

EXHIBIT A

Fill in this information to identify your case:

Debtor Florham Park Surgery Center, LLCUnited States Bankruptcy Court for the: DISTRICT OF NEW JERSEYCase number 16-16964 (JKS)
(if known)**Official Form 410**
Proof of Claim

4/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach 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. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy (Form 309) that you received.

Part 1: Identify the Claim**1. Who is the current creditor?**Hanover Associates

Name of the current creditor (the person or entity to be paid for this claim)

Other names the creditor used with the debtor _____

2. Has this claim been acquired from someone else?☒ No☐ Yes. From whom? _____**3. Where should notices and payments to the creditor be sent?**

Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)

Where should notices to the creditor be sent? _____

Wilentz, Goldman & Spitzer, P.A.
90 Woodbridge Center Drive, Box 10
Attention: David H. Stein, Esq.
Woodbridge, NJ 07095

Name, Number, Street, City, State & Zip Code

Contact phone 732-636-8000Contact email dstein@wilentz.com

Where should payments to the creditor be sent? (if different) _____

Name, Number, Street, City, State & Zip Code

Contact phone _____

Contact email _____

Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____

4. Does this claim amend one already filed?☒ No☐ Yes. Claim number on court claims registry (if known) _____

Filed on _____

5. Do you know if anyone else has filed a proof of claim for this claim?☒ No☐ Yes. Who made the earlier filing? _____

Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor?	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor:	S083
7. How much is the claim?	\$ <u>486,445.97</u> Does this amount include interest or other charges? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).	
8. What is the basis of the claim?	Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card. Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c). Limit disclosing information that is entitled to privacy, such as health care information. <u>Unpaid Rent and other charges</u>	
9. Is all or part of the claim secured?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. The claim is secured by a lien on property. Nature of property: <input type="checkbox"/> Real estate. If the claim is secured by the debtor's principal residence, file a <i>Mortgage Proof of Claim Attachment</i> (Official Form 410-A) with this <i>Proof of Claim</i> . <input type="checkbox"/> Motor vehicle <input type="checkbox"/> Other. Describe: _____ Basis for perfection: _____ Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.) Value of property: \$ _____ Amount of claim that is secured: \$ _____ Amount of claim that is unsecured: \$ _____ (The sum of the secured and unsecured amounts should match the amount in line 7.) Amount necessary to cure any default as of the date of the petition: \$ _____ Annual Interest Rate (when case was filed) <u>0</u> % <input type="checkbox"/> Fixed <input type="checkbox"/> Variable	
10. Is this claim based on a lease?	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes. Amount necessary to cure any default as of the date of the petition: \$ <u>486,445.97</u>	
11. Is this claim subject to a right of setoff?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Identify the property: _____	

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

☒ No

☐ Yes. Check one:

☐ Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). \$ _____

☐ Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7). \$ _____

☐ Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4). \$ _____

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

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

☐ Other. Specify subsection of 11 U.S.C. § 507(a)() that applies. \$ _____

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

☐ I am the creditor.

☒ I am the creditor's attorney or authorized agent.

☐ I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

☐ I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that 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.

I have examined the information in this *Proof of Claim* and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date

Signature

Print the name of the person who is completing and signing this claim:

Name Pete Schofel

Title VP - Janfel-JBS Corp.

Company General Partner

Identify the corporate servicer as the company if the authorized agent is a servicer.

c/o Wilentz, Goldman & Spitzer, P.A.
90 Woodbridge Center Drive, Box 10

Address Attn: David H. Stein, Esq.

Woodbridge, NJ 07095

Number, Street, City, State and Zip Code

Contact phone 732-636-8000

Email dstein@wilentz.com

Florham Park Surgery Center, LLC
Chapter 11/Case #: 16-16964 (JKS)
Attachment to Proof of Claim of Hanover Associates

Rent and other lease charges due through March 31, 2016 per attached Statement of Account	\$469,921.55
Rent and other lease charges due through April 11, 2016	\$ 15,501.86 ¹
<u>Other Charges through April 11, 2016</u>	<u>\$ 1,022.56²</u>
Total Claim though April 11, 2016	\$486,445.97

¹ Calculated as follows: \$42,277.94 April rent and other charges through April 30, 2016/30 days = \$1,409.26 per day x 11 days = \$15,501.86

² Calculated as follows: \$2,788.94 other charges through April 30, 2016/30 days = \$92.96 per day x 11 days = \$1,022.56.

Database: EASTMAN		Tenant Activity					Page: 1		
Building: 04		Eastman Management Inc					Date: 4/14/2016		
Lease ID: FPS083		FLORHAM PARK SURGERY CTR, LLC					Time: 3:09 PM		
Suite ID: 100		Aug 2014 - Apr 2016							
Report ID: EMC_TENTACT		Opening Balance	Invoiced	Adjustments	Cash Receipt	Closing Balance	Payment Details		
							Check #	Date	Amount
Aug 2014	00 - BASE RENT	32,427.21	32,427.21	0.00	32,427.21	32,427.21	10165	08/07/14	47,802.77
	10 - OPERATING EXPENSES	9,850.73	9,850.73	0.00	9,850.73	9,850.73			
	50S - ELECTRIC-SUBMETER	5,213.67	0.00	5,324.94	5,213.67	5,324.94			
	55 - WATER SUBMETER	311.16	0.00	355.49	311.16	355.49			
	90 - LATE CHARGE	9,299.53	0.00	2,397.92	0.00	11,697.45			
		57,102.30	42,277.94	8,078.35	47,802.77	59,655.82			
Sep 2014	00 - BASE RENT	32,427.21	32,427.21	0.00	32,427.21	32,427.21	10266	09/05/14	47,958.37
	10 - OPERATING EXPENSES	9,850.73	9,850.73	0.00	9,850.73	9,850.73			
	50S - ELECTRIC-SUBMETER	5,324.94	0.00	5,932.50	5,324.94	5,932.50			
	55 - WATER SUBMETER	355.49	0.00	377.15	355.49	377.15			
	90 - LATE CHARGE	11,697.45	0.00	2,429.37	0.00	14,126.82			
	95 - INTEREST CHARGES	0.00	0.00	1,193.12	0.00	1,193.12			
		59,655.82	42,277.94	9,932.14	47,958.37	63,907.53			
Oct 2014	00 - BASE RENT	32,427.21	32,427.21	0.00	64,854.42	0.00	10495	10/21/14	59,655.82
	10 - OPERATING EXPENSES	9,850.73	9,850.73	0.00	19,701.46	0.00	10548	10/29/14	53,531.54
	50S - ELECTRIC-SUBMETER	5,932.50	0.00	5,416.59	11,349.09	0.00			
	55 - WATER SUBMETER	377.15	0.00	308.33	683.48	0.00			
	90 - LATE CHARGE	14,126.82	0.00	2,113.95	14,127.64	2,113.13			
	95 - INTEREST CHARGES	1,193.12	0.00	1,278.15	2,471.27	0.00			
		63,907.53	42,277.94	9,115.02	113,187.36	2,113.13			
Nov 2014	00 - BASE RENT	0.00	32,427.21	0.00	32,427.21	0.00	10415	11/07/14	10,000.00
	10 - OPERATING EXPENSES	0.00	9,850.73	0.00	1,572.79	8,277.94	10559	11/14/14	14,000.00
	50S - ELECTRIC-SUBMETER	0.00	0.00	4,102.86	0.00	4,102.86	10534	11/21/14	10,000.00
	55 - WATER SUBMETER	0.00	0.00	255.65	0.00	255.65			
	90 - LATE CHARGE	2,113.13	0.00	0.00	0.00	2,113.13			
	95 - INTEREST CHARGES	0.00	0.00	2,306.00	0.00	2,306.00			
		2,113.13	42,277.94	6,664.51	34,000.00	17,055.58			
Dec 2014	00 - BASE RENT	0.00	32,427.21	0.00	24,000.00	8,427.21	10537	12/02/14	14,000.00
	10 - OPERATING EXPENSES	8,277.94	9,850.73	0.00	0.00	18,128.67	10421	12/12/14	10,000.00
	50S - ELECTRIC-SUBMETER	4,102.86	0.00	3,608.59	0.00	7,709.45			
	55 - WATER SUBMETER	255.65	0.00	286.59	0.00	542.24			
	90 - LATE CHARGE	2,113.13	0.00	0.00	0.00	2,113.13			
	95 - INTEREST CHARGES	2,306.00	0.00	0.00	0.00	2,306.00			
		17,055.58	42,277.94	3,893.18	24,000.00	39,226.70			
Jan 2015	00 - BASE RENT	8,427.21	32,427.21	0.00	34,000.00	6,854.42	10423	01/09/15	10,000.00
	10 - OPERATING EXPENSES	18,128.67	9,850.73	0.00	0.00	27,979.40	10587	01/09/15	14,000.00
	50S - ELECTRIC-SUBMETER	7,709.45	0.00	2,183.91	0.00	9,893.36	10707	01/23/15	10,000.00
	55 - WATER SUBMETER	542.24	0.00	238.68	0.00	780.92			
	90 - LATE CHARGE	2,113.13	0.00	0.00	0.00	2,113.13			
	95 - INTEREST CHARGES	2,306.00	0.00	784.54	0.00	3,090.54			
		39,226.70	42,277.94	3,207.13	34,000.00	50,711.77			
Feb 2015	00 - BASE RENT	6,854.42	32,427.21	0.00	14,000.00	25,281.63	10761	02/04/15	14,000.00
	10 - OPERATING EXPENSES	27,979.40	9,850.73	0.00	0.00	37,830.13			
	50S - ELECTRIC-SUBMETER	9,893.36	0.00	2,846.08	0.00	12,739.44			
	55 - WATER SUBMETER	780.92	0.00	206.17	0.00	987.09			
	90 - LATE CHARGE	2,113.13	0.00	0.00	0.00	2,113.13			
	95 - INTEREST CHARGES	3,090.54	0.00	0.00	0.00	3,090.54			
		50,711.77	42,277.94	3,052.25	14,000.00	82,041.96			
Mar 2015	00 - BASE RENT	25,281.63	32,427.21	0.00	24,000.00	33,708.84			
	10 - OPERATING EXPENSES	37,830.13	9,850.73	0.00	0.00	47,680.86			
	50S - ELECTRIC-SUBMETER	12,739.44	0.00	3,171.52	0.00	15,910.96			

