damages proximately resulting from the breach, including the cost of recovering the premises, and the worth of the balance of this lease over the reasonable rental value of the premises for the remainder of the lease term, which sum shall be immediately due Lessor from Lessee.

4. After re-entry, Lessor may relet the premises or any part thereof for any term without terminating the lease, at rent and on the terms as Lessor may choose. Lessor may make alterations and repairs to the premises. The duties and liabilities of the parties if the premises are relet as provided herein shall be as follows:

a. In addition to Lessee's liability to Lessor for breach of the lease, Lessee shall be liable for all expenses of the reletting, for the alterations and repairs made, and for the difference between the rent received by Lessor under the new lease agreement and the rent installments that are due for the same period under this lease.

b. Lessor shall have the right, but shall not be required, to apply the rent received from reletting the premises (1) to reduce the indebtedness of Lessee to Lessor under the lease, not including indebtedness for rent, (2) to expenses of the reletting and alterations and repairs made, (3) to rent due under this lease, or (4) to payment of future rent under this

lease as it becomes due.

If the new Lessee does not pay a rent installment promptly to Lessor, and the rent installment has been credited in advance of payment to the indebtedness of Lessee other than rent, or if rentals from the new Lessee have been otherwise applied by Lessor as provided for herein and during any rent installment period are less than the rent payable for the corresponding installment period under this lease, Lessee shall pay Lessor the deficiency separately for each rent installment deficiency period, and before the end of that period. Lessor may at any time after a reletting terminate the lease for the breach on which Lessor had based the re-entry and subsequently relet the premises.

5. After re-entry, Lessor may procure the appointment of a receiver to take possession and collect rents and profits of the business of Lessee, and, if necessary to collect the rents and profits. The receiver may carry on the business of Lessee and take possession of the personal property used in the business of Lessee, including inventory, trade fixtures, and furnishings, and use them in the business without compensating Lessee. Proceedings for appointment of a receiver by Lessor, or the appointment of a receiver and the conduct of the business of Lessee by the receiver, shall not terminate and forfeit this lease unless Lessor has given written notice of termination to lessee as provided herein.

SECTION TWENTY-SIX  
REMEDIES OF LESSOR

a. In the event of a breach or a threatened breach by Lessee of any of the terms or conditions hereof, Lessor shall

have the right of injunction to restrain Lessee and the right to invoke any remedy allowed by law or in equity, as if the specific remedies of indemnity or reimbursement were not provided herein.

b. The rights and remedies given to Lessor in this lease are distinct.

c. In all cases hereunder, and in any suit, action, or proceeding of any kind between the parties, it shall be presumptive evidence of the fact of the existence of a charge being due if Lessor shall produce a bill, notice, or certificate of any public official entitled to give that notice to the effect that such charge appears of record on the books in his office and has not been paid.

d. No receipt of money by Lessor from Lessee after default or cancellation of this lease in any lawful manner shall (1) reinstate, continue, or extend the term or affect any notice given to Lessee, (2) operate as a waiver of the right of Lessor to enforce the payment of rent and additional rent then due or falling due, or (3) operate as a waiver of the right of Lessor to recover possession of the demised premises by proper suit action, proceeding, or other remedy. After (1) service of notice of termination and forfeiture as herein provided and the expiration of the time specified therein, (2) the commencement of any suit, action, proceeding, or other remedy, or (3) final order or judgment for possession of the demised premises, Lessor may demand, receive, and collect any monies due, without in any manner affecting such notice, order or judgment. Any and all such monies so collected shall be deemed to be payment on account of the use and occupation of the demised premises or at the

election of Lessor, on account of the liability of Lessee hereunder.

SECTION TWENTY-SEVEN  
TOTAL AGREEMENT; APPLICABLE TO SUCCESSORS

This lease contains the entire agreement between the parties and cannot be changed or terminated except by a written instrument subsequently executed by the parties hereto. This lease and the terms and conditions hereof apply to and are binding on the heirs, legal representatives, successors, and assigns of both parties.

SECTION TWENTY-EIGHT  
APPLICABLE LAW

This agreement shall be governed by and construed in accordance with the laws of the State of Florida.

SECTION TWENTY-NINE  
TIME OF THE ESSENCE

Time is of the essence in all provisions of this lease.

SECTION THIRTY  
ACCEPT RESIDENTS

Lessee shall accept residents on the basis of need and eligibility as determined by all applicable lessee and government admission policies and shall not discriminate against any individual on the basis of financial capability, sex, religion or nationality.

SECTION THIRTY-ONE  
COMPLIANCE WITH LESSOR'S COVENANT

Lessee agrees that it shall not violate Lessor's covenant with the previous owner of the demised facility which covenant provides as follows:

"Seller (Okaloosa County) agrees that it shall not engage,

directly or indirectly, in the ownership or operation of an acute care general or specialized facility in Okaloosa County, Florida, for a period of thirty (30) years from the closing date (July, 1978)."

