

UNITED STATES BANKRUPTCY COURT

PROOF OF CLAIM

Name of Debtor: ALC Holdings LLC
24555 Hallwood Court
Farmington Hills, MI
48335

Case Number:
11-13853

NOTE: Do not use this form to make a claim for an administrative expense that arises after the bankruptcy filing. You may file a request for payment of an administrative expense according to 11 U.S.C. § 503.

Name of Creditor (the person or other entity to whom the debtor owes money or property):

Lincoln Medical LLC

Name and address where notices should be sent: Pat Simone
6402 East Cheney Drive
Paradise Valley, Arizona
85253
 Telephone number: 480-948-8161 email: pat@patsimoneproperties.com

Name and address where payment should be sent (if different from above):

Telephone number: email:

COURT USE ONLY

☐ Check this box if this claim amends a previously filed claim.

Court Claim Number: _____
 (If known)

Filed on: _____

☐ Check this box if you are aware that anyone else has filed a proof of claim relating to this claim. Attach copy of statement giving particulars.

RECEIVED

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BMC GROUP

1. Amount of Claim as of Date Case Filed: \$ 114,667.94

If all or part of the claim is secured, complete item 4.

If all or part of the claim is entitled to priority, complete item 5.

☐ Check this box if the claim includes interest or other charges in addition to the principal amount of the claim. Attach a statement that itemizes interest or charges.

2. Basis for Claim: Lease payments owed
 (See instruction #2)

3. Last four digits of any number by which creditor identifies debtor:

8273

3a. Debtor may have scheduled account as:

clinic # 129
 (See instruction #3a)

3b. Uniform Claim Identifier (optional):

(See instruction #3b)

4. Secured Claim (See instruction #4)

Check the appropriate box if the claim is secured by a lien on property or a right of setoff, attach required redacted documents, and provide the requested information.

Nature of property or right of setoff: ☐ Real Estate ☐ Motor Vehicle ☐ Other
 Describe:

Value of Property: \$ _____

Annual Interest Rate _____ % ☐ Fixed or ☐ Variable
 (when case was filed)

Amount of arrearage and other charges, as of the time case was filed, included in secured claim, if any:

\$ _____

Basis for perfection: _____

Amount of Secured Claim: \$ _____

Amount Unsecured: \$ 114,667.94

5. Amount of Claim Entitled to Priority under 11 U.S.C. § 507 (a). If any part of the claim falls into one of the following categories, check the box specifying the priority and state the amount.

☐ Domestic support obligations under 11 U.S.C. § 507 (a)(1)(A) or (a)(1)(B).

☐ Wages, salaries, or commissions (up to \$11,725*) earned within 180 days before the case was filed or the debtor's business ceased, whichever is earlier – 11 U.S.C. § 507 (a)(4).

☐ Contributions to an employee benefit plan – 11 U.S.C. § 507 (a)(5).

Amount entitled to priority:

☐ Up to \$2,600* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use – 11 U.S.C. § 507 (a)(7).

☐ Taxes or penalties owed to governmental units – 11 U.S.C. § 507 (a)(8).

☐ Other – Specify applicable paragraph of 11 U.S.C. § 507 (a)().

\$ _____



*Amounts are subject to adjustment on 4/1/13 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.

6. Credits. The amount of all payments on this claim has been credited for the purpose of making this proof of claim. (See instruction #6)

7. Documents: Attached are redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. If the claim is secured, box 4 has been completed, and redacted copies of documents providing evidence of perfection of a security interest are attached. (See instruction #7, and the definition of "redacted".)

DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.

If the documents are not available, please explain:

8. Signature: (See instruction #8)

Check the appropriate box.

- ☒ I am the creditor. ☐ I am the creditor's authorized agent. ☐ I am the trustee, or the debtor, or their authorized agent. ☐ I am a guarantor, surety, indorser, or other codebtor. (See Bankruptcy Rule 3005.)
(Attach copy of power of attorney, if any.) (See Bankruptcy Rule 3004.)

I declare under penalty of perjury that the information provided in this claim is true and correct to the best of my knowledge, information, and reasonable belief.

Print Name: Pat Simone
Title: managing member
Company: Lincoln Medical LLC
Address and telephone number (if different from notice address above):
same as above
Telephone number: _____ email: _____

(Signature)

(Date)

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

INSTRUCTIONS FOR PROOF OF CLAIM FORM

The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor, exceptions to these general rules may apply.

Items to be completed in Proof of Claim form

Court, Name of Debtor, and Case Number:

Fill in the federal judicial district in which the bankruptcy case was filed (for example, Central District of California), the debtor's full name, and the case number. If the creditor received a notice of the case from the bankruptcy court, all of this information is at the top of the notice.

Creditor's Name and Address:

Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).

1. Amount of Claim as of Date Case Filed:

State the total amount owed to the creditor on the date of the bankruptcy filing. Follow the instructions concerning whether to complete items 4 and 5. Check the box if interest or other charges are included in the claim.

2. Basis for Claim:

State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card. If the claim is based on delivering health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information. You may be required to provide additional disclosure if an interested party objects to the claim.

3. Last Four Digits of Any Number by Which Creditor Identifies Debtor:

State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

3a. Debtor May Have Scheduled Account As:

Report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.

3b. Uniform Claim Identifier:

If you use a uniform claim identifier, you may report it here. A uniform claim identifier is an optional 24-character identifier that certain large creditors use to facilitate electronic payment in chapter 13 cases.

4. Secured Claim:

Check whether the claim is fully or partially secured. Skip this section if the claim is entirely unsecured. (See Definitions.) If the claim is secured, check the box for the nature and value of property that secures the claim, attach copies of lien documentation, and state, as of the date of the bankruptcy filing, the annual interest rate (and whether it is fixed or variable), and the amount past due on the claim.

5. Amount of Claim Entitled to Priority Under 11 U.S.C. § 507 (a).

If any portion of the claim falls into any category shown, check the appropriate box(es) and state the amount entitled to priority. (See Definitions.) A claim may be partly priority and partly non-priority. For example, in some of the categories, the law limits the amount entitled to priority.

6. Credits:

An authorized signature on this proof of claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

7. Documents:

Attach redacted copies of any documents that show the debt exists and a lien secures the debt. You must also attach copies of documents that evidence perfection of any security interest. You may also attach a summary in addition to the documents themselves. FRBP 3001(c) and (d). If the claim is based on delivering health care goods or services, limit disclosing confidential health care information. Do not send original documents, as attachments may be destroyed after scanning.

8. Date and Signature:

The individual completing this proof of claim must sign and date it. FRBP 9011. If the claim is filed electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what constitutes a signature. If you sign this form, you declare under penalty of perjury that the information provided is true and correct to the best of your knowledge, information, and reasonable belief. Your signature is also a certification that the claim meets the requirements of FRBP 9011(b). Whether the claim is filed electronically or in person, if your name is on the signature line, you are responsible for the declaration. Print the name and title, if any, of the creditor or other person authorized to file this claim. State the filer's address and telephone number if it differs from the address given on the top of the form for purposes of receiving notices. If the claim is filed by an authorized agent, attach a complete copy of any power of attorney, and provide both the name of the individual filing the claim and the name of the agent. If the authorized agent is a servicer, identify the corporate servicer as the company. Criminal penalties apply for making a false statement on a proof of claim.

DEFINITIONS

Debtor

A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

Creditor

A creditor is a person, corporation, or other entity to whom debtor owes a debt that was incurred before the date of the bankruptcy filing. See 11 U.S.C. §101 (10).

Claim

A claim is the creditor's right to receive payment for a debt owed by the debtor on the date of the bankruptcy filing. See 11 U.S.C. §101 (5). A claim may be secured or unsecured.

Proof of Claim

A proof of claim is a form used by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. The creditor must file the form with the clerk of the same bankruptcy court in which the bankruptcy case was filed.

Secured Claim Under 11 U.S.C. § 506 (a)

A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car. A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien.

A claim also may be secured if the creditor owes the debtor money (has a right to setoff).

Unsecured Claim

An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.

Claim Entitled to Priority Under 11 U.S.C. § 507 (a)

Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.

Redacted

A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor must show only the last four digits of any social-security, individual's tax-identification, or financial-account number, only the initials of a minor's name, and only the year of any person's date of birth. If the claim is based on the delivery of health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information.

Evidence of Perfection

Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

INFORMATION

Acknowledgment of Filing of Claim

To receive acknowledgment of your filing, you may either enclose a stamped self-addressed envelope and a copy of this proof of claim or you may access the court's PACER system (www.pacer.psc.uscourts.gov) for a small fee to view your filed proof of claim.

Offers to Purchase a Claim

Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim.

However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 *et seq.*), and any applicable orders of the bankruptcy court.

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**7125 EAST LINCOLN
MEDICAL SPACE LEASE**

LINCOLN PLAZA MEDICAL OFFICE LEASE

Handwritten signature and date: 9/23/07

1. Fundamental Lease Provisions and Definitions.

DEFINED TERMS:

Capitalized terms in this Lease shall have the meaning ascribed to them herein.

DATE OF SIGNING:

September 23, 2007

NAME OF LANDLORD:

Lincoln Medical, L.L.C., a Delaware limited liability company

ADDRESS OF LANDLORD:

c/o DevMan Company, L.C.
Suite 100
1515 East Missouri Avenue
Phoenix, Arizona 85014-2443

NAME OF TENANT:

ALC - Paradise Valley, LLC, an Arizona limited liability company

ADDRESS OF TENANT: (For Notices)

7125 E. Lincoln Dr, Ste. A-201
Paradise Valley, Arizona 85253

ADDRESS OF TENANT: (For Billing)

Same as Above

LEASED PREMISES:

- a) Suite A-201 (Exhibit "D")
- b) 1,128 Usable Square Footage ("Usable Area")
- c) 1,160 Rentable Square Footage
- d) The "Leased Premises" are in the "Building" located at:
7125 East Lincoln Drive
Paradise Valley, Arizona 85253
- e) All matters regarding square footage measurements shall be determined by the project architect. Such architect's determination of square footage measurements shall be conclusive and binding on Landlord and Tenant, absent manifest error.

TERM:

Sixty (60) full calendar months (plus any partial month if the Term Commencement Date occurs on any day other than the first day of the month), beginning on the Lease Commencement Date (as defined below) and ending at midnight on the last day of the last calendar month of this Lease unless sooner terminated hereunder.

LEASE COMMENCEMENT DATE:

The Date of Signing above

INITIAL ANNUAL RENTAL SUM:

\$33,060

BASIC MONTHLY RENT:

The Initial Annual Rental Sum set forth above, divided by 12, plus any applicable adjustment pursuant to Exhibit "B", plus Tenant's Prorata Share of Building Operating Costs (defined below) which exceed the "Expense Ceiling" of 2007's Operating Costs plus applicable taxes, beginning on the earlier of occupancy or the Rent Commencement Date (See Section 4)

TENANT'S "PRORATA SHARE" OF INCREASES IN BUILDING OPERATING COSTS:

4.57%

TERM COMMENCEMENT DATE:

October 1, 2007 or upon completion of Landlord's Work as defined in the Addendum, whichever is later

RENT COMMENCEMENT DATE:

December 1, 2007

TENANT IMPROVEMENT CONSTRUCTION ALLOWANCE:

\$5.00 per square foot of Usable Area, as described in Section 19 hereof.