Database: EASTMAN		Tenant Activity				Page: 2		
Building: 04		Eastman Management Inc				Date: 4/14/2016		
Lease ID: FPS083		FLORHAM PARK SURGERY CTR, LLC				Time: 3:09 PM		
Suite ID: 100		Aug 2014 - Apr 2016						
Report ID: EMC_TENTACT	Opening Balance	Invoiced	Adjustments	Cash Receipt	Closing Balance	Payment Details		
						Check #	Date	Amount
55 - WATER SUBMETER	987.09	0.00	241.25	0.00	1,228.34			
90 - LATE CHARGE	2,113.13	0.00	0.00	0.00	2,113.13			
95 - INTEREST CHARGES	3,090.54	0.00	0.00	0.00	3,090.54			
						10813	03/10/15	10,000.00
						10829	03/25/15	14,000.00
	82,041.96	42,277.94	3,412.77	24,000.00	103,732.67			
Apr 2015								
00 - BASE RENT	33,708.84	32,427.21	0.00	32,427.21	33,708.84	10850	04/03/15	15,000.00
10 - OPERATING EXPENSES	47,680.86	9,850.73	0.00	9,850.73	47,680.86	10958	04/10/15	10,000.00
50S - ELECTRIC-SUBMETER	15,910.86	0.00	2,681.57	2,572.79	16,019.74	10991	04/17/15	10,000.00
55 - WATER SUBMETER	1,228.34	0.00	425.18	149.27	1,504.25	10885	04/30/15	10,000.00
90 - LATE CHARGE	2,113.13	0.00	0.00	0.00	2,113.13			
95 - INTEREST CHARGES	3,090.54	0.00	0.00	0.00	3,090.54			
	103,732.67	42,277.94	3,108.75	45,000.00	104,117.36			
May 2015								
00 - BASE RENT	33,708.84	32,427.21	0.00	32,427.21	33,708.84	10662	05/12/15	10,000.00
10 - OPERATING EXPENSES	47,680.86	9,850.73	0.00	7,572.79	49,958.80	11053	05/15/15	10,000.00
50S - ELECTRIC-SUBMETER	16,019.74	0.00	3,387.84	0.00	19,407.58	10669	05/26/15	10,000.00
55 - WATER SUBMETER	1,504.25	0.00	0.00	0.00	1,504.25	10896	05/29/15	10,000.00
90 - LATE CHARGE	2,113.13	0.00	0.00	0.00	2,113.13			
95 - INTEREST CHARGES	3,090.54	0.00	0.00	0.00	3,090.54			
	104,117.36	42,277.94	3,387.84	40,000.00	109,783.14			
Jun 2015								
00 - BASE RENT	33,708.84	32,427.21	0.00	31,439.38	34,696.67	11074	06/12/15	10,000.00
10 - OPERATING EXPENSES	49,958.80	9,850.73	0.00	0.00	59,809.53	11083	06/17/15	10,000.00
10P - PRIOR YR OPER ADJ	0.00	0.00	-1,439.38	-1,439.38	0.00	11173	06/24/15	10,000.00
50S - ELECTRIC-SUBMETER	19,407.58	0.00	4,130.11	0.00	23,537.69			
55 - WATER SUBMETER	1,504.25	0.00	0.00	0.00	1,504.25			
90 - LATE CHARGE	2,113.13	0.00	0.00	0.00	2,113.13			
95 - INTEREST CHARGES	3,090.54	0.00	0.00	0.00	3,090.54			
	109,783.14	42,277.94	2,690.73	30,000.00	124,751.81			
Jul 2015								
00 - BASE RENT	34,696.67	32,427.21	0.00	40,000.00	27,123.88	11177	07/06/15	10,000.00
10 - OPERATING EXPENSES	59,809.53	9,850.73	0.00	0.00	69,660.26	11190	07/13/15	10,000.00
50S - ELECTRIC-SUBMETER	23,537.69	0.00	5,193.92	0.00	28,731.61	11260	07/20/15	10,000.00
55 - WATER SUBMETER	1,504.25	0.00	206.30	0.00	1,710.55	11279	07/27/15	10,000.00
90 - LATE CHARGE	2,113.13	0.00	0.00	0.00	2,113.13			
95 - INTEREST CHARGES	3,090.54	0.00	0.00	0.00	3,090.54			
	124,751.81	42,277.94	5,400.22	40,000.00	132,429.97			
Aug 2015								
00 - BASE RENT	27,123.88	32,427.21	0.00	0.00	59,551.09	11293	08/05/15	10,000.00
10 - OPERATING EXPENSES	69,660.26	9,850.73	0.00	0.00	79,510.99	11293	08/12/15	10,000.00
50S - ELECTRIC-SUBMETER	28,731.61	0.00	5,704.96	0.00	34,436.57			
55 - WATER SUBMETER	1,710.55	0.00	242.96	0.00	1,953.51			
90 - LATE CHARGE	2,113.13	0.00	0.00	0.00	2,113.13			
95 - INTEREST CHARGES	3,090.54	0.00	0.00	0.00	3,090.54			
	132,429.97	42,277.94	5,947.92	0.00	180,655.83			
Sep 2015								
00 - BASE RENT	59,551.09	32,427.21	0.00	10,000.00	81,978.30	11428	09/28/15	10,000.00
10 - OPERATING EXPENSES	79,510.99	9,850.73	0.00	0.00	89,361.72			
50S - ELECTRIC-SUBMETER	34,436.57	0.00	4,404.63	0.00	38,841.20			
55 - WATER SUBMETER	1,953.51	0.00	210.50	0.00	2,164.01			
90 - LATE CHARGE	2,113.13	0.00	0.00	0.00	2,113.13			
95 - INTEREST CHARGES	3,090.54	0.00	0.00	0.00	3,090.54			
	180,655.83	42,277.94	4,615.13	10,000.00	217,548.90			
Oct 2015								
00 - BASE RENT	81,978.30	32,427.21	0.00	0.00	114,405.51			
10 - OPERATING EXPENSES	89,361.72	9,850.73	0.00	0.00	99,212.45			

Database: EASTMAN	Tenant Activity	Page: 3
Building: 04	Eastman Management Inc	Date: 4/14/2016
Lease ID: FPS083	FLORHAM PARK SURGERY CTR, LLC	Time: 3:09 PM
Suite ID: 100	Aug 2014 - Apr 2016	

Report ID: EMC_TENTACT	Opening Balance	Invoiced	Adjustments	Cash Receipt	Closing Balance	Payment Details		
						Check #	Date	Amount
50S - ELECTRIC-SUBMETER	38,841.20	0.00	5,783.16	0.00	44,624.36			
55 - WATER SUBMETER	2,164.01	0.00	187.12	0.00	2,351.13			
90 - LATE CHARGE	2,113.13	0.00	0.00	0.00	2,113.13			
95 - INTEREST CHARGES	3,090.54	0.00	0.00	0.00	3,090.54			
	217,548.90	42,277.94	5,970.28	0.00	265,797.12			
Nov 2015								
00 - BASE RENT	114,405.51	32,427.21	0.00	0.00	146,832.72			
10 - OPERATING EXPENSES	99,212.45	9,850.73	0.00	0.00	109,063.18			
50S - ELECTRIC-SUBMETER	44,624.36	0.00	3,750.12	0.00	48,374.48			
55 - WATER SUBMETER	2,351.13	0.00	218.03	0.00	2,569.16			
90 - LATE CHARGE	2,113.13	0.00	0.00	0.00	2,113.13			
95 - INTEREST CHARGES	3,090.54	0.00	0.00	0.00	3,090.54			
	265,797.12	42,277.94	3,968.15	0.00	312,043.21			
Dec 2015								
00 - BASE RENT	146,832.72	32,427.21	0.00	0.00	179,259.93			
10 - OPERATING EXPENSES	109,063.18	9,850.73	0.00	0.00	118,913.91			
50S - ELECTRIC-SUBMETER	48,374.48	0.00	3,306.98	0.00	51,681.46			
55 - WATER SUBMETER	2,569.16	0.00	210.45	0.00	2,779.61			
90 - LATE CHARGE	2,113.13	0.00	0.00	0.00	2,113.13			
95 - INTEREST CHARGES	3,090.54	0.00	0.00	0.00	3,090.54			
	312,043.21	42,277.94	3,517.43	0.00	357,838.58			
Jan 2016								
00 - BASE RENT	179,259.93	32,427.21	0.00	0.00	211,687.14			
10 - OPERATING EXPENSES	118,913.91	9,850.73	0.00	0.00	128,764.64			
50S - ELECTRIC-SUBMETER	51,681.46	0.00	2,275.64	0.00	53,957.10			
55 - WATER SUBMETER	2,779.61	0.00	0.00	0.00	2,779.61			
90 - LATE CHARGE	2,113.13	0.00	0.00	0.00	2,113.13			
95 - INTEREST CHARGES	3,090.54	0.00	0.00	0.00	3,090.54			
	357,838.58	42,277.94	2,275.64	0.00	402,392.16			
Feb 2016								
00 - BASE RENT	211,687.14	32,427.21	0.00	16,213.60	227,900.75	1013	02/23/16	31,000.00
10 - OPERATING EXPENSES	128,764.64	9,850.73	0.00	4,925.36	133,690.01	1013	02/24/16	31,000.00
50S - ELECTRIC-SUBMETER	53,957.10	0.00	2,986.24	2,075.64	54,847.70	1013A	02/25/16	23,214.60
55 - WATER SUBMETER	2,779.61	0.00	373.86	0.00	3,153.47			
90 - LATE CHARGE	2,113.13	0.00	0.00	0.00	2,113.13			
95 - INTEREST CHARGES	3,090.54	0.00	0.00	0.00	3,090.54			
	402,392.16	42,277.94	3,340.10	23,214.60	424,795.60			
Mar 2016								
00 - BASE RENT	227,900.75	32,427.21	0.00	0.00	260,327.96			
10 - OPERATING EXPENSES	133,690.01	9,850.73	0.00	0.00	143,540.74			
50S - ELECTRIC-SUBMETER	54,847.70	0.00	2,640.98	0.00	57,488.68			
55 - WATER SUBMETER	3,153.47	0.00	207.03	0.00	3,360.50			
90 - LATE CHARGE	2,113.13	0.00	0.00	0.00	2,113.13			
95 - INTEREST CHARGES	3,090.54	0.00	0.00	0.00	3,090.54			
	424,795.60	42,277.94	2,848.01	0.00	469,921.55			
Apr 2016								
00 - BASE RENT	260,327.96	32,427.21	0.00	0.00	292,755.17			
10 - OPERATING EXPENSES	143,540.74	9,850.73	0.00	0.00	153,391.47			
50S - ELECTRIC-SUBMETER	57,488.68	0.00	2,662.33	0.00	60,151.01			
55 - WATER SUBMETER	3,360.50	0.00	126.61	0.00	3,487.11			
90 - LATE CHARGE	2,113.13	0.00	0.00	0.00	2,113.13			
95 - INTEREST CHARGES	3,090.54	0.00	0.00	0.00	3,090.54			
	469,921.55	42,277.94	2,788.94	0.00	514,988.43			

10/22/07 EXECUTION COPY

AGREEMENT OF LEASE

Between

**HANOVER ASSOCIATES
As Landlord**

And

**FLORHAM PARK SURGERY CENTER, LLC
As Tenant**

Dated: 10/30, 2007

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ATTACHMENTS:

RULES AND REGULATIONS
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 EXHIBIT B - COMMENCEMENT DATE AGREEMENT
 EXHIBIT C – USE RESTRICTIONS
 EXHIBIT D – TENANT'S WORK
 EXHIBIT E - FORM OF LETTER OF CREDIT

AGREEMENT OF LEASE{PRIVATE }

AGREEMENT OF LEASE made this _____ day of _____, 2007 (the "Effective Date") between **HANOVER ASSOCIATES**, a New Jersey general partnership, having a principal place of business at c/o Eastman Management Corporation, 651 W. Mt. Pleasant Ave., Livingston, NJ 07039 hereinafter referred to as "Landlord"; and **FLORHAM PARK SURGERY CENTER, LLC**, a New Jersey limited liability company, currently having an office and principal place of business at 83 Hanover Road, Florham Park, New Jersey, hereinafter referred to as "Tenant".