SECTION THIRTY-ONE  
COMMENCEMENT

The commencement date of the term of this lease is April 7, 1998, and Lessee agrees that it shall have made all necessary arrangements for the continuation of the operation of the facility prior to its assumption of possession on the said date.

IN WITNESS WHEREOF, the Lessee has hereunto set its hand and seal this 17th day of April, 1998, to this Offer to Lease to be in the Lease Agreement upon acceptance and execution by Lessor.

In Presence of:

Sherry Krasinski  
Sherry Krasinski

ELDER SERVICES OF OKALOOSA COUNTY

By:

Ruth R. Long  
President

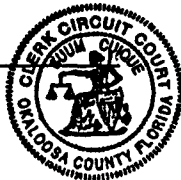
ATTEST:

\_\_\_\_\_  
Secretary

IN WITNESS WHEREOF the Lessor has hereunto set its hand and seal this 7th day of April, 1998.

ATTEST:

Neuman C. Brackin  
NEWMAN C. BRACKIN  
Clerk of Court



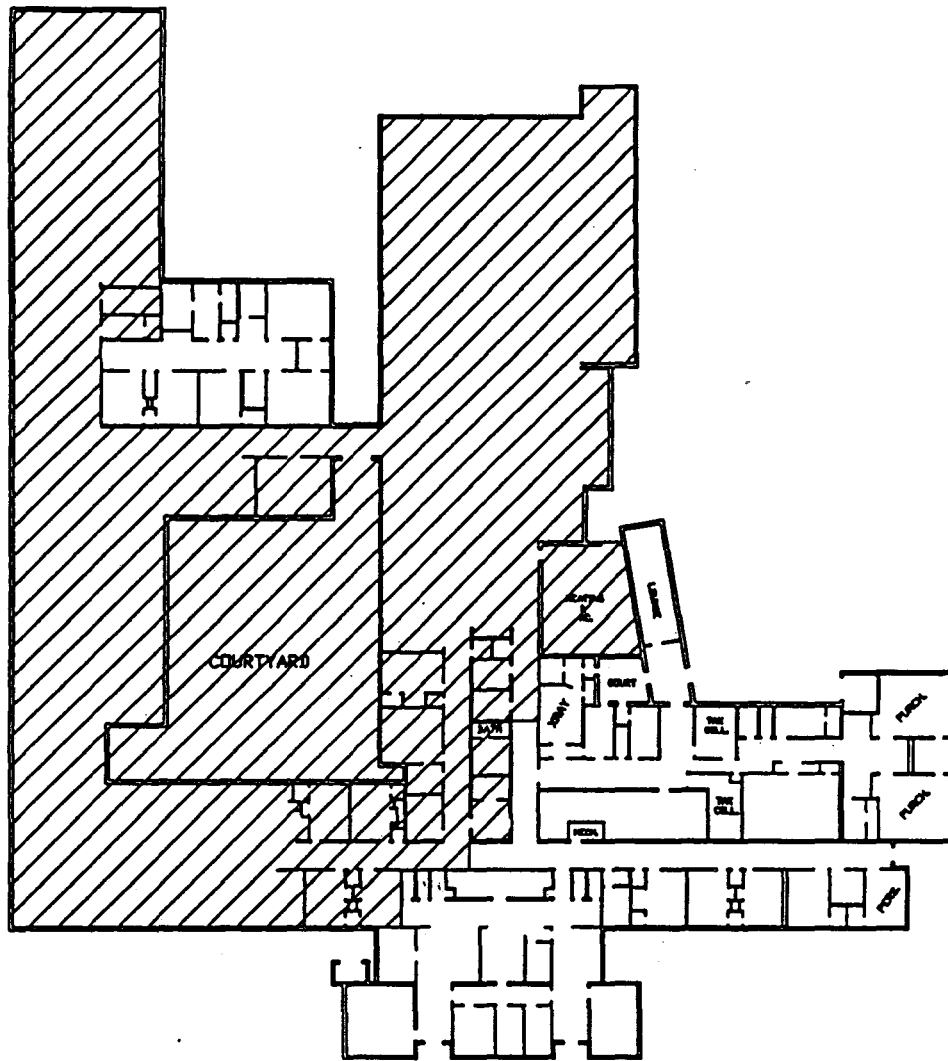
BOARD OF COUNTY COMMISSIONERS  
OKALOOSA COUNTY, FLORIDA

By:

Ray Sanson  
RAY SANSON  
Chairman



ATTENTION FOR  
ILLUSTRATION PURPOSES  
ONLY



OLD CRESTVIEW MEMORIAL  
HOSPITAL BUILDING  
LEASE AGREEMENT LAYOUT

SCALE 1" = 40'



HATCHING INDICATES LEASED AREA.

PREPARED BY: DELOOSA COUNTY ENGINEERING DEPARTMENT DELOOSA COUNTY, FLORIDA			
OLD CRESTVIEW MEMORIAL HOSPITAL LEASE AGREEMENT LAYOUT			
DATE: 01/11/76	BY: JWB	DESIGNED BY: JWB	DATE: 4/15/76
SCALE: 1" = 40'	PROJECT NO.: 94-0-02		