SECURITY DEPOSIT:

\$3,100.78

USE:

Sections 5 and 12 of the Lease contain restrictions on the permitted uses of the Leased Premises. In addition to the restrictions contained elsewhere in this Lease, and notwithstanding any permissive language to the contrary contained elsewhere in this Lease, the Leased Premises may be used only for the following: practice of medicine or other healing art or service, AND FOR NO OTHER USE, WITHOUT THE PRIOR WRITTEN CONSENT OF THE LANDLORD, WHICH CONSENT IS

TO BE GRANTED IN THE SOLE AND ABSOLUTE DISCRETION OF THE LANDLORD. The sole permitted use for the Leased Premises is: Laser hair removal, skin rejuvenation, cellulite reduction therapy and related cosmetic enhancement services with related administrative uses and for no other use.

Any other use is a Default (defined below) under the material covenants and conditions of this Lease.

2. Leased Premises. Landlord leases to Tenant, and Tenant leases from the Landlord, the Leased Premises in the Building for the Term hereof. Landlord's obligations under this Lease are expressly conditioned upon timely payment by Tenant of the Rent (defined below) and all other sums due under this Lease and upon Tenant's full and timely compliance with all of the following terms and conditions and all Rules and Regulations (defined below) now or hereafter adopted and/or amended from time-to-time.

3. Term. The "Term" of this Lease commences on the Term Commencement Date, as set forth above in Section 1, and continues for the period described in Section 1 (unless sooner terminated as hereinafter provided). The Tenant's obligation to pay Rent begins upon occupancy, but not later than the Rent Commencement Date specified above in Section 1, and continues for the Term of this Lease. In the event that the Tenant occupies the Leased Premises prior to the Rent Commencement Date and that day falls on other than the first day of a month, Rent for that partial month of the Term shall be prorated on the basis of a 30-day month. Certain other contractual rights and obligations between the parties concerning tenant improvements, insurance and the like begin on the Lease Commencement Date defined above in Section 1, notwithstanding the fact that the Rent Commencement Date may be chronologically later than the Lease Commencement Date. The term "Lease Year" shall mean a period of twelve (12) consecutive months beginning on the Lease Commencement Date or any anniversary thereof and ending at 11:59 p.m. on the day immediately preceding the next anniversary thereof.

4. Rent.

A) The Tenant agrees to pay a monthly installment of Rent to the Landlord without notice, deduction, counterclaim or setoff and at the place or places designated from time to time by Landlord, the sum specified as Basic Monthly Rent in Section 1, payable in lawful money of the United States in advance on the first day of the calendar month, as adjusted by the increase per Exhibit "B" annually on the anniversary of the Lease Rent Commencement Date. The monthly Rent is based on a per square foot "Rent Factor" multiplied by the number of rentable square feet in the Leased Premises and divided by twelve. If the Rent Commencement Date occurs on any day other than the first day of the month, a pro rata fraction of a full month's Rent (based on a 30-day month) shall be paid on the first day of the Lease Term. Except as otherwise provided in Section 3 above, the first payment of Rent is due on the Rent Commencement Date. For the purpose of interpreting Landlord's rights and remedies and Tenant's obligations, the term "Rent" includes all payments of any kind or nature due to Landlord from Tenant.

B) All privilege, sales, license, gross income, excise or other general and special assessments and taxes (as distinguished from federal or state income taxes) imposed at any time upon the Rent payments or the Leased Premises or upon Landlord, in an amount measured by the Rent and other payments made by Tenant to Landlord or to third parties for the benefit of Landlord, shall be paid to Landlord by Tenant at the same time and in addition to the monthly Rent payments, whether the imposition of such tax is by the United States Government, the State of Arizona, or any other subdivision or municipality, or taxing entity.

C) Tenant agrees to pay its Prorata Share of increases in Building Operating Costs defined below (which are also sometimes referred to as "Operating Costs" or "Costs") which exceed the estimated Expense Ceiling as defined in Section 1 of the Lease.

During the first 180 days after each calendar year of the Term, Landlord will determine the actual Building Operating Costs for the previous year. If the actual Building Operating Costs exceed the Expense Ceiling, Landlord may bill Tenant retroactively for Tenant's Prorata Share of the increase. That sum shall be due with the next succeeding installment of Rent (unless some other time for payment is specified by Landlord as provided herein).

At Landlord's option, in order to provide for current payments on account of Operating Costs, Tenant agrees, at Landlord's request, to pay as additional rent Tenant's Prorata Share due for the ensuing calendar year as estimated by Landlord from time to time, in twelve (12) monthly installments, each in an amount equal to one-twelfth (1/12th) of Tenant's Prorata Share so estimated by Landlord, commencing on the first day of the month following the month in which Landlord notifies Tenant of the amount of such estimated Tenant's Prorata Share.

If, as finally determined, Tenant's Prorata Share of Operating Costs is greater than or less than the aggregate of all installments so paid on account to the Landlord prior to the receipt of an invoice from Landlord, then Tenant upon receipt of such invoice shall pay to Landlord the amount of such underpayment, or Landlord shall credit Tenant for the amount of such overpayment, as the case may be. It is the intention hereunder to estimate the amount of Operating Costs from time to time for each year and then to adjust such estimate from time to time based on actual Operating Costs incurred or paid by Landlord.

The actual Operating Costs shall be prorated, if applicable, in the case of the first and last years of the Term of the Lease.

In the event that this Lease has been terminated or the Term has expired and Tenant has vacated from the Leased Premises when the final determination is made of Tenant's Prorata Share of Operating Cost increases for the last Lease Year for which this Lease is in effect, Tenant shall within ten (10) days after Landlord's written demand pay any increase due over the Estimated Operating Expenses paid and conversely any overpayment made in the event said Expenses decrease shall be rebated within ten (10) days by Landlord to Tenant. The foregoing provision shall survive the expiration or termination of this Lease.

Notwithstanding anything contained in this Section 4, the Rent payable by Tenant shall in no event be less than the Rent specified in Section 1 hereof. The annual determination and statement of Operating Costs shall be prepared in accordance with generally recognized and established accounting practices and each such annual determination and statement, certified by Landlord, shall be final and conclusive on both parties.

If the Landlord elects not to bill Tenant monthly for increases in Costs, or, if Landlord, for any reason, defers these billings, then Tenant shall pay all amounts due as costs to Landlord as provided in this Section 4 within ten (10) days after Landlord provides Tenant with a statement of the amount of Tenant's Prorata Share of the Costs due.

D) The term "Building Operating Costs" or "Operating Costs" or "Costs" includes all expenses incurred whether by Tenant or Landlord in the Property management, operation, maintenance or replacement of the Building, including but not limited to, the cost to Landlord of all real estate taxes and assessments, special assessments, improvement district assessments, etc., charged against the Leased Premises, or against the real property ("Real Property") and improvements ("Improvements") of which the Leased Premises are a part; water, electricity, trash pickup, regulated or competitive utilities, building supplies, janitorial services, complete maintenance and repair of the Building, including heating and air-conditioning, landscaping, paving, parking lot and sidewalk maintenance, replacement, reconstruction, and/or repair; cost of fire, extended coverage property damage, business interruption, loss of rent, public liability and other insurance, and all labor and material costs incurred in the management, accounting, operation and maintenance of the Building, including, but not limited to costs associated with providing safety and security for the Building. Building Operating Costs will also include repairs, replacements and improvements normally designated as capital expenses; provided, however, that if any single item of repair, replacement or improvement costs in excess of \$25,000, then that expense will be amortized over the projected useful life for the expenditure, but not to exceed seven (7) years.

E) In the event that, in any fiscal period the Building is less than eighty-five percent (85%) occupied during the whole of the fiscal period, Building Operating Costs shall mean the amount obtained by adjusting the actual Operating Costs for such fiscal period as if the Building had been eighty-five percent (85%) occupied during the whole of such fiscal period, such adjustment to be made by Landlord in good faith by adding to the actual Operating Cost during such fiscal period, such additional costs as would have been incurred if the Building had been eighty-five percent (85%) occupied.

5. Use of Premises and Common Areas.

A) The Tenant's use of the Leased Premises is expressly limited as set forth above in Section 1. As a further limitation, the Leased Premises shall be used and occupied by the Tenant only as permitted by the applicable zoning laws, rules, regulations and ordinances of the local municipality, county and state in which the Leased Premises are located, and for no other purpose. (See Sections 12, 33 and 34 below, below for additional restrictions.) Tenant expressly warrants and covenants to Landlord that no person shall perform or cause to be performed in the Leased Premises any service, operation, or procedure of any kind for which a license, permit, or other certification is required pursuant to any federal, state, local, or quasi-governmental (e.g., a board of certification) regulation, law, statute, rule, administrative order or decision, ordinance or guideline, who is not the holder of a valid and effective license, permit, or other certification as so required. Tenant agrees to and shall indemnify and hold Landlord harmless for, from, and against any claim for damages, fees, fines, or penalties of any kind (including but not limited to costs, attorneys' fees, and expert witness fees and expenses) based directly or indirectly on any breach of Tenant's covenants and warranties contained in this Section 5. The foregoing indemnity shall survive termination or expiration of this Lease.

For purposes of this Lease, the "Common Areas" include the sidewalks, entry-ways, passages, corridors, stairways, fire escapes, landscaped areas, parking lot, restrooms, and all other portions of the Real Property and Improvements which are not specifically leased or assigned to Tenant or any other tenant or sub-tenant. During normal business hours and subject to the Rules and Regulations as amended from time-to-time, the Tenant, its employees, officers, contractors, agents, patients, guests and invitees, may make reasonable use of: (i) sidewalks, entries, passages, corridors, stairways and fire escapes for ingress and egress to the Leased Premises; (ii) the restroom facilities; and (iii) parking areas. Landlord reserves the right permanently, temporarily, or on a case-by-case basis to regulate or limit excessive or abusive use of these, or any other Common Areas whether by Tenant, its employees, officers, contractors, agents, patients, guests, or invitees.

6. Basic Services. Landlord, as a Building Operating Cost, will provide, or cause to be provided, to Tenant during the Term, in accordance with Building Rules and Regulations, these "Basic Services": ventilating air in halls and Common Areas during normal business hours (as determined by Landlord) of generally recognized business days, (and at other hours that Landlord may agree to, on request and subject to the Rules and Regulations) which may be either heated or cooled, or both; water for toilet, washing and drinking purposes; electricity for lighting common areas and electricity for lighting and any usual office appliances such as typewriters, adding machines, micro-computers or similar personal computer and photocopy machines; and janitor service during the five business days of the week which will consist essentially of a nightly clean up, vacuuming of carpet, mopping of noncarpeted floors and emptying of normal office use type trash. Landlord reserves the right to elect to have Tenant contract directly for its janitorial service to its Leased Premises, at Tenant's sole cost and expense. If Landlord so elects, Landlord will issue a rental credit to the Tenant equal to Landlord's cost for providing such service. Tenant agrees not to connect to or alter any utilities or equipment provided by Landlord without first obtaining Landlord's written consent. In Landlord's sole and unfettered discretion Landlord reserves the right to separately meter and charge Tenant for utility use. Tenant shall pay for these and all other services and expenses, including but not limited to utilities provided to the Tenant, not specifically included as a Building Operating Cost. In no event shall Tenant agree to or accept service from any utility provider other than the utility provider used by Landlord for the Building without Landlord's prior written consent, in Landlord's sole and unfettered discretion.