WITNESSETH:

For and in consideration of the covenants herein contained, and upon the terms and conditions herein set forth, Landlord and Tenant agree as follows:

FUNDAMENTAL LEASE PROVISIONS

1. Description of the Premises

Building 83 Hanover Road
Florham Park, New Jersey

Rentable Area of the Building 55,000 square feet

Rentable Area of the Premises The sum of (1) the total number of square feet contained in the area shown on Exhibit A computed by measuring from the out-side finish of the exterior of the Building wall(s) to the corridor side of the corridor walls or permanent partitions in the Premises, and to the center of partitions that separate the Premises from adjoining areas in the Building plus (2) an adjustment of sixteen (16%) percent loss factor for the Premises' allocable share of the Building that is used for public corridors, public toilets, air-conditioning rooms, fan rooms, janitor's closets, electrical closets, telephone closets, storage closets, mechanical rooms, elevator shafts, loading areas, flues, stacks, pipe shafts and vertical ducts with their enclosing walls. In computing Rentable Area of the Premises and Rentable Area of the Building, no deduction shall be made for columns and projections necessary for the structural integrity of the Building, and the measurements provided to Landlord by Landlord's architect shall be conclusive and binding upon the parties hereto. The Rentable Area of the Premises is approximately 12,000 square feet, which shall be subject to final measurement by Landlord's architect. If the Premises contains less than or more than 12,000 rentable square feet, the correct square footage, and Tenant's Proportionate Share and any sums payable hereunder which are determined on a per square foot basis shall be memorialized in the Commencement Date Agreement to be executed pursuant to Section 1.8 below. Upon request of Landlord, Tenant shall execute an amendment prepared by Landlord memorializing the correct square footage, and modifying all sums payable hereunder which are determined on a per square foot basis. However, in the event Tenant does not execute and return such amendment within ten (10) business days after Landlord's delivery thereof to Tenant,

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then the information set forth therein shall, at Landlord's option, be deemed conclusive and Tenant's obligations under this Lease, as amended by such amendment, shall not be affected by the failure of either party to execute same.

2. Term

Estimated Commencement Date April 15, 2008

Rent Commencement Date Sixty (60) days after the Commencement Date.

Term 194 months from the Commencement Date.

Termination Date The date which is 192 months from the Rent Commencement Date or the first day of the first full month after the Commencement Date if same shall not be on the first day of the month.

3. Rent

Basic Rent

Lease Year 1 - 5 - \$22.80 per Rentable Square Foot of the Premises (subject to Sections 1.2 and 1.5 of this Lease); approximately Two Hundred Seventy-Three Thousand Six Hundred (\$273,600.00) Dollars per annum in equal monthly installments of Twenty-Two Thousand Eight Hundred (\$22,800.00) Dollars.

Lease Year 6 -10 - \$25.55 per Rentable Square Foot of the Premises; approximately Three Hundred Six Thousand Six Hundred (\$306,600.00) Dollars per annum in equal monthly installments of Twenty-Five Thousand Five Hundred Fifty (\$25,550.00) Dollars.

Lease Year 11 - Termination Date - \$28.30 per Rentable Square Foot of the Premises; approximately Three Hundred Thirty-Nine Thousand Six Hundred (\$339,600.00) Dollars per annum in equal monthly installments of Twenty-Eight Thousand Three Hundred (\$28,300.00) Dollars.

4. Additional Rent

Tenant's Proportionate Share

A percentage determined by reference to a fraction, the numerator of which is the Rentable Area of the Premises, and the denominator of which is the Rentable Area of the Building, from time to time. The parties initial estimate of Tenant's Proportionate Share shall, except as hereinafter set forth, be 21.82% of Real Estate Taxes or Landlord's Operating Expenses; provided, however, and notwithstanding the foregoing, Tenant expressly acknowledges and agrees that for purposes of determining certain components of Landlord's

Operating Expenses, the denominator of the aforementioned fraction is subject to reduction by an amount equal to the Rentable Area of any premises within the Building that does not benefit from the specific component of Landlord's Operating Expenses for which Tenant's Proportionate Share is then being calculated.

Estimated Additional Rent during the first calendar year of the Term of this Lease is \$7,650.00 per month.

5. Tenant's Electricity Tenant electric shall be submetered at Tenant's expense.
6. Tenant's Water Tenant's water usage shall be submetered at Tenant's expense.
7. Permitted Use Ambulatory Surgery Facility and related offices
8. Security Deposit \$275,000.00 Irrevocable Letter of Credit substantially in the form annexed hereto as Exhibit E.
9. Tenant Improvement Allowance Landlord shall deliver the Premises in "AS IS" condition and will provide Tenant an allowance in the amount of \$25.00 per square foot of the usable area of the Premises to be used by Tenant for construction hard and soft costs only, and \$450,000.00 to be used by Tenant for conversion, acquisition and installation of Tenant's dedicated HVAC system.
10. Option to Renew Two (2) periods of five (5) years each exercisable on written notice of not less than eighteen (18) months before the Termination Date.
11. Notices

If to Landlord:

Hanover Associates
c/o Eastman Management Corporation
651 West Mt. Pleasant Avenue, Suite 110
Livingston, NJ 07039

If to Tenant:
Florham Park Surgery Center
83 Hanover Road
Florham Park, New Jersey 07932
12. Tenant's NAICS Number 621493
13. Broker Newmark Associates, Inc.
Jones Lang LaSalle
Eastman Management Corp.

DEFINITIONS (to "DEFINITIONS" \ 1)

For all purposes of this Lease and all agreements supplemental thereto or modifying this Lease, the following terms shall have the meaning specified:

"ADDITIONAL RENT"{tc "ADDITIONAL RENT" \13}

ADDITIONAL RENT shall mean all sums payable by Tenant to Landlord pursuant to the various Articles herein in which said term is used.

"AMBULATORY SURGERY FACILITY"{tc "AMBULATORY SURGERY FACILITY" \13}

AMBULATORY SURGERY FACILITY shall mean a surgical facility as defined in N.J.A.C. 8:43A-1.1 et seq. in which ambulatory surgical cases are performed and which is licensed by the New Jersey Department of Health and Senior Services as an ambulatory surgery facility, separate and apart from any other facility license.

"BASIC RENT"{tc "BASIC RENT" \13}

BASIC RENT shall mean the guaranteed basic rent as set forth in the FUNDAMENTAL LEASE PROVISIONS preceding these DEFINITIONS, to be paid at the office of Landlord, or such other place as Landlord may designate, without any set-off, demand or deduction whatsoever.

"BROKER"{tc "BROKER" \13}

BROKER shall mean the licensed real estate brokers as set forth in the FUNDAMENTAL LEASE PROVISIONS preceding these DEFINITIONS.

"BUILDING"{tc "BUILDING" \13}

BUILDING shall mean the structure in which the Premises are located and as identified in the FUNDAMENTAL LEASE PROVISIONS preceding these DEFINITIONS.

"BUILDING HOLIDAY"{tc "BUILDING HOLIDAY" \13}

BUILDING HOLIDAY shall mean President's Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day and the day after, Christmas Day, and New Year's Day as each of said holidays are celebrated in the state in which the Real Property is located.

"COMMENCEMENT DATE"{tc "COMMENCEMENT DATE" \13}

COMMENCEMENT DATE shall mean the earlier of:

- (1) the date Tenant receives approval from the New Jersey Department of Health and Senior Services, for the operation of an Ambulatory Surgery Facility at the Premises; or
- (2) subject to the provisions of Section 1.6 of this Lease, the date which is six (6) months after the Effective Date,
- (3) but in no event sooner than the date which is six (6) months after the date on which Landlord shall receive municipal approval for the use of the Premises for medical use.

"EXCUSABLE DELAY"{tc "EXCUSABLE DELAY" \13}

EXCUSABLE DELAY shall mean a delay caused by strike, lock-out or other labor troubles, act of God, inability to obtain labor or materials, governmental restrictions, enemy action, civil commotion, fire, unavoidable casualty, or any other cause similar or dissimilar, beyond the reasonable control of either Landlord or Tenant, or due to the passing of time while waiting for an adjustment of insurance proceeds.

"GOVERNMENTAL AUTHORITY"{tc "GOVERNMENTAL AUTHORITY" \13}

GOVERNMENTAL AUTHORITY shall mean the town, village, city, county, state, or federal government, or any agency or quasi-governmental agency, or any fire insurance rating organization having jurisdiction over the Real Property.

"LEASE YEAR"{tc "LEASE YEAR" \13}

LEASE YEAR shall mean the period beginning on the Commencement Date or the first day of the first calendar month thereafter if the Commencement Date is not on the first day of the month and on each annual anniversary thereof and ending one (1) year later. Lease Year 1 shall mean the period beginning on the Commencement Date and ending one (1) year later or on the last day of the calendar month in which the first anniversary of the Commencement Date shall occur, if the Commencement Date is not on the first day of the month. Lease Year 2 shall be the annual period beginning upon expiration of Lease Year 1. Lease Year 3 shall be the annual period beginning upon expiration of Lease Year 2. Each subsequent annual period during the Term shall be considered the consecutively numbered Lease Year.

"LETTER OF CREDIT"

LETTER OF CREDIT shall mean the standby letter of credit in the amount of the Security Deposit delivered by Tenant in accordance with this Lease.

"PARKING SPACES" {tc "PARKING SPACES" \1 3}

PARKING SPACES shall mean the parking spaces located on the Real Property.

"PREMISES" {tc "PREMISES" \1 3}

PREMISES shall mean the area cross hatched on the floor plan of the Building annexed hereto as Exhibit A and made a part hereof.

"REAL PROPERTY" {tc "REAL PROPERTY" \1 3}

REAL PROPERTY shall mean the land upon which the Building is located and the Building collectively.

"RENTABLE AREA OF THE BUILDING" {tc "RENTABLE AREA OF THE BUILDING" \1 3}

RENTABLE AREA OF THE BUILDING shall have the meaning set forth in the FUNDAMENTAL LEASE PROVISIONS preceding these DEFINITIONS.

"RENTABLE AREA OF THE PREMISES" {tc "RENTABLE AREA OF THE PREMISES" \1 3}

RENTABLE AREA OF THE PREMISES shall have the meaning set forth in the FUNDAMENTAL LEASE PROVISIONS preceding these DEFINITIONS.

"RENT COMMENCEMENT DATE" {tc "RENT COMMENCEMENT DATE" \1 3}

RENT COMMENCEMENT DATE shall mean the date which is sixty (60) days after the COMMENCEMENT DATE.

In the event the RENT COMMENCEMENT DATE shall fall on a day other than the first day of a month, then in such event, the BASIC RENT and ADDITIONAL RENT payable hereunder shall be apportioned for the number of days remaining in that month until the last day thereof.

"SECURITY DEPOSIT" {tc "SECURITY DEPOSIT" \1 3}

SECURITY DEPOSIT shall mean the amount of money deposited by Tenant with Landlord simultaneously herewith as set forth in the FUNDAMENTAL LEASE PROVISIONS preceding these DEFINITIONS in the form of cash in accordance with Section 35.1 of this Lease. Said amount shall increase proportionately in the same percentage as any increase in Basic Rent.

"STRUCTURAL REPAIRS" {tc "STRUCTURAL REPAIRS" \1 3}

STRUCTURAL REPAIRS shall mean repairs to the roof, foundation, and permanent exterior walls and support columns of the Building.

"TENANT'S PROPORTIONATE SHARE" {tc "TENANT'S PROPORTIONATE SHARE" \1 3}

TENANT'S PROPORTIONATE SHARE shall have the meaning set forth in the FUNDAMENTAL LEASE PROVISIONS preceding these DEFINITIONS.

"TERM" {tc "TERM" \1 3}

TERM shall mean the number of months set forth in the FUNDAMENTAL LEASE PROVISIONS preceding these DEFINITIONS, commencing on the Commencement Date or on the 1st day of the first full month after the Commencement Date if same shall not be on the first day of the month, and terminating on the Termination Date.