7. Repairs.

A) Landlord agrees to make certain repairs only to the Building of which the Leased Premises are a part, including roof, exterior walls, exterior doors, windows and corridors; to keep all Building equipment such as Common Area plumbing, heating, air-conditioning, light fixtures and bulbs in Common Areas only and similar equipment in good repair. Landlord shall not be liable to Tenant or any other person for breakdowns or interruptions in service where reasonable efforts are used to restore service. Landlord agrees to keep the Building housing the Leased Premises in good condition and repair, ordinary wear and tear excepted. Landlord will maintain, replace and repair all air-conditioning, heating, and ventilating systems at its expense. All costs of the activities described in this Section 7(A) are part of the Building Operating Costs.

B) Tenant agrees to make all repairs to the Leased Premises not required above to be made by Landlord and to maintain the interior of the Leased Premises in a clean and orderly condition, including, but not limited to, (i) painting, (ii) redecorating, (iii) carpet cleaning, repair and replacement; (iv) repair and replacement of Tenant's plumbing fixtures as needed, and (v) general "day-to-day" repair and maintenance of the Leased Premises. (vi) keeping potential mold growth areas mold free, including but not limited to leaking plumbing, soda and vending machines, windows and ceiling tile within the leased premises. Upon demand by Landlord or its agents, Tenant shall pay for any repairs to the Leased Premises or to the Building made necessary by any negligence or carelessness of Tenant, its officers, employees, agents,

patients, guests, or invitees, provided, however, that Tenant shall be liable to reimburse Landlord for damage done by Tenant, its officers, employees, agents, patients, guests, or invitees, only to the extent that effective and collectable insurance is not available to Landlord to cover such losses. (Tenant acknowledges that Landlord has not insured the interior of the Leased Premises against the types of damage described in the preceding sentence.) Tenant shall maintain the Leased Premises in good condition and repair, ordinary wear and tear excepted.

C) The Tenant shall bear all expenses arising from its use, alteration, modification or reconstruction of all or any part of the Leased Premises, and also its Prorata Share of any such costs associated with the Common Areas, required or arising from the Americans With Disabilities Act and all rules and regulations pertaining thereto (collectively, the "ADA"), as well as any other past, present or future state, local or federal laws, ordinances or rules and regulations pertaining to the use, occupancy or enjoyment of the Leased Premises (collectively, the "Applicable Laws").

8. Right-of-Inspection. Landlord reserves the right to enter the Leased Premises upon reasonable notice for inspection and to make changes or alterations which Landlord considers necessary for the protection of the Building or to render it and its appurtenances safe or to access Building operating systems as necessary for repair or construction purposes. Landlord's actions shall not be construed as an eviction or as a disturbance of Tenant, or of Tenant's tenancy. Tenant shall not be allowed any reduction or abatement of Rent or damages for any loss, damage, injury, inconvenience, lost revenues, or lost opportunities occasioned thereby. Landlord shall not be required to make any repairs, alterations or improvements or to expend any money upon the Leased Premises during the Term, except as specifically required by the provisions of this Lease.

9. Subordination. This Lease is subject and subordinate to all ground or underlying leases, if any, and to all mortgages or deeds of trust which may now or later affect this Lease or the Real Property of which the Leased Premises form a part, and to all renewals, modifications, consolidations, replacements and extensions of them. This clause shall be self-operative, and no further instruments of subordination shall be required.

A) Within ten days of the receipt of a written request from Landlord or any mortgagee or beneficiary, Tenant shall promptly execute and deliver any certificate or subordination agreement that Landlord, mortgagee or beneficiary may request. Tenant hereby constitutes and appoints Landlord the Tenant's attorney-in-fact to execute any such certificate or certificates for and on behalf of Tenant, in the event that Tenant fails to deliver them within ten (10) days after receipt of the request.

B) If proceedings are brought to foreclose or if the power of sale under a deed of trust is exercised, then Tenant shall attorn to the purchaser at the sale and will recognize the purchaser as the new "Landlord" under this Lease so long as Tenant's rights under this Lease are fully honored by the new Landlord. If Landlord's (or the fee owner's) interest in the property is acquired by a ground lessor, beneficiary under a deed of trust, mortgagee, or purchaser at a foreclosure sale, Tenant shall attorn to the transferee or successor to Landlord's interest in this Lease. Tenant waives the protection of any statute or rule of law which gives or purports to give Tenant any right to terminate this Lease or surrender possession of the property upon the transfer of Landlord's or the fee owner's interest.

C) If the holder of a mortgage or deed of trust or other security interest in the Landlord's interest in the Building ("Lender") becomes the owner of the Leased Premises, or if the Leased Premises are sold by reason of foreclosure or other proceedings brought to enforce a deed of trust, or if the Leased Premises are transferred by deed in lieu of foreclosure, then the Lease shall continue in full force and effect as a direct lease agreement between the successor owner of the Leased Premises (including Lender or the grantee under any deed even as a result of any foreclosure or in lieu of foreclosure) and Tenant, upon and subject to all of the terms, covenants and conditions of the Lease for the balance of the remaining Term and any extensions or renewals, which may be effected in accordance with any option in the Lease, hereby attorns to Lender or any other subsequent owner as its Landlord. This attornment is effective and self-operative without the execution of any further instruments. Tenant shall, from and after Lender's or other such owner's succession to the interest of Landlord under the Lease, have the same remedies against Lender or such other owner for the breach of any covenant contained in the Lease that the Tenant might have had under the Lease against the Landlord, except that neither Lender nor any other owner shall be:

- 1) liable for any act or omission of, or for the performance of any obligation of, any prior landlord (including Landlord); or
- 2) subject to any offsets or defenses which Tenant might have against any prior landlord (including Landlord); or
- 3) bound by any prepayment of Rent or additional rent which Tenant might have paid for more than the current month or by payment of any security deposits to any prior landlord (including Landlord); or
- 4) bound by any amendment or modification of the Lease or by any waiver or forbearance on the part of any prior landlord (including Landlord) made or given without the written consent of Lender or any subsequent holder of a deed of trust.

10. Covenant of Quiet Possession. Subject to the above provisions for subordination, Tenant, upon paying the Rent and observing and performing the terms, covenants, and conditions of this Lease, shall peaceably and quietly enjoy the Leased Premises and shall not be disturbed by any act of the Landlord except as specifically provided herein.

11. Destruction of Leased Premises.

A) In the event of a partial or total destruction of the Leased Premises during the Lease Term from any cause other than by failure or neglect on the part of the Tenant to perform or observe the terms, covenants, or conditions of this Lease, Landlord shall as soon as reasonably possible thereafter and upon actual receipt of all applicable insurance proceeds, commence repair of such damage, unless Landlord elects to terminate this Lease, as provided herein, or unless Landlord is precluded from making such repairs under the terms of a ground lease mortgage or deed of trust.

B) Destruction of the Leased Premises shall not terminate this Lease, except that while repairs are being made Tenant shall be entitled to a reduction of the Rent. The proportionate reduction shall be based upon the extent to which the making of these repairs actually interferes with business carried on by Tenant in the Leased Premises. Tenant shall not receive a Rent reduction if the damage was due to the fault or neglect of Tenant, its officers, contractors, agents, guests, patients or invitees, or employees, provided, however, that Tenant shall receive a rent reduction to the extent that the loss is covered by Landlord's valid and collectable insurance. With respect to any damage or

destruction which Landlord is obligated to repair or may elect to repair under the terms of this Section 11, Tenant hereby waives all rights under any law in existence during the Term of this Lease authorizing the termination of a lease upon the complete or partial destruction of the Leased Premises.

C) Notwithstanding the foregoing, the Landlord may elect to terminate this Lease by giving notice to Tenant within ninety (90) days after the occurrence of:

- 1) Total or partial destruction of the Leased Premises from a cause which is not covered by fire and extended coverage insurance; or
- 2) Damage or destruction to the Building, the repair costs of which exceed thirty-three percent (33%) of the total replacement cost of the Building (whether or not the Leased Premises are damaged).

12. Waste and Nuisance. Tenant shall not:

- A) Do, or permit to be done, any act which will increase the existing rate of insurance on the Building in which the Leased Premises are located or otherwise detrimentally affect the insurance policy covering the Building;
- B) Keep or permit to be kept, use or sell from the Leased Premises any articles which are prohibited by the terms of any applicable insurance policy;
- C) Commit, or suffer to be committed, waste on the Leased Premises;
- D) Commit, or suffer to be committed, any public or private nuisance or other act or thing which disturbs the quiet enjoyment of any other tenant located in the Building in which the Leased Premises are located;
- E) Allow the Leased Premises to be used for any purpose not specifically authorized by this Lease, and specifically, not for any improper, immoral, unlawful or objectionable purpose, or for keeping, storing, distributing or selling intoxicating liquors;
- F) Allow the Leased Premises to be used for an eating house, sleeping purposes, washing clothes, or cooking; or
- G) Prepare, manufacture or mix any item in the Leased Premises, which emits an odor outside of the Leased Premises. The Tenant will fully and faithfully comply at its cost and expense with all requirements of the Board of Fire Underwriters, local insurance carrier and any and all other municipal, state, or federal authorities now in force, or which may be in force in the future, pertaining to the Leased Premises.

13. Default.

A) In addition to any other matters specified as a Default elsewhere in this Lease, each of the following shall be deemed a "Default" under this Lease: (1) the failure to pay within five (5) days after due any Rent or other sums required to be paid by Tenant; (2) vacation or abandonment of the Leased Premises by Tenant or failure to actively and continuously deliver health care services from the Leased Premises; (3) the appointment of a receiver to take possession of all or substantially all of the assets of the Tenant; (4) a general assignment by Tenant for the benefit of creditors; (5) any action taken or suffered by Tenant under any insolvency or bankruptcy act; (6) Tenant's failure to maintain in force all insurance coverage required by this Lease or Tenant's failure to deposit evidence of insurance with the Landlord as required by this Lease (see Section 22 below); or (7) the failure of a Guarantor of this Lease to fully and faithfully perform all obligations imposed by the Guaranty; or (8) Tenant's failure to comply with any provision of this Lease or with any applicable local, county, state or federal law, rules or regulation affecting the Leased Premises or the Building, including but not limited to, the ADA, or any other Applicable Law, and any applicable state or federal law, rule, regulation, or guideline related to the provision of medical services.

B) For events other than as described in Section 13(A)(1) above, Landlord shall not exercise its remedies or take action against Tenant because of Tenant's Default of this Lease unless: (i) Tenant fails to perform or observe any term, covenant, or condition of this Lease, and if such failure continues for ten (10) days after written Notice (defined below) from Landlord to Tenant; or (ii) if this failure is of a nature that it cannot be completely cured within ten (10) days with the exercise of due diligence, and Tenant timely commences the cure but fails to complete it with reasonable diligence and good faith and in any event within forty-five (45) days after such written Notice from Landlord to Tenant.

C) In the event of a Default under the terms and conditions of this Lease by Tenant, then Landlord, in addition to its other rights or remedies at law and in equity shall have the immediate right of re-entry and may remove all persons and property from the Leased Premises with or without notice, judicial process or termination of this Lease. Further:

1) Property may be removed by Landlord and stored in any other place in the Building in which the Leased Premises are situated, or in any other place, for the account of, and at the expense and at the risk of Tenant. The Landlord, however, shall provide five (5) days notice of intent to remove medical equipment. Tenant hereby waives all claims for damages which may be caused by the re-entry of Landlord and taking possession of the Leased Premises or removing or storing Tenant's or any subtenant's personal property. Tenant shall save and hold Landlord harmless for, from, and against any loss, costs or damages (including, but not limited to litigation, arbitration, and mediation costs, expert witness fees and expenses, and attorneys' fees) occasioned by Landlord's actions hereunder. No such re-entry shall constitute a termination of this Lease.