"TERMINATION DATE" {tc "TERMINATION DATE" \1 3}

TERMINATION DATE shall mean the date set forth in the FUNDAMENTAL LEASE PROVISIONS preceding these DEFINITIONS.

This Lease consists of this LEASE AGREEMENT and EXHIBIT A, EXHIBIT B, EXHIBIT C, EXHIBIT D, EXHIBIT D-1, EXHIBIT E and RULES AND REGULATIONS.

ARTICLE I {tc "ARTICLE I" \1 1}

1. LEASE AND RENT {tc "1. LEASE AND RENT" \1 2}

1.1 Landlord hereby leases to Tenant and Tenant hereby hires from Landlord the Premises for the Term. The Premises shall be delivered in their AS IS condition.

1.2 Notwithstanding any provision hereof, the parties acknowledge and agree that Tenant shall have possession of the Premises from and after the date on which Landlord shall have received municipal approval for the use of the Premises for medical use (the "Zoning Approval Date"). From the Zoning Approval Date until the Commencement Date, such occupancy by the Tenant shall be in accordance with all provisions of this Lease, except that the Term shall not have commenced and no Rent shall be payable.

1.3 Tenant hereby covenants and agrees to pay, when due, beginning on the Rent Commencement Date, the Basic Rent and all Additional Rent as herein provided. Basic Rent shall be payable in equal monthly installments in the amounts set forth in the FUNDAMENTAL LEASE PROVISIONS, on the first day of each month during the Term in advance, without set-off, demand or deduction, at the office of Landlord, or such other place as Landlord may designate. Notwithstanding any provision hereof, Basic Rent for the first complete calendar month after the Rent Commencement Date shall be paid upon execution hereof and Landlord hereby acknowledges receipt thereof.

1.4 In addition to and at the same times as it makes payments of Basic Rent as set forth in Section 1.2 above, Tenant hereby covenants and agrees to pay Additional Rent (as hereinafter defined) in monthly installments as described in Article VII below. Landlord hereby estimates that Tenant's Additional Rent during the first calendar year of the Term shall be in the amount set forth in the FUNDAMENTAL LEASE PROVISIONS. Notwithstanding any provision hereof, Additional Rent for the first complete calendar month after the Rent Commencement Date shall be paid upon execution hereof and Landlord hereby acknowledges receipt thereof.

1.5 Notwithstanding the foregoing, Basic Rent payable under Section 1.3 of this Lease, attributable to the first four (4) months after the Rent Commencement Date shall abate by fifty (50%) percent and Additional Rent payable under ARTICLE VII of this Lease for such four (4) months shall abate in their entirety.

1.6 As an Ambulatory Surgery Facility, the Tenant is subject to licensure by the New Jersey Department of Health and Senior Services ("NJDOHSS"). Tenant shall use reasonable diligent efforts to secure such licensure. In the event NJDOHSS shall require modifications to the Premises as a condition to the issuance of such license, such modifications shall be performed by Tenant in accordance with ARTICLE IV of this Lease. In the event NJDOHSS shall require modifications to the Building or Real Property (not including the Premises) as a condition to the issuance of such license, Tenant shall be responsible for the cost thereof to a maximum of \$200,000.00 (the "NJDOHSS Tenant Share") and Landlord shall complete such modifications. In the event such costs are reasonably expected to exceed \$200,000.00, then Landlord shall have the option either to pay such excess over \$200,000.00 and complete such work as soon as practicable thereafter, or to terminate this Lease, unless Tenant shall agree to be responsible for the entire cost of such work, in which event Landlord shall complete such work as soon as practicable thereafter. The provisions of this Section 1.6 shall apply only from the Effective Date until the Commencement date and shall be null and void and of no further force or effect from and after the occurrence of the Commencement Date.

1.7 Any installment or installments of Basic Rent or Additional Rent accruing hereunder, and all other sums payable by Tenant hereunder which are not paid when due (without regard to any otherwise applicable cure period), shall bear interest until paid at the rate of two (2%) percent per month (unless such rate shall be unlawful, in which case the highest permitted legal rate shall apply). In addition, if Tenant is delinquent more than five (5) days in the payment of any Basic Rent or Additional Rent it shall pay to the Landlord a late charge equal to five (5) cents for each dollar of Basic Rent or Additional Rent which is delinquent.

1.8 In the event any check paid by Tenant for the payment of any installment or installments of Basic Rent or Additional Rent or for any other sums payable by Tenant hereunder is returned by Landlord's bank for insufficient or unavailable funds, Tenant shall pay to Landlord a One Hundred (\$100.00) Dollar handling and administration fee upon notice and demand by Landlord.

1.9 Within five (5) days after Landlord shall present to the Tenant the Commencement Date Agreement attached hereto as Exhibit B, with all appropriate information completed therein, Tenant shall execute and return same to Landlord. Any failure of Tenant to execute and return such agreement shall not affect the determination of any information set forth therein.

1.10 The Tenant's Basic Rent and Tenant's Proportionate Share shall be subject to adjustment upon final measurement of the Premises by Landlord's architect.

ARTICLE II(tc "ARTICLE II" \ 1)

2. USE(tc "2. USE" \ 2)

2.1 The Premises are to be used only for the permitted Use as set forth in the FUNDAMENTAL LEASE PROVISIONS and for no other purpose. Notwithstanding any provision hereof which may be to the contrary, the municipality is in the process of approving a list of medical uses which will be permitted at the Building and a list of medical uses which will be excluded. Tenant agrees that its use is within the list of medical uses to be permitted and that it shall not use the Premises for any use contained on the list of medical uses to be excluded, as set forth on Exhibit C annexed hereto, as such lists shall be finally adopted by the municipality, so long as such uses to be excluded shall not be inherently contradictory with the use of the Premises as an Ambulatory Surgery Facility. Neither Tenant nor any of Tenant's servants, agents, employees, invitees or licensees shall damage, disfigure or injure the Premises or any portion thereof or the Real Property; nor shall Tenant allow the emission of any offensive odors or noise from the Premises. Any office or medical equipment or machines used by Tenant within the Premises which may interfere with the use or enjoyment of any other tenant or occupant of the Building or which may be heard from any public area in or about the building shall be placed and maintained by Tenant, at Tenant's sole expense, in a sound proof setting such as cork, rubber or vibration eliminators to eliminate any such noise or vibration. Smoking shall not be permitted anywhere in the Premises or Building. Tenant shall not direct, suffer or permit any of its agents, contractors, employees, licensees, or invitees to at any time cause or permit any Hazardous Materials (as defined in ARTICLE XXXVII) to be used, generated, stored or disposed of on, under or about, or transported to or from, the Premises or the Building (collectively, "Hazardous Materials Activities") except in strict compliance (at Tenant's sole expense) with all applicable Regulations (as defined in ARTICLE XXXVII) and using all necessary and appropriate precautions to prevent any spill, discharge, release or exposure to persons or property. Tenant shall not dump, flush, or in any way introduce any Hazardous Materials or other toxic substances into the septic, sewage or other waste disposal system serving the Premises. Tenant shall be responsible for the proper disposal of any waste materials, including, but not limited to medical waste and other Hazardous Materials, in strict accordance with the highest and best practices and standards of the industry/profession, from time to time. In no event shall Landlord ever be liable to Tenant for any loss, costs, expenses, claims, damage or liability arising out of any Hazardous Materials or Hazardous Materials Activities on the Premises by or at the direction of the Tenant. If Tenant's activities violate any Regulations or cause a spill, discharge, release or exposure to any persons or property in violation of applicable law, Tenant shall cease such activities immediately. Tenant shall immediately notify Landlord both by telephone and in writing of any such spill, discharge, release or exposure of Hazardous Materials or of any condition constituting or posing an imminent or immediate hazard under any Regulations. Landlord and Landlord's representatives and employees may enter the Premises at any time during the Term with reasonable notice to inspect Tenant's compliance herewith and may disclose any spill, discharge, release or exposure or any violation of any legal requirements to any government agency with jurisdiction.

2.2 Tenant shall have access to the Premises twenty-four (24) hours per day, seven (7) days per week.

2.3 If any governmental license or permits, other than a certificate of occupancy, shall be required for the proper and lawful conduct of Tenant's business in the Premises, or any part thereof, and if failure to secure such license or permit would in any way affect Landlord, Tenant, at its expense shall duly procure and thereafter maintain such license or permit and submit the same to inspection by Landlord. Tenant shall, at all times, comply with the terms and conditions of each such license or permit.

2.4 Tenant shall not store, place or allow the storing or placement of any materials, debris or other obstructions of any nature in any hallway, lobby or other public areas of the interior of the Real Property or on the sidewalk, parking area or other area or areas abutting or adjacent to the Real Property.

2.5 Tenant shall not place anything on any floor of the Premises which will create a load in excess of the load per square foot which such floor was designed to carry.

2.6 Tenant shall not move any heavy equipment or bulky matter, including, but not limited to safes or large office equipment or furniture, into or out of the Building without first obtaining Landlord's consent. If the movement of such items requires any special handling, all such work shall be done in full compliance with applicable laws, ordinances, codes, rules and regulations and any other applicable governmental requirements. All such movements shall be made during hours designated by Landlord which will least interfere with the normal operation of the Building, and all damage directly or indirectly caused by such movement shall be promptly repaired by Tenant at Tenant's expense.

2.7 Notwithstanding any provision hereof, Tenant agrees to abide by any restrictions imposed by the municipality upon the days or hours the Tenant's business may be open to the public in the Premises. Landlord agrees to exercise its reasonable best efforts (except as limited as hereinafter set forth) to cause the municipality to afford to Tenant the ability to perform surgical cases in the Premises between the hours of 7:30 AM to 6:00 PM Monday to Friday and 7:30 AM to 5:00 PM Saturday. Nothing in this Section 2.7 shall be deemed to impose on Landlord an obligation to file suit against the municipality with respect to any restrictions adopted by the municipality.

ARTICLE III{tc "ARTICLE III" \ 1}

3. CHANGE OF COMMENCEMENT DATE; ACCEPTANCE{tc "3. CHANGE OF COMMENCEMENT DATE; ACCEPTANCE" \ 2}

3.1 If, for any reason, the Premises are not, or will not be, ready for occupancy on the Estimated Commencement Date, this Lease shall nevertheless continue in full force and effect and Tenant shall have no right to rescind, cancel, or terminate same, nor shall Landlord be liable for damages, if any, sustained by Tenant by reason of inability to obtain possession thereof on such date. In such event, Landlord will give Tenant notice, oral or otherwise, at least three (3) days in advance of the date when Landlord expects the Premises to be ready for occupancy by Tenant, which date shall be the then Estimated Commencement Date.

3.2 If Tenant shall use or occupy all or any part of the Premises for the conduct of business prior to the Commencement Date, such use or occupancy shall be deemed to be under all of the terms, covenants and conditions of this Lease, including the covenant to pay Basic Rent and Additional Rent for the period from the commencement of said use or occupancy to and including the date immediately preceding the Commencement Date, without, however, affecting the Term or the Termination Date. The provisions of the foregoing sentence shall not be deemed to give to Tenant any right or ability to use or occupy the Premises prior to the Commencement Date without the written consent of Landlord.

3.3 The Premises shall be delivered in AS IS condition. When Tenant takes possession of the Premises, Tenant shall be deemed to have accepted the Premises as being satisfactory and in good condition as of the date of such possession.