2) Without limiting the foregoing, Landlord may, from time to time, with or without terminating this Lease, remove Tenant and/or its property from the Leased Premises and relet all or part thereof for a term or terms and at such rentals and on other terms and conditions as Landlord in its sole discretion may deem advisable, with the right to make alterations and repairs to the Leased Premises at Tenant's expense.

3) Rentals received by Landlord from reletting shall be applied: first, to the payment of any indebtedness, other than Rent, due from Tenant to Landlord; second, to the payment of delinquent Rent; third, to the payment of any costs of reletting; fourth, to the

payment of the cost of any alterations and repairs to the Leased Premises; and the residue, if any, shall be held by Landlord and applied in payment of future Rent as the same may become due and payable. If rentals received from reletting during any month are less than that agreed to be paid during that month by Tenant, or if Landlord is unable to relet the Leased Premises, then Tenant shall pay the deficiency to Landlord. The deficiency shall be calculated and paid monthly. No re-entry or taking possession of the Leased Premises by Landlord shall be construed as an election to terminate this Lease, unless the Landlord expressly elects in writing to terminate all Tenant's rights in and to the Leased Premises.

D) Notwithstanding any prior re-entry and/or reletting without termination, Landlord may at any time by written Notice elect to terminate this Lease for a previous Default. If Landlord at any time so terminates this Lease, then in addition to its other remedies, Landlord may recover from Tenant all damages incurred by reason of the Default, including the cost of recovering the Leased Premises, and including the worth at the time of termination of the amount, if any, by which Rent and charges equivalent to Rent reserved in this Lease for the remainder of the Term exceed the then reasonable rental value of the Leased Premises for the remainder of the Term.

E) If Tenant fails to pay the full Rent or any other sum within five (5) days when due from Tenant, Tenant and Landlord agree that Landlord will incur additional expenses in the form of extra collection effort, handling costs and potential impairment of credit on loans for which this Lease is security. If Tenant fails to pay its Rent or other sum, Landlord is entitled to compensation for this detriment, but it is extremely difficult and impractical to ascertain the extent of the detriment. Landlord and Tenant therefore agree that if Tenant fails to pay the Rent or other sum when due, then Landlord shall be entitled to recover from Tenant five percent (5%) of the total amount due. As a condition precedent to curing the Default, Tenant further agrees to reimburse Landlord any costs incurred by Landlord in collecting past-due Rent or other sums, including but not limited to, actual fees of an attorney or collection agency. Nothing shall limit any other remedy of Landlord. Landlord shall have the right to require Tenant to pay monies due in the form of a cashier's check or money order.

F) Following each second consecutive late payment of Rent, Landlord shall have the option (i) to require that beginning with the next payment of Rent due, Rent shall no longer be paid in monthly installments but shall be payable quarterly three (3) months in advance and/or (ii) to require that the Tenant increase the amount, if any, of the Security Deposit required under Section 1 above by one hundred percent (100%), which additional Security Deposit shall be retained by Landlord, and may be applied by Landlord, in the manner provided in Section 32. Failure to comply with either such election by Landlord shall be deemed a Default.

G) In addition to all other remedies, in the event of any Default by Tenant, Landlord may (but shall not be obligated to) cure the Default for the account and at the expense of Tenant. At any time by reason of any Default, if Landlord incurs any expense, including but not limited to costs and attorneys' fees, the sum or sums so paid by Landlord, together with interest of two percent (2%) per month or at the highest legal rate, whichever is less, from date of payment by Landlord, together with all costs and damages, shall be deemed to be additional Rent and shall be due and payable upon demand by Landlord as Rent under Section 4 above.

H) All rights and remedies of Landlord under this Lease shall be cumulative and none shall exclude any other rights and remedies permissible in law or equity. No delay or omission of either party to exercise any right or power arising from any Default or an acquiescence therein be deemed a waiver by either party of any Default; nor shall the acceptance of Rent following any Default, be deemed to be a waiver of such Default by Landlord.

14. Attorneys' Fees. In case Landlord shall, without fault on its part, be made a party to any litigation commenced by or against Tenant, then Tenant shall pay all costs, expenses and reasonable attorneys' fees incurred or paid by Landlord in connection with such litigation. Tenant shall also pay all costs, expenses and reasonable attorneys' fees that may be incurred or paid by Landlord in enforcing Tenant's covenants and agreements in this Lease.

15. Waiver and Merger.

A) The waiver by Landlord in any instance of any breach of any term, covenant or condition of this Lease shall not be deemed to be a future waiver of such term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition. The acceptance of Rent shall not be construed to be a waiver of any breach by Tenant of any term, covenant or condition of this Lease. The remedies given to Landlord are cumulative; the exercise of any one remedy by Landlord shall not be to the exclusion of any other remedy.

B) The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation, shall not work a merger, but shall, at the option of Landlord, terminate all or any existing subleases or subtenancies, or may, at the option of Landlord, operate as an assignment to it of any subleases or subtenancies.

16. Rules and Regulations. Landlord has adopted certain rules and regulations ("Rules and Regulations"), the current version of which are attached hereto as Exhibit "A". Landlord has the right at any time to modify, supplement and/or amend the Rules and Regulations. Failure of the Tenant to fully and faithfully comply with the letter and spirit of the Rules and Regulations, now in effect and as amended from time-to-time by Landlord, shall constitute a Default by Tenant under this Lease pursuant to Section 13, above.

17. Assignment and Subletting.

A) Tenant shall not, without the prior written consent of landlord, (i) assign this Lease or any part thereof or any interest hereunder; (ii) permit any assignment of this Lease or any part thereof by operation of law; (iii) sublet the Premises or any part thereof; or (iv) permit the use of the Premises or any part thereof by any parties other than Tenant, its agents and employees. Tenant shall, by notice in writing, advise Landlord of its intention from, on and after a stated date (which shall not be less than thirty (30) days after day of Tenant's notice), to assign this Lease or any part thereof or to sublet any part or all of the Premises for the balance or any part of the Term. Tenant's notice shall include all of the terms of the proposed assignment or sublease (whether contained in such assignment or sublease or in separate agreements) and shall state the consideration therefor. In such event, Landlord shall have the right, to be exercised by giving written notice to Tenant within thirty (30) days after receipt of Tenant's notice, to recapture the space described in Tenant's notice and such recapture notice shall, if given, cancel and terminate this Lease with respect to the space therein described as of the date stated in Tenant's notice. Tenant's notice shall state the name and address of the proposed assignee or subtenant and a true and complete and fully executed copy of the proposed assignment or sublease, and any and all other agreements relating thereto shall be delivered to Landlord with Tenant's notice. If Tenant's notice shall cover all of the Premises, and Landlord shall have exercised its foregoing recapture right, the Term of this Lease shall expire and end on the date stated in Tenant's notice as

fully and completely as if that date had been herein definitely fixed for the expiration of the Term. If, however, this Lease be canceled with respect to less than the entire Premises, Base Rent and rent adjustments reserved herein shall be adjusted on the basis of the number of square feet retained by Tenant in proportion to the number of square feet contained in the Premises, as described in this Lease, and this Lease as so amended shall continue thereafter in full force and effect.

B) If Landlord, upon receiving Tenant's notice with respect to any such space, shall not exercise its right to recapture as aforesaid, and if Tenant is not in default under the terms of this Lease, Landlord will not unreasonably withhold its consent to Tenant's assignment of the Lease or subletting such space to the party identified in Tenant's notice, provided, however, that in the event Landlord consents to any such assignment or subletting, and as a condition thereto, Tenant shall pay to Landlord fifty percent (50%) of all profit derived by Tenant from such assignment or subletting. For purposes of the foregoing, profit shall be deemed to include, but shall not be limited to, the amount of all rent or other consideration payable by such assignee or sublessee in excess of the Base Rent, and rent adjustments payable by Tenant under this Lease. If a part of the consideration for such assignment or subletting shall be payable other than in cash, the payment to Landlord of its share of such noncash consideration shall be in such form as is satisfactory to Landlord.

C) Tenant shall, and hereby agrees that it will, furnish to Landlord upon request from Landlord a complete statement, certified by an independent certified public accountant, setting forth in detail the computation of all profit derived and to be derived from such assignment or subletting, such computation to be made in accordance with generally accepted accounting principles. Tenant agrees that Landlord or its authorized representatives shall be given access at all reasonable times to the books, records and papers of Tenant relating to any such assignment or subletting, and Landlord shall have the right to make copies thereof. The percentage of Tenant's profit due Landlord hereunder shall be paid to Landlord within two (2) days of receipt by Tenant of all payments made from time to time by such assignee or sublessee to Tenant.

D) For purposes of the foregoing any change in the partners of Tenant, if Tenant is a partnership, or, if Tenant is a corporation, any transfer of any or all of the shares of stock of Tenant by sale, assignment, operation of law or otherwise resulting in a change in the present control of such corporation by the person or persons owning a majority of such shares as of the date of this Lease, shall be deemed to be an assignment within the meaning of this Section 17

E) Any subletting or assignment hereunder shall not release or discharge Tenant of or from any liability, whether past, present or future, under this Lease, and Tenant shall continue fully liable thereunder. Any subtenant or assignee shall agree in a form satisfactory to Landlord to comply with and be bound by all of the terms, covenants, conditions, provisions and agreements of this Lease to the extent of the space sublet or assigned, and Tenant shall deliver to Landlord promptly after execution an executed copy of each such sublease or assignment and an agreement of compliance by each such subtenant or assignee. Tenant agrees to pay to Landlord, on demand, all reasonable costs incurred by Landlord in connection with any request by Tenant for Landlord to consent to any assignment or subletting by Tenant. Any sale, assignment, mortgage, transfer or subletting of this Lease that is not in compliance with the provisions of this Article shall be of no effect and void.

18. Notices. Any notice, demand or request, consent, approval or communication ("Notice") to be given to the other party shall be in writing and either served personally or sent prepaid, return receipt requested, first-class mail. A mailing shall be addressed to the other party at the address listed below. Either party may change its address by notifying the other of a change of address in writing pursuant to this Section 18. Notice shall be deemed complete upon:

A) Physical delivery of the Notice, or at midnight on the day of such physical delivery if acceptance of the Notice is refused (which include Notices delivered by telecopy, messenger or overnight courier);

B) In the case of mailing, delivery is complete upon actual receipt as shown on the certified or registered mail return, or at midnight of the third day after the date on which any Notice is marked "refused" or "undeliverable" by the U.S. Postal Service;

C) If delivered by telegram, Notice shall be deemed given upon the sender's receipt of a confirmation of delivery by the telegraph company.

All Notices shall be addressed as indicated below:

If to Landlord: c/o DevMan Company, L.C.
Suite 100
1515 East Missouri Avenue
Phoenix, Arizona 85014-2443

With a copy to: Lincoln Medical, L.L.C.
6402 E. Cheney Drive
Paradise Valley, AZ 85253

If to Tenant: To the address listed above in Section 1

If to a Lender: See Section 28 below

D) If delivered by telecopier to a named party, then the Notice is complete upon actual receipt. Receipt may be proven with the successful transmission slip from the sending machine, so long as the machine routinely prints such slips only upon actual electronic confirmation of the receipt of the transmission by the receiving machine.