ARTICLE IV{tc "ARTICLE IV" \ 1}

4. COMPLETION OF THE PREMISES{tc "4. COMPLETION OF THE PREMISES" \ 2}

4.1 Tenant agrees that following the Commencement Date it shall, at its sole cost, provide all work of whatsoever nature that is necessary to complete the Premises and open for business to the public as soon as practicable thereafter ("Tenant's Work") and construct the Premises to a space plan substantially similar to Exhibit D-i. Tenant's Work shall be performed in strict accordance with the provisions of Exhibit D, Exhibit D-i, ARTICLE XI and ARTICLE XXXII of this Lease. Prior to Tenant opening for business to the public at the Premises, Tenant shall obtain and deliver to Landlord a validly issued permanent and final certificate of occupancy for the Premises.

4.2 Tenant shall be solely responsible for all costs in connection with space planning, architectural plans and construction drawings in connection with Tenant's Work.

4.3 The Tenant Improvement Allowance shall be paid by Landlord as soon as practicable after receipt of a permanent unconditional certificate of occupancy for the Premises, upon receipt of evidence acceptable to Landlord in its reasonable discretion that the Tenant's Work has been

completed in accordance with plans which have been approved in accordance with this Lease, receipt by Landlord of all necessary lien waivers, and upon Tenant opening for business in the Premises.

4.4 The Tenant shall pay to the contractor designated by Landlord a construction supervision fee in the minimum amount of \$50,000.00 (which shall be payment for the time/labor of such contractor's personnel), plus such contractor's out of pocket expenses (which shall include payment for any outside personnel, but not overhead costs) in performing such supervision. Landlord shall, from time to time, during and following the performance of construction supervision services, deliver to Tenant a statement of services rendered. In the event the Tenant's Work is more complex or the duration of the construction is more lengthy than currently contemplated by the parties, then, the construction supervision fee shall be subject to increase. The construction supervision fee shall be paid upon receipt of the Tenant Improvement Allowance.

4.5 All Tenant's Work shall be performed in strict accordance with Landlord's Construction Rules annexed hereto.

4.6 Tenant's Work shall include the installation of sprinklers within the Premises. Landlord shall install sprinkler mains and Tenant shall install sprinklers in the Premises and connect to the main, subject to Landlord's approval of plans as set forth on Exhibit D. Tenant shall reimburse Landlord in the amount of Tenant's Proportionate Share of Landlord's cost for the installation of sprinkler mains for the Building

ARTICLE V{tc "ARTICLE V" \ 1}

5. COMPLIANCE WITH LAWS AND INSURANCE REQUIREMENTS{tc "5. COMPLIANCE WITH LAWS AND INSURANCE REQUIREMENTS" \ 2}

5.1 Tenant shall not do, or permit anything to be done in or to the Premises, or bring or keep anything therein which will, in any way, increase the cost of fire and extended coverage or public liability insurance on the Real Property, or invalidate or conflict with the fire and extended coverage insurance or public liability insurance policies covering the Real Property, any Building fixtures, or any personal property kept therein, or obstruct or interfere with the rights of Landlord or of other tenants, or in any other way injure or annoy Landlord or other tenants, or subject Landlord to any liability for injury to persons or damage to property, or interfere with the good order of the Building, or conflict with the present or future laws, rules, or regulations of any Governmental Authority. Tenant hereby indemnifies and will hold Landlord harmless of and from all liability for injury to persons or damage occurring on the Premises, in the Building, or on the Real Property whether occasioned by any act or omission of Tenant, or Tenant's agents, servants, employees, invitees, or licensees. Tenant agrees that any increase in insurance premiums on the Building or contents caused by the nature of the particular use of Tenant and any expense or cost incurred in consequence of negligence, carelessness, or willful action of Tenant, Tenant's agents, servants, employees, invitees or licensees, shall be reimbursed to Landlord within ten (10) days of demand therefore. Any amounts payable by Tenant hereunder shall be deemed Additional Rent.

5.2 Tenant represents that, as of the date of this Lease, and Tenant covenants that throughout the term of this Lease: (i) Tenant is not, and shall not be, an Embargoed Person (hereafter defined); (ii) none of the funds or other assets of Tenant are or shall constitute property of, or are or shall be beneficially owned, directly or indirectly, by any Embargoed Person; (iii) no Embargoed Person shall have any interest of any nature whatsoever in Tenant, with the result that the investment in Tenant (whether directly or indirectly) is or would be blocked or prohibited by law or that this Lease and performance of the obligations hereunder are or would be blocked or in violation of law; and (iv) none of the funds of Tenant are, or shall be derived from, any activity with the result that the investment in Tenant (whether directly or indirectly) is or would be blocked or in violation of law or that this Lease and performance of the obligations hereunder are or would be in violation of law. "Embargoed Person" means a person, entity or government (x) identified on the Specially Designated Nationals and Blocked Persons List maintained by the United States Treasury Department Office of Foreign Assets Control and/or any similar list maintained pursuant to any authorizing statute, executive order or regulation, (y) subject to trade restrictions under United States law, including, without limitation, the International Emergency Economic Powers Act, 50 U.S.C. § 1701 et seq., The Trading with the Enemy Act, 50 U.S.C. App. 1 et seq., and any Executive Orders or regulations promulgated under any such laws, with the result that the investment in Tenant (whether directly or indirectly), is or would be prohibited by law or this Lease is or would be in violation of law,

and/or (z) subject to blocking, sanction or reporting under the USA Patriot Act, as amended; Executive Order 13224, as amended; Title 31, Parts 595, 596 and 597 of the U.S. Code of Federal Regulations, as they exist from time to time; and any other law or Executive Order or regulation through which the U.S. Department of the Treasury has or may come to have sanction authority. If any representation made by Tenant pursuant to this Section 5.2 shall become untrue, Tenant shall within ten (10) days give written notice thereof to Landlord, which notice shall set forth in reasonable detail the reason(s) why such representation has become untrue and shall be accompanied by any relevant notices from, or correspondence with, the applicable governmental agency or agencies.

ARTICLE VI{tc "ARTICLE VI" \ 1}

6. PERSONAL PROPERTY TAXES{tc "6. PERSONAL PROPERTY TAXES" \ 2}

Tenant agrees to pay all taxes imposed on the personal property of Tenant, the conduct of its business, and its use and occupancy of the Premises.

ARTICLE VII{tc "ARTICLE VII" \ 1}

7. ADDITIONAL RENT{tc "7. ADDITIONAL RENT, REAL ESTATE TAXES, LANDLORD'S OPERATING EXPENSES AND LANDLORD'S STATEMENT" \ 2}

7.1 Additional Rent. Tenant hereby covenants and agrees to pay as Additional Rent the amounts as set forth below.

7.2 Real Estate Taxes.

7.2.1 For each year or part of a year occurring within the Term, Tenant shall pay to Landlord, within thirty (30) days after Landlord's presentation of Landlord's Statement (as hereinafter defined), to Tenant therefor, as Additional Rent, Tenant's Proportionate Share of all real estate and personal property taxes (inclusive of municipal sewer and water rents and charges, if any) assessed against the Real Property and Building of which the Premises are a part.

7.2.2 As used herein, the term "Real Estate Taxes" shall mean those real estate taxes, assessments (added, special or regular), business improvement district assessments, if any, sewer rents, rates and charges which shall be levied, imposed or assessed upon the Real Property, provided that, if because of any change in the method of taxation of real estate any other tax or assessment is imposed upon Landlord or the owner of the Real Property or upon or with respect to the Real Property or the rents or income therefrom in substitution for or in lieu of those taxes attributable to the Real Property, such other tax or assessment shall be deemed Real Estate Taxes for the purpose herein; provided, however, that Real Estate Taxes shall not include any gift, inheritance, estate, franchise, income, profits, capital or similar tax imposed, unless and to the extent any such tax shall be imposed or levied in lieu of Real Estate Taxes.

7.2.3 Landlord may take the benefit of the provisions of any statute or ordinance permitting any Real Estate Taxes to be paid over a period of time.

7.2.4 If Landlord shall receive any refund of Real Estate Taxes in respect of any tax year, Landlord shall deduct from such refund any expenses incurred in obtaining such refund, and out of the remaining balance of such refund, Landlord shall credit to Tenant Tenant's Proportionate Share of such refund provided however, that in no event shall any such refund reduce Tenant's Proportionate Share of Real Estate Taxes beyond that which was originally charged to Tenant as Additional Rent. Any expenses incurred by Landlord in contesting the validity of the amount of the assessed valuation of the Real Property or of any Real Estate Taxes, to the extent not offset by a tax refund, shall be included as an item of Real Estate Taxes for the tax year in which such contest shall be finally determined for the purpose of computing the Additional Rent due Landlord or any credit due to Tenant hereunder.

7.2.5 If the tax year for Real Estate Taxes shall be changed, then appropriate adjustment shall be made in the computation of the Additional Rent due to Landlord or any credit due to Tenant, in accordance with sound accounting principles to effectuate the changeover to any new tax year adopted by any taxing authority.

7.2.6 If the last year of the Term ends on any day other than the last day of a tax year, any payment due to Landlord or credit due to Tenant by reason of any increase in Real Estate Taxes shall be prorated and Tenant covenants to pay any amount due to Landlord within thirty (30) days after being billed therefore and Landlord covenants to credit any amount due to Tenant as the case may be. These covenants shall survive the expiration or termination of this Lease.

7.3 Landlord's Operating Expenses

7.3.1 For each year or part of a year occurring within the Term, Tenant shall pay to Landlord within thirty (30) days after Landlord's presentation of Landlord's Statement (as hereinafter defined) to Tenant therefor, as Additional Rent, Tenant's Proportionate Share (as such term is defined in the DEFINITIONS) of the Operating Expenses attributable to the Real Property and Building.

7.3.2 As used herein, the term "Landlord's Operating Expenses" shall mean those costs or expenses paid or incurred by Landlord for operating, maintaining, and repairing (inclusive of Structural Repairs) the Building, any of its systems, or the Real Property, including the cost of electricity, gas, water, fuel, window cleaning, janitorial service for the common areas of the Building and Real Property, insurance of all kinds carried in good faith by Landlord and applicable to the Building or the Real Property, snow removal, maintenance and cleaning of the parking lot, valet parking if same becomes necessary in the Landlord's reasonable business judgment, landscape maintenance (including replanting and replacing flowers and other plantings), painting or repainting or redecorating of the public areas, maintenance of equipment and replacement of worn out mechanical or damaged equipment, uniforms, management fees, typical and customary office expenses, building supplies, sundries, sales or use tax on supplies or services, wages, salaries and other compensation, including applicable payroll taxes and benefits, of all persons engaged by Landlord for the operation, maintenance and repair of the Building and the Real Property including independent contractors' fees, replacement cost of tools and equipment, legal and accounting expenses, and any other expenses or costs, which in accordance with generally accepted accounting principles and the standard management practices for office buildings comparable to the Building would be considered as an expense of operating, maintaining, or repairing the Building and the Real Property. Also included in Landlord's Operating Expenses shall be expenditures by Landlord in the nature of contributions to the local emergency medical service (EMS), fire or police organizations. Excluded from Landlord's Operating Expenses are capital improvement costs (unless any such cost or costs are incurred as a cost savings measure that will, at least in part, be of benefit to Tenant), costs reimbursed by insurance or otherwise, the cost of work performed specifically for a tenant in the Building for which such tenant reimburses Landlord, costs in connection with preparing space for a new tenant and real estate broker's commissions.