19. Condition of Premises.

A) Subject to a punchlist of items, if any, agreed to by Landlord and Tenant prior to occupancy, by taking possession of the Leased Premises, the Tenant is deemed to accept the condition of the Leased Premises "AS IS." At its expense, Tenant shall repair all damage or injury

done to the Leased Premises by Tenant or by others during the Term of the Lease. Tenant shall surrender the Leased Premises to the Landlord upon the termination or expiration of the Term of the Lease in good condition and repair, reasonable wear and tear excepted. Landlord shall provide a tenant improvement allowance of up to \$5.00 per useable sq. ft. to be used for suite improvements to be used no later than December 31, 2007. All improvements shall be subject to Landlord's approval. All work must be done in accordance with all laws and by licensed contractors.

B) Tenant shall take good care of the Leased Premises, which shall not be altered, repaired or changed (except as otherwise provided in Section 7(A), above), WITHOUT THE LANDLORD'S PRIOR WRITTEN CONSENT, IN LANDLORD'S SOLE DISCRETION. Unless otherwise provided by written agreement, all alterations, improvements and changes to the Leased Premises shall be done at Tenant's sole cost and expense and shall be performed by, or at the direction of, Landlord or its property manager and shall comply with all applicable local, county, state and Federal laws, rules and regulations, including but not limited to, the ADA and any other Applicable Laws. Notwithstanding Landlord's approval of such work including review of drawings and specifications, Tenant and not Landlord shall be responsible for compliance of such drawings and specifications and of the finished work with all Applicable Laws.

C) All fixtures, including those installed by Tenant during the Term of the Lease, shall remain upon and be surrendered with the Leased Premises at the termination or expiration of the Term.

D) All property or other items not removed from the Leased Premises prior to the termination or expiration of the Term may, at Landlord's election, be deemed to be Landlord's property.

20. Condemnation. In the event all of the Leased Premises are condemned for public use by judicial proceedings, or the threat thereof (including but not limited to a conveyance by Landlord in lieu of the condemnation), or if a portion of the Leased Premises are condemned for public use by judicial proceedings or the threat thereof, so that the remainder not condemned is unsuitable for carrying on Tenant's business, then in either event this Lease shall terminate as of the day before the date of such taking. In such event, Tenant shall have no claim against the Landlord and shall not have any claim or right to claim, or be entitled to any portion of the amount that may be awarded as damages or paid as the result of condemnation proceedings, or the threat thereof. Notwithstanding anything to the contrary in the Lease, in the case of partial condemnation, the Lease will terminate only if the remainder is unsuitable for carrying on Tenant's business and at least twenty-five percent (25%) of Leased Premises are condemned. All rights to damages, if any, of the Tenant are hereby assigned to the Landlord, except for any separate award for removable fixtures and improvements installed at the sole cost of the Tenant.

21. Signs. Tenant shall not place identification, advertising, notice or other signs in, on, over, or about the Leased Premises or the Building without Landlord's prior written consent, in Landlord's sole discretion. If consent is granted, signs shall be installed and maintained at Tenant's expense. Signs installed without prior written permission may be removed by Landlord at Tenant's expense without notice or legal process.

22. Liability and Insurance.

A) All merchandise, furniture, equipment, and other personal property and fixtures belonging to Tenant and all persons claiming by or through Tenant shall be placed and remain on the Premises at Tenant's sole risk, unless the damage is caused by the sole negligence or willful misconduct of Landlord. Tenant hereby waives all claims against Landlord for loss, injury or damage to all persons and property on the Premises or any part of the Project from theft, fire, water, gas, or otherwise, including sprinkler leakage or bursting pipes, unless the damage is caused by the sole negligence or willful misconduct of Landlord.

B) Tenant shall secure and maintain, at its own expense throughout the Term of this Lease, or any Extension Term, and for the additional time periods specified below, the following minimum types and amounts of insurance, in form and with companies and deductible amounts acceptable to Landlord, insuring Tenant, its employees, agents and designees:

- (i) Workers' Compensation Insurance, the amount and scope of which shall be the greater of (1) the insurance currently maintained by Tenant, or (2) the amount and scope required by statute or other governing law.
- (ii) Employer's Liability Insurance in amounts equal to the greater of (1) the insurance currently maintained by Tenant, or (2) the following:
 - Bodily Injury by accident - \$500,000.00 each accident
 - Bodily Injury by disease - \$500,000.00 policy limit
 - Bodily Injury by disease - \$500,000.00 each employee
- (iii) Commercial General Liability Insurance on an occurrence basis, without claims-made features, with bodily injury and property damage coverage in an amount equal to the greater of (1) the insurance currently maintained by Tenant, or (2) \$1,000,000.00 each occurrence and \$2,000,000.00 in the aggregate; and such insurance shall include the following coverages:
 - 1) Premises and Operations coverage with X, C, and U exclusions for explosion, collapse, and underground property damage under both premises/operations and contractual liability coverage parts deleted, if applicable;
 - 2) Owners and Contractors Protective coverage;
 - 3) Products and Completed Operations coverage;
 - 4) Blanket Contractual coverage, including both oral and written contracts;
 - 5) Personal Injury coverage;
 - 6) Broad Form Property Damage coverage, including completed operations.
- (iv) All risk Property Insurance, including coverage for vandalism, malicious mischief and sprinkler leakage, insuring the Tenant improvements, fixtures, glass, equipment, merchandise, inventory and personal property in, and all other contents of, the Premises, and (if any) all mechanical, plumbing, heating, ventilating, air conditioning, electrical, telecommunication and other equipment, systems and facilities located on the Premises. Such insurance shall be in an amount equal to 100% of the replacement value thereof from time to time (and Tenant shall re-determine the same as frequently as

necessary in order to comply herewith). The proceeds of such insurance, so long as this Lease remains in effect, shall be used to repair and/or replace the Premises, and the Tenant Improvements, fixtures, glass, equipment, merchandise, inventory and personal property in and all other contents of the Premises, and (if any) all mechanical, plumbing, heating, ventilating, air conditioning, electrical, telecommunication and other equipment, systems and facilities so insured.

- (v) Business Interruption or Rental Loss Insurance sufficient to cover, for a period of not less than one year, all rental, expense and other payment obligations of Tenant under this Lease, including, without limitation, Base Rent and adjustments thereto and Taxes, Operating Expenses, and all other costs, fees, charges, and payments which would be borne by or due from Tenant under this Lease if the Premises and Tenant's business were fully open and operating, naming Landlord as loss payee.
 - (vi) Automobile liability insurance for owned, hired and non-owned vehicles with coverage in an amount not less than \$1,000,000.00.
- C) All insurance policies maintained to provide the coverages required to be maintained by Tenant hereunder shall name Landlord as additional insured and shall be:
- (i) Placed with insurance companies authorized to do business in the state in which the Premises are located, and with companies rated, at a minimum, "A" by Best's Key Rating Guide;
 - (ii) Endorsed to provide for at least ten (10) days' advance written notice to Landlord of cancellation due to non-payment and thirty (30) days' advance written notice to Landlord of material modification or cancellation for any reason other than non-payment; and
 - (ii) Endorsed to stipulate that coverages afforded under such policies are primary insurance as respects Landlord and that any other insurance maintained by Landlord are excess and non-contributing with the insurance required hereunder.

D) NO ENDORSEMENT LIMITING OR EXCLUDING A REQUIRED COVERAGE IS PERMITTED.

E) Tenant shall deliver to Landlord, upon execution of this Agreement, written evidence of the insurance coverages required herein. Tenant shall deliver to Landlord, no less than fifteen (15) days prior to the expiration of any required coverage, written evidence of the renewal or replacement of such coverage. Landlord's failure, at any time, to object to Tenant's failure to provide the specified insurance or written evidence thereof (either as to the type or amount of such insurance) shall not be deemed as a waiver of Tenant's obligations under this Section.

F) Upon execution of this Agreement, Tenant shall provide certificates evidencing the coverages required herein, including additional insured endorsements as required.

G) If Tenant fails to furnish and maintain the insurance required by this section, Landlord may (but is not required to) purchase such insurance on behalf of Tenant, and the Tenant shall pay the cost thereof to Landlord upon demand and shall furnish to Tenant any information needed to obtain such insurance.

H) The insurance requirements in this section shall not in any way limit, in either scope or amount, the indemnity obligations separately owed by Tenant to Landlord under this Lease.

I) TENANT HEREBY AGREES TO INDEMNIFY, DEFEND AND HOLD LANDLORD AND ANY SUBSIDIARY, PARENT OR AFFILIATE OF LANDLORD AND ALL OF THEIR MEMBERS, DIRECTORS, OFFICERS, AGENTS AND EMPLOYEES (COLLECTIVELY, "INDEMNITEES") HARMLESS FOR, FROM, AND AGAINST ALL LOSSES, CLAIMS, LIABILITIES, INJURIES, COSTS AND EXPENSES, THAT ANY INDEMNITEE MAY INCUR BY REASON OF ANY INJURY OR DAMAGE SUSTAINED TO ANY PERSON, INCLUDING BUT NOT LIMITED TO EMPLOYEES OF TENANT, OR PROPERTY ARISING OUT OF OR OCCURRING IN CONNECTION WITH THE ALLEGED OR ACTUAL ACTS, ERRORS, OR OMISSIONS OF TENANT, TENANT'S PERMITTEES, OR ANY FIRM OR ANY OTHER PERSON DIRECTLY OR INDIRECTLY EMPLOYED BY TENANT, OR ANY OF THEM, THROUGHOUT THE TERM OR ANY EXTENSION TERM OF THIS LEASE, OR ANY ACTIVITY ASSOCIATED THEREWITH OR RELATED THERETO. TENANT'S DUTY TO DEFEND AND INDEMNIFY INDEMNITEES SHALL EXIST EVEN IF THE ALLEGED INJURIES OR DAMAGES SUSTAINED BY THE CLAIMANT ARE THE RESULT IN PART OF INDEMNITEES' ACTIVE OR PASSIVE NEGLIGENCE, BUT THE DUTY TO DEFEND AND INDEMNIFY INDEMNITEES SHALL NOT EXTEND TO INJURIES OR DAMAGES THAT ARE THE RESULT OF INDEMNITEES' SOLE NEGLIGENCE OR WILLFUL MISCONDUCT. TENANT'S DUTY TO DEFEND IS SEPARATE AND DISTINCT FROM THE DUTY TO INDEMNIFY AND SHALL IMMEDIATELY ARISE WHEN A CLAIM IS ASSERTED AGAINST INDEMNITEES IN CONNECTION WITH THE PERFORMANCE OF TENANT, OR THOSE FOR WHOM TENANT IS LIABLE, IN CONNECTION WITH THIS AGREEMENT, AND REGARDLESS OF WHETHER OTHERS MAY OWE INDEMNITEES A DUTY OF DEFENSE AND/OR INDEMNITY. THE INDEMNITY RIGHTS AND OBLIGATIONS IDENTIFIED IN THIS LEASE SHALL BE, AND ARE, THE ONLY INDEMNITY RIGHTS AND OBLIGATIONS BETWEEN THE PARTIES, IN LAW OR EQUITY, ARISING OUT OF OR RELATED TO TENANT UNDER THIS LEASE OR ANY CLAIMS ASSERTED IN RELATION THERETO.

23. Transfer of Landlord's Interest. Landlord hereby reserves the right to sell, assign or transfer this Lease so long as this Lease remains in full force and effect, subject to the performance by Tenant of its terms, covenants and conditions. Upon a sale, assignment or transfer, other than merely as security, Tenant agrees to look solely to the assignee or transferee with respect to all matters in connection with this Lease and Landlord shall be released from any further obligations hereunder. If any Security Deposit has been made by Tenant, then Landlord may transfer the Security Deposit to the assignee or transferee and Landlord shall be discharged from any further liability for such Security Deposit.