7.4 Landlord's Statements

7.4.1 On or about May first of each year of the Term, or within a reasonable period of time thereafter, Landlord shall submit to Tenant a statement ("Landlord's Statement") showing in reasonable detail Landlord's Operating Expenses and Real Estate Taxes during the preceding calendar year. Within ten (10) days next following the submission of a Landlord's Statement Tenant shall pay to Landlord Tenant's Proportionate Share. Provided Tenant pays its Proportionate Share of said amount in accordance with the terms herein, Tenant or its representative shall have the right to examine Landlord's books and records with respect to the items in the foregoing Landlord's Statement during normal business hours at any time within twenty (20) days following the delivery by Landlord to Tenant of such Landlord's Statement. Tenant's failure to inspect during said time period shall be deemed a waiver of Tenant's right to so inspect and Tenant waives its right to request any such inspection after said twenty (20) day period. Unless Tenant shall take written exception to any item contained therein within thirty (30) days after the delivery of same, such Landlord's Statement shall be considered as final and accepted by Tenant and Tenant waives its right to take exception after said thirty (30) day period. Tenant hereby agrees that it will not engage a representative in connection with an audit under this Section 7.4.1 on the basis of a contingent fee arrangement. In the event Tenant takes timely written exception to any item contained in Landlord's books and records with respect to the items in the foregoing Landlord's Statement, any payment made in accordance with this Paragraph 7.4.1 shall be deemed made in protest to the extent of such exception.

7.4.2 On the first day of each month following the submission of any Landlord's Statement which shows that Tenant is obligated to pay Additional Rent pursuant to this ARTICLE, Tenant shall pay to Landlord, on account of its potential obligation to pay such Additional Rent for the calendar year following the calendar year for which such Landlord's Statement shall have been rendered, a sum equal to one-twelfth (1/12) of the amount which the Tenant shall have paid as such Additional Rent for such prior calendar year. Such sum shall be due with each monthly installment of Basic Rent until submission of the next succeeding Landlord's Statement and shall be collectible by

Landlord as Additional Rent. However, the Landlord may, at its discretion from time to time determine the new monthly account payments based on the Landlord's operating budget for the year to which the monthly account payments apply (Budget Billing). Such account payments may begin on January 1 of the subject year or thereafter whenever the account payments are determined with an appropriate retroactive adjustment to January 1 of that year.

7.4.3 In each Landlord's Statement there shall be a reconciliation as follows: Tenant shall be charged with any Additional Rent shown on such Landlord's Statement, which charge shall be reduced by the aggregate amount, if any, paid by Tenant on account thereof. Tenant shall pay any net balance due to Landlord within thirty (30) days as set forth above; any overpayment shall be applied by Landlord against the next accruing monthly installment of Additional Rent, or shall be paid over to Tenant upon termination of this Lease, subject to Landlord's rights and remedies hereunder.

7.4.4 Any Additional Rent under this ARTICLE shall be prorated for the final calendar year of the Term if such year covers a period of less than twelve (12) months. In no event shall any adjustment in Tenant's obligation to pay Additional Rent under this ARTICLE result in a decrease in the Basic Rent payable hereunder. Tenant's obligation to pay Additional Rent and Landlord's obligation to credit to Tenant any amount referred to in this ARTICLE for the final year of the Term shall survive the expiration or termination of this Lease.

ARTICLE VIII{tc "ARTICLE VIII" \ 1}

8. RULES AND REGULATIONS{tc "8. RULES AND REGULATIONS" \ 2}

8.1 Tenant, on behalf of itself and its employees, agents, servants, invitees, and licensees, agrees to comply with the Rules and Regulations with respect to the Real Property which are set forth at the end of this Lease and which are expressly made a part hereof. Landlord shall have the right to make reasonable amendments thereto from time to time for the safety, care, and cleanliness of the Real Property, the preservation of good order therein, and the general convenience of all the tenants and Tenant agrees to comply with such amended Rules and Regulations, after twenty (20) days written notice thereof from Landlord. All such amendments shall apply to all tenants in the Building, and will not materially interfere with the use and enjoyment of the Premises or the parking lot by Tenant.

ARTICLE IX{tc "ARTICLE IX" \ 1}

9. LANDLORD'S RIGHT OF ENTRY{tc "9. LANDLORD'S RIGHT OF ENTRY" \ 2}

9.1 Landlord and Landlord's agents and representatives shall have the right to enter into or upon the Premises, or any part thereof, subject to Tenant's reasonable restrictions to protect the privacy of Tenant's clients and to comply with the Health Insurance Portability and Accountability Act of 1996, PL104-191 ("HIPAA"), the New Jersey Standards for the Licensure of Ambulatory Care Facilities, N.J.A.C. 8:43A-1.1 et seq. and similar laws or regulations which govern the operation of an Ambulatory Surgery Facility, at all reasonable hours for the following purposes: (1) examining the Premises; (2) making such repairs or alterations therein as may be necessary in Landlord's sole judgment for the safety and preservation thereof; (3) erecting, maintaining, repairing, or replacing wires, cables, conduits, vents or plumbing equipment running in, to, or through the Premises; (4) showing the Premises to prospective purchasers or lessees of the Building or to prospective mortgagees or to prospective assignees of any such mortgagees or others; or (5) showing the Premises to prospective new tenants of the Premises during the last eighteen (18) months of the Term. However, Landlord shall give Tenant prior notice, oral or otherwise, before commencing any non-emergency repair or alteration.

9.2 Landlord may enter upon the Premises at any time in case of emergency without prior notice to Tenant.

9.3 Landlord, in exercising any of its rights under this ARTICLE IX, shall not be deemed guilty of an eviction, or disturbance of Tenant's use or possession of the Premises and shall not be liable to Tenant for same. The Basic Rent and Additional Rent as defined in this Lease shall in no way abate while said repairs or alterations are being made.

9.4 All work performed by or on behalf of Landlord in or on the Premises pursuant to this ARTICLE IX shall be performed with as little inconvenience to Tenant's business as possible, and in such manner as not unreasonably to interfere therewith.

ARTICLE X{tc "ARTICLE X" \1 1}

10. MAINTENANCE{tc "10. MAINTENANCE" \1 2}

10.1 Tenant shall take good care of the Premises throughout the Term and shall preserve same in the condition delivered to Tenant on the Commencement Date, normal wear and tear excepted. Tenant, at its sole cost shall be responsible for the cleaning and maintenance and repair of the Premises and shall retain and maintain a contract with its own janitorial service. Tenant further agrees not to injure, overload, deface, or commit waste of the Premises, the Building or the Real Property. Tenant shall be responsible for all injury or damage of any kind or character to the Real Property, including the windows, floors, walls, ceilings, lights, electrical equipment, and HVAC equipment, caused by Tenant or by anyone using or occupying the Premises by, through, or under the Tenant. Tenant shall be solely responsible for all repair and maintenance to any plumbing exclusively servicing the Premises, and all components of the HVAC system servicing the Premises, at Tenant's sole cost and expense. If the Premises become infested with vermin, Tenant shall, at Tenant's expense, cause the same to be exterminated from time to time to the satisfaction of Landlord and shall employ such extermination company as shall be approved by Landlord. Notwithstanding the foregoing, Landlord shall be responsible for the prevention of chronic infestation of the Building (as distinguished from the Premises), the cost of which shall be included as Landlord's Operating Expenses in accordance with ARTICLE VII of this Lease. Tenant shall be responsible for the cost of maintenance and repair of all plumbing and related equipment which is within the Premises.

10.2 Tenant agrees that it will not suffer, allow or permit any vibration, radiation, noise or odor to emanate from Premises, or any machine or other installation therein, or otherwise suffer, allow or permit the same to constitute a nuisance or otherwise unreasonably interfere with (i) the safety, comfort or convenience of Landlord or any of the other occupants of the Building of which the Premises forms a part; (ii) their patients, customers, agents or invitees or others lawfully in or upon said premises. Upon notice by Landlord to Tenant that any of the aforesaid is occurring, Tenant shall forthwith (but in all events within five (5) days) install sound proofing and take such other steps, including, without limitation, the installation of filters, vents, vibration eliminators, false ceilings and noise barriers, as are required to prevent vibration, noise and odors from annoying the other tenants of the Building. Tenant shall submit to Landlord a plan of the steps to be taken to prevent such conditions for Landlord's reasonable approval, and shall complete all work in accordance with such plan, if approved, prior to commencement of business. If the steps taken to eliminate such conditions, whether or not previously approved by Landlord, shall be deemed reasonably unsatisfactory to Landlord, Landlord may give notice specifying changes, alterations or repairs to be made at Tenant's sole cost and expense. If such changes, alterations or repairs are not completed within thirty (30) days of such notice as specified by Landlord, Landlord may, at its sole discretion, either (i) cure such conditions and thereafter add the cost and expenses incurred by Landlord therefore as Additional Rent to the next monthly installment of Basic Rent to become due; or (ii) treat such failure to eliminate such conditions as a material default hereunder. If such changes, alterations or repairs are of the nature or type that cannot be completed within such thirty (30) day period, same shall not be considered a Default provided Tenant has commenced making such time period and said changes, alterations or repairs are completed within ninety (90) days of such notice from Landlord.

10.3 Except as set forth in Section 10.1 above, Landlord shall, as and when required, (a) be responsible for making all Structural Repairs, (b) maintain, repair and replace all plumbing, heating, air conditioning, electrical, and mechanical fixtures (exclusive of (i) starters, ballasts, fluorescent lamps, and (ii) electrical and mechanical fixtures or plumbing installed by or on behalf of Tenant) which shall be standard for the Building, and not including any HVAC units installed by or for Tenant and exclusively servicing the Premises, which shall be Tenant's sole responsibility to repair and maintain; (c) maintain, repair and replace, as necessary, the parking area and exterior of the Real Property; (d) be responsible for landscape maintenance, snow and ice removal from parking areas and walkways; (e) be responsible for striping parking areas; (f) be responsible for exterior window cleaning; and (g) be responsible for dumpster rental, except to the extent any of such expenses arise from the negligence of Tenant, its agents, servants, employees, licensees, or invitees, which shall be the sole responsibility of Tenant. This paragraph shall not be construed to prohibit Landlord from including the costs paid or incurred hereunder as "Landlord Operating Expenses"

when appropriate under the provisions of ARTICLE VII, Landlord shall exercise reasonable efforts to perform the work listed herein without unreasonably interfering with the conduct of Tenant's business in the Premises.

ARTICLE XI{tc "ARTICLE XI" \1}

11. ALTERATIONS OR IMPROVEMENTS BY TENANT{tc "11. ALTERATIONS OR IMPROVEMENTS BY TENANT" \2}

11.1 Except for Tenant's Work, which shall be performed in accordance with ARTICLE IV of this Lease, Tenant shall make no changes in or to the Premises of any nature without Landlord's prior written consent. Notwithstanding any provision hereof which may be to the contrary, if any alterations shall be required by law in connection with the operation of an Ambulatory Surgery Facility, Landlord will not unreasonably withhold its consent thereto, and such consent shall not be unreasonably withheld so that Tenant is not subjected to fines or sanctions by any Governmental Authority. Subject to the aforementioned consent of Landlord, with the exception of Tenant's Work, Tenant at Tenant's sole expense, may hire contractors approved by Landlord, or Landlord may elect, on Tenant's behalf, to make such alterations, installations, additions, or improvements in or to the Premises (collectively "Tenant Alterations") which are non-structural and which do not affect utility services, plumbing, electrical lines, sprinkler systems, HVAC systems or any other mechanical systems, in or to the Premises or Building or which involve any drywall construction. All Tenant Alterations and Tenant's Work shall, upon installation, become the property of Landlord and shall remain upon and be surrendered with the Premises, unless otherwise required by Landlord to be removed by Tenant upon the expiration or termination of this Lease, or unless Tenant, by notice to Landlord no later than thirty (30) days prior to the Termination Date, requests Landlord's consent to remove same. If Landlord so consents the same shall be removed from the Premises by Tenant prior to the Termination Date at Tenant's sole expense. Nothing in this ARTICLE XI shall be construed to give Landlord title to or to prevent Tenant's removal of trade fixtures, movable office furniture and equipment, but upon removal of any such from the Premises or upon removal of any other installation as may be permitted or required by Landlord, Tenant shall immediately and at its expense, repair and restore the Premises to the condition existing prior to such Tenant Alteration, taking care during such removal, and Tenant shall repair any damage to the Premises or to the Real Property incurred during such removal. All property permitted or required to be removed by Tenant at the end of the Term which remains on the Premises after the Termination Date shall be deemed abandoned and may, at the election of Landlord, either be retained as Landlord's property or may be removed from the Premises by Landlord at Tenant's expense.

11.2 Prior to the commencement of any Tenant Alterations, Tenant shall at its sole expense, obtain all required permits, approvals, and certificates required by all Governmental Authorities and upon completion of the alteration, certificates of final approval thereof. Tenant shall deliver to Landlord promptly upon its receipt duplicates of same. Tenant shall carry and will cause Tenant's contractors and subcontractors to carry such workman's compensation, general liability, personal and property damage insurance as required by law and in amounts no less than the amounts set forth in ARTICLE XXXI below.

11.3 Upon completion of Tenant's Work or any Tenant Alterations as defined herein, Tenant shall immediately deliver to Landlord (i) an unconditional, final Certificate of Occupancy, (ii) "as-built" final plans and drawings identical to those upon which Landlord granted its approval, and (iii) Tenant's architect's certification that the alterations as completed conform with all applicable local, county state and/or federal statutes, ordinances, rules, regulations and codes including, but not limited to the orders, rates and regulations of the National and local Boards of Fire Underwriters and any other body or bodies hereinafter exercising similar functions.

11.4 No approval by Landlord of plans and specifications for Tenant's Work or any Tenant Alterations or Landlord's inspection of any Tenant's Work or Tenant Alterations shall constitute the assumption of any responsibility by Landlord for their accuracy or sufficiency, or that same comply with or meet any legal requirements or insurance requirements, or the certificate of occupancy for the Premises, or deemed to be a waiver by Landlord of any of the provisions of this Lease, and Tenant shall be solely responsible for such plans and specifications. Notice is hereby given that neither Landlord, Landlord's agents, nor the holder of any mortgage on the Building or the Real Property, shall be liable for any labor or materials furnished or to be furnished to Tenant upon credit, and that no mechanic's or other claims for such labor or materials shall attach to or affect any estate or interest of Landlord or any other such party in and to the Premises, the Building or the Real Property or any portion thereof.

ARTICLE XII{tc "ARTICLE XII" \ 1}

12. ASSIGNMENT AND SUBLETTING{tc "12. ASSIGNMENT AND SUBLETTING" \ 2}

12.1 Tenant for itself, its heirs, distributees, successors, and assigns, expressly covenants that it shall not directly or indirectly by operation of law, merger, consolidation, reorganization, dissolution, change of majority ownership of Tenant, or otherwise, assign (which for purposes of this Lease, shall include any such merger, consolidation, reorganization, dissolution or change of ownership of Tenant), mortgage, or encumber this Lease, or any part thereof, or permit the Premises to be used by others without the prior written consent of Landlord in each instance. Any attempt to do so by the Tenant shall be void. The consent by Landlord to any assignment, mortgage, encumbrance, subletting, or use of the Premises by others shall not constitute a waiver of Landlord's right to withhold its consent to any other assignment, mortgage, encumbrance, subletting or use of the Premises by others. Without the prior written consent of Landlord, this Lease and the interest of Tenant therein or any assignee of Tenant therein, shall not pass by operation of law, and shall not be subject to garnishment or sale under execution in any suit or proceeding which may be brought against or by Tenant or any assignee of Tenant. Notwithstanding the foregoing, the parties agree that the above-stated provisions of Section 12.1 shall not apply to require the consent of the Landlord to changes in ownership of (a) non-voting equity interests in Tenant, (b) equity interests in Tenant which do not possess authority to participate in the day to day management of Tenant, or (c) equity interests, resulting from the death or retirement of any owners of Tenant; provided, however, that upon the death or retirement of any owner of Tenant who possessed the authority to participate in the day to day management of Tenant, Tenant shall give written notice to Landlord of such death and the composition of Tenant's senior management and day to day management.

12.2 Landlord covenants and agrees that it will not unreasonably withhold its consent to Tenant's assigning or subletting all or a part of the Premises, provided, however, (1) that Tenant shall not be in default under any of the terms, covenants, conditions, provisions, and agreements of this Lease at the time of any notice or request for consent under the terms of this ARTICLE XII or at the effective date of such subletting or assigning; and (2) that such subletting or assigning shall not be made with a Tenant who shall be or who shall seek to use any portion of the Premises for a use incompatible with that customarily found in first-class medical office buildings, and (3) that the proposed subtenant or assignee is not then an occupant of any part of the Building or a party who dealt with Landlord or Landlord's agent (directly or through a broker) with respect to space in the Building during the 12 months immediately preceding Tenant's request for Landlord's consent; and (4) that Tenant shall have granted to the Landlord or Landlord's agent the exclusive right to sublet the Premises or such portion thereof as Tenant proposes to sublet or to assign this Lease as the case may be.

12.3 If Tenant requests Landlord's consent to an assignment of this Lease or a subletting of all or any part of the Premises (an "Assignment/Sublet Request"), Tenant shall submit to Landlord: (1) the name and address of the proposed assignee or subtenant; (2) the terms of the proposed assignment or subletting; (3) the nature of the proposed assignee's or subtenant's business; and (4) such information as to the proposed assignee's or subtenant's financial responsibility and general reputation as Landlord may reasonably require.

12.4 Upon the receipt of such request and information from Tenant, Landlord shall have the option to be exercised in writing within thirty (30) days after such receipt, to either (1) cancel and terminate this Lease, if the request is to assign this Lease or to sublet all of the Premises, or if the request is to sublet a portion of the Premises only, to cancel and terminate this Lease with respect to such portion, in each case as of the date set forth in Landlord's notice of exercise of such option ("Notice of Recapture"); or (2) to grant said request; or, (3) to deny such request. In the event Landlord gives Tenant Notice of Recapture, then Tenant shall have five (5) days from receipt of such Notice of Recapture to elect in writing to rescind its Assignment/Sublet Request. In the event Tenant gives such a notice, then this Lease shall remain in full force and effect. If Tenant shall fail to give such a notice, then the Notice of Recapture shall be effective without further act.

12.5 In the event Landlord shall cancel this Lease, Tenant shall surrender possession of the Premises, or the portion of the Premises which is the subject of the request, as the case may be, on the date set forth in such notice in accordance with the provisions of this Lease relating to surrender of the Premises. If the Lease shall be canceled as to a portion of the Premises only, the Basic Rent and Additional Rent payable by Tenant hereunder shall be reduced proportionately according to the

ratio that the number of square feet in the portion of space surrendered bears to the square feet in the Rentable Area of the Premises.

12.6 In the event that Landlord shall consent to a sublease or assignment pursuant to the request from Tenant, Tenant shall cause to be executed by its assignee or subtenant an agreement to perform faithfully and to assume and be bound by all of the terms, covenants, conditions, provisions, and agreements of this Lease for the period covered by the assignment or sublease and to the extent of the space sublet or assigned. An executed copy of each sublease or assignment and assumption of performance by the sublessee or assignee, on a form acceptable to Landlord, shall be delivered to Landlord within thirty (30) days prior to the commencement of occupancy set forth in such assignment or sublease. No such assignment or sublease shall be binding on Landlord until Landlord has received such copies as required herein.

12.7 In no event shall any assignment or subletting (whether or not Landlord may have consented), release or relieve Tenant from its obligations to fully perform all of the terms, covenants, and conditions of this Lease on its part to be performed.

12.8 Without otherwise restricting the grounds upon which Landlord may otherwise withhold its consent, Landlord shall not be deemed to have unreasonably withheld its consent to such an assignment or subletting if "Landlord Consent Requirements" are not satisfied. Furthermore, Landlord may withhold its consent if, in its judgment, it determines that:

12.8.1 The principal use of the Premises is not an Ambulatory Surgery Facility.

12.8.2 The proposed new use of the Premises in connection with a sublet of less than all of the Premises, is not, in Landlord's sole opinion, appropriate for the Building or in keeping with the character of the existing tenancies or is expressly prohibited under the terms of this Lease, provided, however, that this provision shall not apply to a sublet of less than all of the Premises to a user which is directly in connection with the operation of an Ambulatory Surgery Facility (i.e., a medical billing user).

12.8.3 The proposed assignee's use or occupancy will make unreasonable or excessive demands on the Building's services, maintenance or facilities or will cause excessive traffic or unacceptable increase in density of traffic of the building, provided, however, that this provision shall not apply to an assignment where the use remains an Ambulatory Surgery Facility.

12.8.4 Less than fifty (50%) percent of the Rentable Area Of The Building is then rented, provided, however, that this provision shall not apply to an assignment where the use remains an Ambulatory Surgery Facility, or to a sublet of a portion of the Premises to a user which is directly in connection with the operation of an Ambulatory Surgery Facility.

12.9 As used herein, and excluding the exceptions set forth in Section 12.1 above, "Landlord's Consent Requirements" shall mean the following minimum requirements which must be met by Tenant before Landlord shall consent to an assignment or subletting of all or part of the Premises:

12.9.1 The assignment or subletting shall be at any one time to no more than one (1) subtenant or assignee.

12.9.2 The assignment or subletting shall be for not less than the entire Premises.

12.9.3 The assignment or subletting shall be for a term of not less than ten (10) years unless the unexpired portion of such Term of this Lease shall be less than ten (10) years, in which event for the unexpired portion or such Term.

12.10 If the Landlord shall consent to any subletting or assignment, in accordance with the terms of this ARTICLE XII, fifty (50%) percent of any rents or other consideration received by the Tenant in excess of the rents or other sums required to be paid by Tenant to Landlord, shall be paid by Tenant to Landlord.

12.11 Tenant shall reimburse Landlord for Landlord's costs and expenses (including without limitation the charges of any outside architectural, engineering, accounting or legal professionals retained by Landlord to review the proposed assignment or sublease, if any) incurred by Landlord in connection with any proposed subletting or assignment by Tenant. The amount of such costs and

expenses shall be deemed to be Additional Rent under the terms of this Lease and shall be payable by Tenant upon demand, regardless of whether Landlord consents to or denies such assignment or sublease or elects to cancel this Lease as provided in paragraph 12.4 above.