24. Estoppel Statements. At any time and from time-to-time, upon not less than ten (10) days written Request from the other party, each party shall execute, acknowledge and deliver to the requesting party a written statement certifying that:

A) This Lease is unmodified and in full force and effect, (or if modified, then stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect), and the date to which the Rent or other charges have been paid in advance, if any;

B) An acknowledgment that there are not, to the knowledge of the party, any uncured Defaults, offsets, counterclaims or other disputes with or on the part of the requesting party or specifying which Defaults, if any, are claimed;

C) A response to any other matter reasonably requested; and

D) An acknowledgement that the party is, to the best of its knowledge, in full compliance with all applicable statutes, ordinances, rules, regulations, zoning variances and conditional use permits applicable to the Leased Premises.

E) Any statement delivered pursuant to this Section 24 may be relied upon by a prospective purchaser or encumbrancer of the Leased Premises or the Building.

25. Construction of Lease. The language in all parts of this Lease shall in all cases be construed as a whole according to its fair meaning and not strictly for nor against either Landlord or Tenant. Section headings in this Lease are for convenience only and are not to be construed as a part of this Lease or in any way defining, limiting or amplifying those provisions. The words "Landlord" and "Tenant", shall include the plural as well as the singular. The neuter gender includes the masculine and feminine. If there is more than one Tenant, then the obligations to be performed are joint and several. If any term, covenant or condition contained is judicially held to be invalid or void then the invalidity of that term, covenant or condition shall not affect any other term, covenant or condition or the validity of this Lease as a whole.

26. Limited Collection. Anything in this Lease to the contrary notwithstanding, Tenant shall look solely to the estate and property of the Landlord in the land and buildings comprising the Leased Premises for the collection of any judgment (or other judicial process) requiring the payment of money by Landlord in the event of any Default or breach by Landlord of the terms, covenants, and conditions of this Lease. No other assets of Landlord shall be subject to levy, execution or other procedures for the satisfaction of Tenant's remedies.

27. Interest. Tenant agrees that any sum payable to Landlord under any provisions of this Lease which is not paid within ten (10) days after payment is due shall bear interest at the rate of two percent (2%) per month from the expiration of the ten-day period until paid in full including interest. This interest charge is in addition to the late charge assessed under the provisions of Section 13(E) above.

28. Mortgage Notice. In the event of breach, Default, or non-compliance by Landlord, Tenant shall, before exercising any right or remedy available to it, give Landlord written Notice of the claimed breach, Default or non-compliance. If prior to giving such Notice, Tenant has been notified in writing (by way of notice or assignment of rents and leases, or otherwise) of the address of any Lender which has furnished financing secured by mortgage, or deed of trust covering the Leased Premises, then, concurrently with giving the required Notice to the Landlord, Tenant shall, by registered or certified mail, transmit a copy to the Lender. For the thirty (30) days following delivery of such Notice (or such longer period of time as may be reasonably required to cure a matter which, due to its nature, cannot reasonably be remedied within thirty days) Landlord may cure the Default and continue to receive all Rents due for that period. Thereafter, the Tenant shall transmit to each Lender a second Notice advising the Lender that the Landlord is still in Default and advising that each Lender has an additional thirty (30) days within which to cure the Default. If the Default cannot be cured within the foregoing 30-day period, then the Lender may have such additional time as may be necessary so long as Lender commences and diligently pursues the actions or remedies necessary to cure the Default (including, but not limited to, commencement and prosecution of proceedings to foreclose or otherwise exercise its right under its mortgage or other security instrument, if necessary to effect the cure). In such event, this Lease shall not be terminated by Tenant so long as the actions or remedies are being diligently pursued by the Lender, unless the Default of the Landlord causes the daily business operation of the Leased Premises to cease, in which case Landlord or the Lender shall have thirty (30) days after the cessation of daily business operations to cure a Default, or the Lease may by written Notice be cancelled by Tenant. Upon ten (10) days written notice, Tenant shall execute and deliver to Landlord within ten (10) days of a request any amendment to this Lease which may be required by any Lender as a condition to providing funds to Landlord secured by Landlord's assignment to Lender of Landlord's rights under this Lease or secured by the Building and Common Area. Tenant hereby constitutes and appoints Landlord the Tenant's attorney-in-fact to execute any such amendment for and on behalf of Tenant, in the event that Tenant fails to deliver it within ten (10) days after receipt of the request.

29. Arbitration. Any dispute arising from the construction phase of this Lease shall be settled by arbitration if, prior to the commencement of any legal proceedings dealing with a controversy arising out of the construction phase of this Lease, any party to this Lease sends a written "Demand" for arbitration to the other party in compliance with the Notice requirements of this Lease. Within fifteen (15) days after the Demand, the parties shall designate an independent registered architect mutually agreeable to the parties ("Arbitrator") to arbitrate the dispute. If the parties fail to designate an Arbitrator, then the dispute shall be arbitrated under the commercial rules of the American Arbitration Association. Any judgment on the award rendered, whether by the Arbitrator chosen by the parties or the American Arbitration Association, may be entered in any court having jurisdiction and shall bind the parties. Arbitration shall occur in Phoenix, Arizona and shall include an award of attorneys' fees and costs to the prevailing party. The non-prevailing party shall also pay all expenses of arbitration, including without limitation, the Arbitrator's fee, recording and transcription fees, and filing fees. Notwithstanding the provisions of this Section 29, Landlord may file a claim at any time in a court of competent jurisdiction in the event that Tenant fails to pay Rent in the amounts and within the time periods specified in this Lease. If such a claim shall be filed by Landlord to recover any amounts due and payable under this Lease, or on account of any breach of, or to enforce or interpret any of the terms, covenants or conditions of this Lease, or for the recovery of possession of the Leased Premises, then the prevailing party shall be entitled to recover from the other party, as part of the prevailing party's costs, reasonable attorney's fee, the amount of which shall be fixed by the court and shall be made a part of the judgment.

30. Mechanics' Liens. Should any mechanics' or other liens be filed against the Leased Premises or any part thereof for any reason whatsoever by reason of Tenant's acts or omissions or because of a claim against Tenant, Tenant shall cause the same to be cancelled and discharged of record by bond or otherwise within ten (10) days following the filing of such lien.

31. General.

A) Time is of the essence of this Lease and of every term, condition, covenant and obligation hereof and hereunder.

B) All of the terms, conditions, covenants and obligations shall inure to the benefit of and bind the heirs, executors, administrators, personal representatives, successors and assigns of the parties. All rights and interest of the Landlord are fully transferable.

C) This Lease shall be governed by and construed in accordance with the laws of the State of Arizona without respect to the conflict of laws statutes thereof.

D) If Tenant holds possession of any part of the Leased Premises after the expiration of the Term of this Lease (or any renewal or extension of it) then the holding over shall constitute a tenancy from month-to-month only, subject to all applicable terms, covenants and conditions contained in this Lease except that the rental rate for the Leased Premises shall be at the rental rate as determined solely by Landlord. Such hold-over month-to-month tenancy may be terminated by either party upon thirty (30) days written notice to the other.

E) This Lease, including the Exhibits attached hereto, constitutes the entire agreement between the parties; no prior agreement or understanding pertaining to the Leased Premises shall be effective for any purpose. No provision of this Lease may be amended or added to except by an agreement in writing signed by the parties or their successors in interest.

32. Security Deposit. The amounts posted by the Tenant as a Security Deposit as set forth in Section 1 of the Lease, if any, have been posted by the Tenant as security for performance of its obligations under this Lease, including without limitation, the surrender of the possession of the Leased Premises to Landlord as provided in this Lease. The Landlord may co-mingle these funds and is not required to maintain a separate account for Security Deposits. No interest shall be paid by Landlord to Tenant on the Security Deposit. If Landlord applies any part of the Security Deposit to cure any Default of Tenant, then Tenant shall, within five (5) days after receipt of written demand, deposit with Landlord the amount so applied so that the Landlord will have the full Security Deposit on hand at all times during the Term of the Lease. The Landlord may apply the Security Deposit toward any item, including without limitation, monthly Rent, any additional Rent, payment of lien claims, or any other obligation of Tenant under this Lease.

33. Definition and Ownership of "Special Waste".

A) The Landlord and the Tenant acknowledge that the care and disposal of Special Waste (defined below) which may be generated in or about the Leased Premises is the sole and affirmative responsibility of the Tenant. The Tenant owns all Special Waste originating or passing through the Leased Premises; title to and responsibility for Waste shall not, under any circumstances, pass to the Landlord. The Tenant hereby covenants and agrees to use due care in the maintenance, bagging, disposal and handling of Special Waste.

B) The term "Special Waste" includes any and all items, substances, or materials of any kind, whether of natural origin or produced, develop, combined, grown, or manufactured that is/are generated, produced, extracted, drawn, or located on the Leased Premises, which include but are not limited to the following:

- 1) Solid waste, including but not limited to trash, refuse, waste paper, dirt, dust, and sweepings;
- 2) "Biomedical Waste" and "Hazardous Waste" and all other-types of solid waste not included in 1) above;

3) "Infectious Waste," as such term phrase is defined in the Environmental Protection Agency's Guide for Infectious Waste Management (May, 1986) (as may be amended or supplemented from time to time) including but not limited to each and every category of infectious waste and all categories of potentially infectious waste;

4) "Hazardous Substances," as such term is defined by the Federal Comprehensive Environmental Response Compensation and Liability Act, as may be amended or supplemented from time to time;

5) "Medical Waste," as such term is defined by City of Phoenix Ordinance Section 27-18, as may be amended, supplemented, or supplanted from time-to-time;

6) The items described in sub-sections (2)-(5) above are referred to herein as "Dangerous Wastes".

C) The Tenant hereby warrants, certifies, represents, and affirms that either:

1) It generates no Dangerous Wastes from the Leased Premises because no health care activities of a type which would generate such Dangerous Wastes are conducted on the Leased Premises; or

2) If Dangerous Wastes are generated on, in, or from the Leased Premises, then the Tenant shall fully and faithfully comply with the "Disposal Procedures" of Section 34 below. In no event is title to or responsibility for any Dangerous Waste to be considered passed to Landlord.

34. Disposal Procedures.

A) In handling all Special Waste, including but not limited to Dangerous Waste, the Tenant shall fully comply with any and all applicable federal, state, county, municipal or other regulatory rules, regulations, laws, ordinances, guidelines, or court orders governing the disposal thereof.

B) The Tenant acknowledges that the Tenant's full and complete performance of all obligations created by these requirements are incorporated into and made a part of this Lease.

C) Failure to comply with this Section 34 shall be deemed a Default of this Lease.

35. Indemnity. The Tenant shall indemnify, defend, and hold the Landlord harmless for, from and against any and all claims, costs, charges, damages or other losses arising directly or indirectly from Tenant's failure to perform any obligation under the Lease and for, from, and against any other action or omission of the Tenant, its officers, employees, contractors, agents, guests, patients, or invitees that otherwise causes damage or injury to Landlord, including but not limited to proper handling of Special Waste and Tenant's full compliance with the ADA and all Applicable Laws. Landlord's defense shall be provided by counsel approved in advance in writing by the Landlord and shall be at the sole expense of the Tenant. Obtaining proper insurance coverage for this indemnity obligation of Tenant is the full and complete responsibility of the Tenant. The foregoing indemnity obligation shall survive the termination or expiration of this Lease.

day 9/25/07

36. Parking. Subject to the terms and conditions hereof, the Tenant is entitled to the continuous use and enjoyment of the parking area, which the Landlord shall stripe and maintain as set forth above. The parties acknowledge that the Rules and Regulations contain additional provisions governing the use of the parking area. There is an additional charge for covered parking. The Landlord may restrict the parking privileges of the employees to designated employee parking areas.

37. Authority to Bind Tenant. The person signing below on behalf of the Tenant warrants and personally guarantees that he or she has the actual legal authority to bind the entity named as the Tenant to all terms and conditions of this Lease. If the Tenant is not legally bound, then the undersigned is personally responsible for all obligations of the Tenant under the Lease. If this Lease is signed by two or more legal persons, then the liability of each signer shall be joint and several.

38. Substitution of Leased Premises. Landlord shall have the right, upon thirty (30) days written notice to Tenant, to substitute for the Leased Premises other comparable premises within the Building. The Rentable Area of the substituted premises shall not be less than the Rentable Area of the original Leased Premises unless mutually agreed to by Tenant and Landlord, and no increase in the in the Rent provided to be paid by Tenant hereunder shall be occasioned by such substituted premises (unless larger premises are agreed to). Landlord shall provide Tenant a Rent credit to cover the actual reasonable moving expenses of Tenant incidental to such substitution of premises, up to a maximum amount equal to three (3) months worth of Basic Monthly Rent. Upon such relocation, such substituted premises shall be considered the Leased Premises described in this Lease for all uses and purposes as though originally leased to Tenant by this Lease.

39. No Partnership or Joint Venture. The relationship of the parties is solely that of landlord and tenant and under no circumstances shall one party be considered as partner, joint venturer, or agent of the other.

40. No Recording. Tenant shall not record this Lease or any memorandum thereof without Landlord's prior written consent in Landlord's sole discretion, and any such recordation without Landlord's consent shall, at the option of Landlord, constitute a Default of Tenant hereunder.

41. No Implied Warranties. Tenant affirmatively and expressly waives any implied warranties in connection with the Leased Premises or the Building and agrees to rely solely upon those representations and warranties expressly set forth in this Lease. By leasing the Leased Premises to Tenant, the Landlord does not warrant to any officer, member, shareholder, partner, joint venturer, employee, agent, guest, patient, or invitee of the Tenant, or to any other third party, that any person occupying the Leased Premises is professionally or legally competent to engage in any health care provider service.

42. Option to Terminate. Landlord shall have the option to terminate the Tenant's lease with one (1) year written notice at no cost to either party, after the first three (3) years of the lease term.

Executed to be legally binding as of the Date of Signing listed in Section 1.

LANDLORD:

Lincoln Medical, L.L.C.

By: 

Its: Managing Member

Date: 9/23/07

TENANT:

ALC - Paradise Valley, LLC

By: 

Its: CAO

Date: 9/18/07

EXHIBIT "A"

RULES AND REGULATIONS

Unless otherwise defined in this Exhibit "A", the following "Rules and Regulations" shall be and are hereby made a part of this Lease. Except as otherwise defined in this Exhibit "A", all capitalized terms shall have the meaning assigned to them in the Lease. The phrase "Premises" includes all of the Building and the Common Areas, including all areas leased to Tenant or to others, as required by the context. Tenant, its employees and agents, or any others permitted by Tenant to occupy or enter said Premises (collectively, "Tenant's Visitors"), shall at all times abide by these Rules and Regulations. Any failure in the performance or observance of the Rules and Regulations may, at Landlord's discretion, be deemed a Default under the Lease.

(a) The sidewalks, entries, passages, corridors, and stairways of the Building nor any other part of the Common Areas as defined in the Lease shall not be obstructed by Tenant, or Tenant's Visitors, or be used for any purpose other than ingress and egress to and from the Premises.

(b) Furniture, equipment or supplies shall be moved in or out of the Building only at such points specifically designated therefor by Landlord, and then only during such hours and in such manner as may be prescribed by Landlord or its property manager.

(c) Signs, notices, advertisements, or other inscriptions shall not be placed upon any part of the Premises except where designated by Landlord, and then only by a sign writer approved in writing by Landlord or its property manager.

(d) Tenant shall not do or permit anything to be done in the Premises, or bring anything therein, which will in any way increase the rate of insurance on the Building, or on property kept therein, or obstruct or interfere with the rights of other tenants, or in any way injure or annoy them, or conflict with the laws relating to fire, or with any regulations of the fire department or with any insurance policy upon the Building or any part thereof, or conflict with any of the applicable laws, rules, regulations or ordinances of any governmental entity.

(e) Tenant acknowledges that the laws, ordinances, rules and regulations governing proper waste management may be amended from time to time by city, state, county or federal government agencies. The waste management company may change its policies and practices governing the disposal of waste from time to time. Notwithstanding these or any other changes in the rules, regulations, manner of handling or other manner affecting waste management, the Tenant agrees to fully cooperate and abide by all of the foregoing as they may be amended or changed from time to time.

(f) If an individual Tenant wishes to handle its wastes in a manner which differs from that used by other tenants in the Building, then the Tenant shall submit a written description of the proposed manner of handling waste to the Landlord for prior review and approval. The Tenant shall pay all costs incurred in connection with the review of that proposal, including, but not limited to, legal fees, review by waste management agencies, etc. Failure to abide by a written directive from the Landlord or its management company concerning the handling of waste material constitutes an immediate and dangerous Default of the terms of the Lease and shall be treated in the same fashion as a non-monetary Default under the terms of the Lease. Any approval by Landlord shall in no way be construed as creating any title to, or responsibility or liability for, any Special Waste of the Tenant.

(g) Water closets and other water fixtures shall not be used for any purpose other than that for which the same are intended. Any damage resulting to the same from misuse on the part of Tenant, or Tenant's Visitors shall be paid for by Tenant. No person shall waste water by tying back or wedging the faucets, or in any other manner interfering with the normal operation of any utility.

(h) No animals shall be allowed in the offices, halls, corridors and elevators in the Building except for seeing-eye dogs or as may be required by state, federal, or local law.

(i) Bicycles, tricycles, skateboards, scooters or other vehicles shall not be permitted in the Building or in the Common Areas, nor shall any obstruction of sidewalks or entrances of the Building by such be permitted.

(j) Except with express, prior written permission of the Landlord, no person shall disturb the occupants of this or adjoining buildings or premises by the use of any radio, television, loudspeaker, musical instrument, or otherwise by making loud or improper noises.

(k) The Tenant shall not allow anything to be placed on the outside window ledges of the Building, nor shall anything be thrown by the Tenant, its agents, employees, or Tenant's Visitors out of the windows or doors.

(l) No additional lock or locks shall be placed by Tenant on any door in the Building without the prior written consent of Landlord. Landlord will furnish Tenant, free of charge, two keys to the Premises. Landlord may assess a reasonable charge for any additional keys. Tenant shall not make or have made any additional keys, and Tenant shall not alter any lock or install a new additional lock or bolt on any door or window of the Premises. Tenant, upon termination of the Term, shall deliver to Landlord the keys which have been furnished to Tenant, and in the event of loss of any keys shall pay Landlord for the cost to replace keys. Additional keys, if requested, will be provided to Tenant at Tenant's cost, only by Landlord.

(m) No awnings or other obstructions shall be placed over the windows or doorways except with the prior written consent of Landlord.

(n) Tenant shall not install or operate any steam or gas engine or boiler, or carry on any mechanical business in the Premises. The use of oil, gas or inflammable liquids for heating, lighting or any other purpose is expressly prohibited without receipt by the Landlord in advance of:

(i) written approval of the fire insurance and liability underwriter that the proposed activity is within the current underwriting rate for the Building and will not result in an increase in any insurance premium;

(ii) written approval from the local fire Marshall or fire department indicating that the method and manner of the proposed use is in full compliance with all applicable fire and safety and health regulations; and

(iii) prior written approval of Landlord of the proposed use.

(o) If any Tenant desires telegraphic, telephonic, computer, data processing or other electrical connections, Landlord or its agents will direct electricians as to where and how the wires may be introduced. It shall be the sole responsibility of the Tenant to obtain and pay for such architectural, electrical, or other structural advice as may be necessary to persuade Landlord or its agents as to the wisdom of allowing boring, cutting or other interference in the structural members and/or walls of the Building. It is the Tenant's responsibility to obtain Landlord's prior consent to any boring, cutting or other intrusion into the structure. The Tenant shall be responsible for all damages arising from installation or removal of any such items.

Without such directions, no boring or cutting for wires is permitted. Any such installation and connection will be made at Tenant's expense. No wires for electric or other purposes may be introduced nor will boring nor cutting of present wires be allowed without the written consent of Landlord and then only under his direction. The Tenant shall remove all such installations at its expense and repair all damage in connection with the removal and repair of these items. Failure to promptly undertake these repairs may result in a loss of the Security Deposit and shall also, at Landlord's discretion, be considered a Default of the Lease giving rise to the right of Landlord to sue for and recover damages for failure to make these repairs.

(p) Except as permitted by Landlord, Tenant shall not mark upon, paint signs upon, cut, drill into, drive nails or screws into or in any way deface the roof, windows, walls, ceilings, partitions, floors, sidewalks, entry-ways, passageways, or landscaping of the Premises or of the Building. Any defacement, damage or injury caused by Tenant, its agents, employees, or Tenant's Visitors to the Premises shall be paid for by Tenant. The Tenant may hang medical diplomas and other reasonable wall decorations on the walls of its Premises, but shall be responsible for the cost of repair of this damage upon expiration of the Lease Term.

(q) Landlord shall at all times have the right to issue additional Rules and Regulations as in its judgment may from time to time be needed and desirable for the safety, care and cleanliness of the Premises and for the preservation of good order thereon or for any other purpose deemed necessary by Landlord in its sole discretion. Amended Rules and Regulations shall be effective upon receipt by Tenant unless another date is expressly stated therein.

(r) Landlord shall have the right to determine normal working hours as relates to opening and closing the Building and providing heating, cooling and lighting to Common Areas.

(s) The Landlord may, in its discretion, provide a security system for the protection of its own property. However, this system is neither intended nor designed to safeguard or secure any tenant premises or any tenant's property. Tenants may not rely on this system for security for their leased premises. The use of this system shall be at the option and direction of the Landlord or its agents. Tenant, at Tenant's sole expense, may install its own security system for its own Premises. Written Plans and Specifications for the system must be submitted to the Landlord in care of the property manager and written approval of Landlord must be obtained prior to installation. If the Security System disturbs the peace and quiet of other tenants or neighbors of the Building, then the Landlord, in its sole discretion, may, but is not obligated to, require the Tenant to disconnect, modify or remove the system with the cost of the disconnection, modification or removal to be borne solely by the Tenant which installed the system.

(t) To assure that convenient parking is available for the patients and visitors, Tenant acknowledges Landlord's power and authority to control and restrict areas for various parking uses. Tenant agrees that parking spaces for the Tenant, its agents, employees, and Tenant's Visitors may be assigned by Landlord in its sole discretion. Failure to obey any rules and regulations regarding parking assignment may, at Landlord's discretion, be deemed a Default of this Lease. Vehicles in violation of the above rules and regulations regarding parking assignment may be impounded or towed at the owner's expense.

(u) In addition to the Landlord's right to designate parking, the Landlord may designate areas for deliveries and pick-ups for such items as UPS, Blood and Lab Services, etc. The Landlord may, but is not obligated to, make these designations in its sole and absolute discretion.

(v) If you notice violations of these Rules and Regulations, please contact the Landlord or its property managers. These Rules and Regulations have been developed based on input from the tenants in the Building and have been adopted under the terms of the Lease. Violations of these Rules and Regulations may, at Landlord's discretion, be considered a Default under the Lease.

(w) In order to promote a healthy environment, smoking is not permitted anywhere within the Building. Tenant shall not smoke and shall prohibit its employees, contractors, and Tenant's Visitors from smoking in the Leased Premises and in the Building.

(x) Within ten (10) days after receipt, Tenant shall advise the Landlord in writing, and provide the Landlord with copies of (as applicable), any notices alleging violation of the ADA relating to any portion of the Building or of the Premises; any claims made or threatened in writing regarding noncompliance with the ADA and relating to any portion of the Building or of the Premises; or any governmental or regulatory actions or investigations instituted or threatened regarding noncompliance with the ADA and relating to any portion of the Building or the Premises.

Tenant:

ALC - Paradise Valley, LLC

Initial

KP

Date:

9/18/07

EXHIBIT "B"
BASIC RENT ADJUSTMENT

The Base Rent will increase three (3%) percent over the prior year's Base Rent the anniversary of the Term Commencement date each year.

Landlord:

Lincoln Medical, L.L.C.

Tenant:

ALC - Paradise Valley, LLC

Initial: *[Signature]*
Managing Member

Date: 9/23/07

Initial RP

Date: 7/18/07

EXHIBIT "C"

To The Medical Office Lease

LEASE GUARANTY

THIS LEASE GUARANTY (the "Guaranty") is agreed to be legally binding between the parties as of the Date of Signing of the Lease to which this is attached, regardless of the actual date of signing of this Guaranty. The terms "Landlord" and "Tenant" are defined in the attached Lease. The "Guarantor(s)" are the parties (or the party) signing below.

RECITALS

A. As a condition to its execution of the Lease, Landlord requires that the Guarantor(s) guaranty the full performance of the obligations of Tenant under the Lease; and

B. The Guarantor(s) desire that the Landlord enter into the Lease with the Tenant and are willing to provide this Guaranty as an inducement to the Landlord in this regard.

GUARANTY

For good and valuable consideration, the receipt and sufficiency of which is acknowledged, Guarantors unconditionally guaranty to Landlord, and to its successors and assigns, the full, complete and timely payment and performance of each and all of the terms, covenants and conditions of the Lease and in any modification or amendment to the Lease to be kept and performed by Tenant during the initial term of the Lease and any renewal term, including the payment of all rentals and other charges accruing pursuant to the Lease (the "Lease Obligations"). Guarantors further agree that:

1. This Guaranty shall continue in favor of Landlord notwithstanding any extension, modification, or alteration of the Lease entered into by and between Landlord and Tenant, or their successors or assigns, and notwithstanding any assignment of the Lease, with or without the consent of Tenant or any Guarantor. An extension, modification, alteration or assignment of the Lease and/or of the size of the Leased Premises shall neither release nor discharge Guarantors. Guarantors hereby consent to any and all future or present extensions, modifications, alterations or assignments of the Lease and/or of the Leased Premises.

2. This Guaranty shall continue unchanged and unaffected by the occurrence of any event of bankruptcy or reorganization as described in the Lease with respect to Tenant, any of the Guarantors or any assignee or successor of Tenant, or by any disaffirmation or abandonment of the Lease by a trustee of Tenant. Neither the Guarantors' obligation to make a payment or render performance in accordance with the terms of this Guaranty nor any remedy for its enforcement shall be impaired, modified, changed, released or limited by any impairment, modification, change, release or limitation of the liability of Tenant, any of the Guarantors, or their estates in bankruptcy or of any remedy for its enforcement resulting from the operation of any present or future provision of the U.S. Bankruptcy Act or other statute, or from the decision of any court of competent jurisdiction or governmental bureau, office or agency.

3. The liability of Guarantors under this Guaranty is primary and independent of the liability of Tenant. Guarantors hereby waive any right to require Landlord to proceed against any other person or to proceed against or exhaust any security held by it at any time or to pursue any other remedy before proceeding against Guarantors or any of them. If any right of action shall accrue to Landlord under the Lease, Landlord may proceed against Guarantors and Tenant, jointly and severally. Landlord may, at its option, proceed against Guarantors, without having commenced any action, or having obtained any judgment, against Tenant. Guarantors waive the provisions of Section 12-1641, Arizona Revised Statutes, or any similar or successor statute, and the defense of the statute of limitations in any action hereunder or for the collection of any indebtedness or the performance of any guaranteed obligation. The arbitration provision in the Lease shall in no way limit or affect the Landlord's right to proceed against Guarantors pursuant to this Guaranty.

4. Guarantors agree to pay all actual attorneys' fees and costs and other expenses incurred in any collection or attempted collection of this Guaranty or in any negotiations relative to the Lease obligations or in enforcing this Guaranty against Guarantors.

5. Guarantors waive notice of any demand by Landlord, any notice of default in the payment of Rent or any other amounts contained or reserved in the Lease, or any other notice of default under the Lease. Guarantors expressly agree that the validity of this Guaranty and the obligations of Guarantors shall not be terminated, affected or impaired by reason of any waiver by Landlord, or its successors or assigns, or failure to enforce any of the terms, covenants or conditions of the Lease or this Guaranty, or the granting of any indulgence or extension of time to Tenant, all of which may be given or done without notice to Guarantors.

6. This Guaranty extends in full force and effect to any assignee or successor to Landlord and shall be binding upon the Guarantors, their successors and assigns.

7. Until all Lease obligations have been paid or satisfied in full, Guarantors have no right of subrogation and waive any right to enforce any remedy which Landlord has or may later have against Tenant and any benefit of, and any right to participate in any security now or later held by Landlord. Guarantors shall not exercise their rights against the Tenant or against any other Guarantor under the provisions of A.R.S. §12-1642 *et seq.* or otherwise until all of Landlord's claims arising from the Lease are paid in full.

8. Any and all existing and future indebtedness of Tenant to Guarantors is hereby expressly subordinated to any and all indebtedness and other guaranteed obligations and without the prior written consent of Landlord, shall not be paid in whole or in part, nor will Guarantors accept any payment of or on account of any indebtedness while this Guaranty is in effect.

9. This Guaranty shall be construed in accordance with Arizona law.

GUARANTOR(S):

ALC – Partner, Inc.

By: Ken C

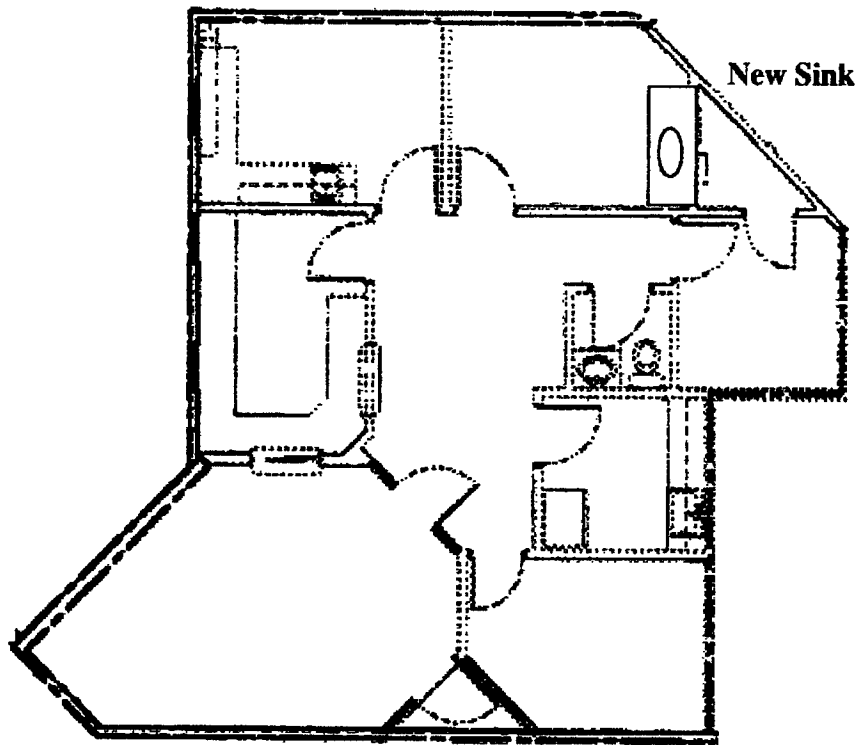
Its: CAO

Date: 9/18/07

EXHIBIT "D"

To The Medical Office Lease

Suite A201 Floor Plan



**Addendum to
Medical Office Lease**

This is an Addendum to medical office lease ("Lease") between Lincoln Medical, L.L.C., a Delaware limited liability company ("Landlord") and ALC - Paradise Valley, LLC, an Arizona limited liability company ("Tenant"), dated this ____ day of _____, 2007 and to which this Addendum is attached.

Landlord and Tenant agree that all provisions contained herein shall take precedence over the Lease where said Lease is inconsistent with the content of this Addendum.

1. Section 1, Fundamental Lease Provisions and Definitions, Basic Monthly Rent, is amended as follows:

The Basic Monthly Rent will be waived for the first one (1) and a half months of the lease term after completion of Tenant Improvement work, which is estimated to be October 15, 2007. The Rent shall commence on December 1, 2007, regardless of when tenant improvements are completed.

2. Section 19, Condition of Premises, is amended as follows: Landlord shall be responsible for managing Tenant Improvements to the suite and will provide up to \$5.00 per usable square foot payable to tenant to be used towards improvements. Tenant will be responsible for paying contractor for all work performed to the suite within thirty (30) days of job completion. The following improvements shall be provided:

- 1) Renovate One (1) exam room by adding a sink, counter top and cabinetry
- 2) Paint entire space white and one (1) accent wall in each office and behind the reception desk "home town hero blue"
- 3) Carpet all areas except the two (2) exam rooms
- 4) Install tile in the two (2) exam rooms.

3. Section 36, Parking, is amended as follows:

Landlord shall provide Tenant one (1) covered, reserved parking space at no charge throughout the lease term.

4. A new Section 43, Option to Renew, is added to the lease as follows:

Tenant shall have one (1) option to renew the lease for an additional five (5) years by providing Landlord written notice of its intent to do so no earlier than 180 days or later than 120 days prior to the expiration of the initial lease term. Landlord shall have ten (10) business days to reject the exercise of such option if: 1. Landlord then has plans to renovate the building or property to an extent that Landlord feels such a lease will impede its ability to do the renovations or 2. Landlord then has plans to change the use of the building or property to other than medical and dental offices. All terms of the lease will remain the same except the rent and adjustments will adjust to the then current market rent and adjustments being offered in the building.

Agreed:

Landlord:

Lincoln Medical, L.L.C.,
a Delaware limited liability company

Tenant:

ALC - Paradise Valley, LLC, an Arizona limited liability
company

By: 

By: 

Its: Managing Member

Its: CAO

Date: 9/23/07

Date: 9/18/07

GUARANTOR(S):

ALC - Partner, Inc.

By: Kenn

Its: CAO

Date: 9/15/07

**Addendum to
Medical Office Lease**

This is an Addendum to medical office lease ("Lease") between Lincoln Medical, L.L.C., a Delaware limited liability company ("Landlord") and ALC - Paradise Valley, LLC, an Arizona limited liability company ("Tenant"), dated this ____ day of _____, 2007 and to which this Addendum is attached.

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Agreed:

Landlord:

Lincoln Medical, L.L.C.,
a Delaware limited liability company

By: [Signature]

Its: Managing Member

Date: 9/23/07

Tenant:

ALC - Paradise Valley, LLC, an Arizona limited liability
company

By: [Signature]

Its: cfo

Date: 9/18/07