12.12 Without limiting the provisions of ARTICLE XIX of this Lease, if pursuant to the Federal Bankruptcy Code (or any similar law having the same general purpose), or if pursuant to any state insolvency or bankruptcy law, Tenant is permitted to assign this Lease, notwithstanding the restrictions contained herein, then, adequate assurance of future performance by an assignee expressly permitted under such code or law shall be deemed to mean the deposit of cash security in an amount equal to the sum of one (1) year's Basic Rent and Additional Rent for the next succeeding twelve (12) months (which Additional Rent shall be reasonably estimated by Landlord), which deposit shall be held by Landlord for the balance of the Term, without interest, as an additional Security Deposit, for the full performance of all of Tenant's obligations under this lease, to be held and applied in the manner set forth in ARTICLE XXXV of this Lease.

12.13 Neither the Tenant nor any other person having an interest in the possession, use, occupancy or utilization of the Premises or any other portion of the Real Property shall enter into any lease, sublease, license, concession or other agreement for the use, occupancy or utilization of space in the Premises or any other portion of the Real Property which provides for any rental or other payment for such use, occupancy or utilization based in whole or in part upon the net income or profits derived from any person from the space in the Premises or any other portion of the Real Property so leased, used, occupied or utilized, other than an amount based upon a fixed percentage or percentages of gross receipts or gross sales.

12.14 Notwithstanding the foregoing, so long as at least ten (10) days prior written notice shall have been provided to Landlord, Tenant shall have the right to (a) sublet up to three (3) offices to physicians licensed to practice medicine in New Jersey, (b) to sublet part of the Premises to an affiliate or subsidiary of Tenant that is providing services to Tenant in connection with the operation of the Ambulatory Surgery Facility in the Premises, and (c) assign this Lease to a wholly-owned subsidiary of Tenant (so long as Tenant and such subsidiary shall be jointly and severally liable hereunder thereafter), without obtaining Landlord's consent, and without Section 12.10 being applicable thereto, but Tenant shall give Landlord written notice and copies of any relevant documentation within three (3) days after the effective date thereof.

ARTICLE XIII{tc "ARTICLE XIII" \ 1}

13. SURRENDER{tc "13. SURRENDER" \ 2}

13.1 Upon the Termination Date or prior expiration of this Lease, Tenant shall remove all of its properties and data wiring/cabling, repair all damage caused thereby, and peaceably and quietly quit and surrender to Landlord the Premises, broom clean, in as good condition as on the Commencement Date, normal wear and tear, repairs and replacements by Landlord, alterations, additions, and improvements permitted hereunder, excepted, free and clear of all occupancies. Tenant's obligations to observe or perform this covenant shall survive the Termination Date or prior expiration of the Term. If the Termination Date falls on a Sunday or a legal holiday, this Lease shall expire at 12 noon on the business day first preceding said date.

ARTICLE XIV{tc "ARTICLE XIV" \ 1}

14. HOLDING OVER{tc "14. HOLDING OVER" \ 2}

14.1 If Tenant holds possession of the Premises beyond the Termination Date or prior expiration of the Term, Tenant shall become a tenant from month-to-month at Double the Basic Rent and Additional Rent payable hereunder and upon all other terms and conditions of this Lease, and shall continue to be such month-to-month tenant until such tenancy shall be terminated by Landlord and such possession shall cease. Nothing contained in this Lease shall be construed as a consent by Landlord to the occupancy or possession by Tenant of the Premises beyond the Termination Date or prior expiration of the Term, and Landlord, upon said Termination Date or prior expiration of the Term shall be entitled to the benefit of all legal remedies that now may be in force or may be hereafter enacted relating to the speedy repossession of the Premises. In addition, Tenant shall indemnify and hold Landlord harmless from and against any loss, cost, liability or expense,

including, but not limited to, attorney's fees resulting from such failure to vacate and also including any claims made by any succeeding tenant founded on such failure to vacate.

ARTICLE XV{tc "ARTICLE XV" \1}

15. LANDLORD'S SERVICES AND TENANT ELECTRICITY{tc "15. LANDLORD'S SERVICES AND TENANT ELECTRICITY" \2}

15.1 Landlord Services.

15.1.1 Landlord shall furnish to Tenant the services set forth in this Lease and the Rules and Regulations annexed hereto as services which are covered by the Basic Rent and Additional Rent.

15.1.2 Air heating and air cooling shall be furnished only to the common areas between the hours of 8:00 a.m. and 6:00 p.m. Mondays through Fridays, Saturdays 8:00 a.m. until 1:00 p.m., Sundays and Building Holidays excluded. Air cooling to the common areas shall be provided only from April 1st through October 15th, and then only when weather conditions require.

15.1.3 Intentionally omitted.

15.1.4 Tenant shall reimburse Landlord for Landlord's cost of removal from the Premises, the Building or the Real Property, of any excess refuse and rubbish of Tenant and Tenant shall pay all bills therefore within ten (10) days after same are rendered. In addition, tenant shall reimburse Landlord for the cost to Landlord of replacement of light and fluorescent light bulbs.

15.2 Tenant Electricity.

15.2.1 Throughout the Term, Landlord agrees to redistribute electrical energy to the Premises (not exceeding the present electrical capacity at the Premises), upon the following terms and conditions: (1) Tenant shall pay for such electrical energy as provided by this Paragraph; (2) Landlord shall not be liable in any way to Tenant, Tenant's agents, servants, employees, invitees or licensees, for any loss, damage, or expense which Tenant, Tenant's agents, servants, employees, invitees or licensees, may sustain or incur as a result of any failure, defect, or change in the quantity or character of electricity furnished to the Premises or if such quantity or character of electricity furnished to the Premises is no longer available or suitable for Tenant's requirements or due to any cessation, diminution or interruption of the supply thereof.

15.2.2 Electric service to the Premises shall be submetered at Tenant's expense prior to the Commencement Date. The Tenant shall at its own cost and expense, pay all service and usage charges and meter reading charges for gas, electric, sprinkler, or any other utility which is separately metered or submetered and billed to Tenant. With respect to any utility which is not separately metered and billed to Tenant, Tenant shall pay the charge assessed to Tenant by Landlord based upon Tenant's Proportionate Share. Tenant shall arrange for separate metering or submetering of Tenant's actual electricity usage (except for common areas) and Tenant shall pay to the utility or Landlord, as the case may be, the charges billed. Until such time that electric usage at the Premises is submetered, beginning on the first to occur of (a) the Commencement Date or (b) the date on which Tenant shall obtain a building permit, Tenant shall pay to Landlord for electric usage at the Premises the sum of \$1,500.00 per month.

15.2.3 In no event shall Landlord be required or obligated to increase the electrical capacity of any portion of the Building's system, or to provide any additional wiring or capacity to meet Tenant's additional requirements, if any, beyond that which was servicing the Premises at the Commencement of the Lease Term. Tenant's use of electric energy in the Premises shall not at any time exceed the capacity of any of the electrical conductors and equipment in or serving the Premises. Tenant shall make no alteration to the existing electrical equipment or connect any fixtures, appliances, or equipment without the prior written consent of Landlord in each instance. Should Landlord grant such consent, all additional risers or other equipment required therefore shall be provided by Landlord and the cost thereof shall be paid by Tenant upon Landlord's demand.

15.2.4 Landlord shall not be liable in the event of any interruption in the supply of electricity, or for any consequence thereof, unless the interruption shall prevent the conduct of Tenant's business at the Premises for more than ninety-six (96) continuous hours and shall have been caused by Landlord's negligence or malfeasance, and Tenant agrees that such supply may be interrupted for inspection, repairs, replacement and in emergencies. Except in case of emergency, Landlord shall endeavor in good faith to provide prior notice of any such interruption. *

15.2.5 The failure of Landlord to furnish any service hereunder shall not be construed as a constructive eviction of Tenant and shall not excuse Tenant from failing to perform any of its obligations hereunder and shall not give Tenant any claims against Landlord for damages for failure to furnish such service.

ARTICLE XVI{tc "ARTICLE XVI" \ 1}

16. QUIET ENJOYMENT{tc "16. QUIET ENJOYMENT" \ 2}

16.1 Landlord covenants and agrees that, upon the performance by Tenant of all of the covenants, agreements, and provisions hereof on Tenant's part to be kept and performed, Tenant shall have, hold, and enjoy the Premises, subject and subordinate to the rights set forth in ARTICLE XXI, free from any interference whatsoever by, from, or through the Landlord, provided, however, that no diminution or abatement of the Basic Rent, Additional Rent, or other payment to Landlord shall be claimed by or allowed to Tenant for inconvenience or discomfort arising from the making of any repairs, improvements or additions to the Premises or the Real Property, nor for any space taken to comply with any law, ordinance, or order of any Governmental Authority, except as and if expressly provided for herein.

ARTICLE XVII{tc "ARTICLE XVII" \ 1}

17. AIR AND LIGHT{tc "17. AIR AND LIGHT" \ 2}

17.1 This Lease does not grant any rights to air and light.

ARTICLE XVIII{tc "ARTICLE XVIII" \ 1}

18. DEFAULT{tc "18. DEFAULT" \ 2}

18.1 Each of the following, whether occurring before or after the Commencement Date, shall be deemed a Default by Tenant and a breach of this Lease: (1) failure by Tenant to pay Landlord when due the Basic Rent, Additional Rent or any other sum by the time required by the terms of this Lease which failure is not cured within five (5) days after notice thereof from Landlord; (2) a failure by Tenant in the performance of any other term, covenant, agreement or condition of this Lease on the part of Tenant to be performed, which failure, if curable, is not cured within fifteen (15) days (or such longer period as may be necessary, so long as Tenant is diligently and continuously undertaking such cure) after notice thereof from Landlord; (3) the filing of a petition by or against Tenant for adjudication as a bankrupt, or for reorganization, or for arrangement under any bankruptcy act; (4) the commencement of any action or proceeding for the dissolution or liquidation of Tenant, whether instituted by or against Tenant, or for the appointment of a receiver or trustee of the property of Tenant under any state or federal statute for relief of debtors; (5) the making by Tenant of an assignment for the benefit of creditors; (6) the suspension of business by Tenant or any act by Tenant amounting to a business failure; (7) the filing of a tax lien or a mechanics' lien against any property of Landlord or Tenant, which filing is not bonded or removed within five (5) days after notice thereof from Landlord; (8) Tenant's causing or permitting the Premises to be vacant, for a period in excess of ten (10) days or abandonment of the Premises by Tenant; and (9) a default by Tenant under any other lease or sublease with Landlord.

18.2 Notwithstanding anything herein to the contrary, Landlord shall not be required to provide Tenant with more than two (2) notices of default during any five (5) year period in the Term of this Lease.

ARTICLE XIX{tc "ARTICLE XIX" \1}

19. LANDLORD'S RIGHTS UPON TENANT'S DEFAULT{tc "19. LANDLORD'S RIGHTS
UPON TENANT'S DEFAULT" \1 2}

19.1 Upon a Default by Tenant the following provisions shall apply and Landlord shall have the rights and remedies set forth therein which rights and remedies may be exercised upon or at any time following the occurrence of a Default unless, prior to such exercise, Landlord shall agree in writing with Tenant that the Default has been cured by Tenant in all respects.

19.2 Landlord shall have the right to sue for unpaid Basic Rent, Additional Rent and for all other sums owed to Landlord, or to accelerate all Basic Rent and all expense installments due hereunder and otherwise payable in installments over the remainder of the Term, and, at Landlord's option, any other Additional Rent and/or other charges to the extent that such Additional Rent and/or other charges can be determined and calculated to a fixed sum; and the amount of accelerated rent and other charges, without further notice or demand for payment, shall be due and payable by Tenant within five (5) days after Landlord has so notified Tenant. Additional Rent and/or other charges which has not been included, in whole or in part, in accelerated rent, shall be due and payable by Tenant during the remainder of the Term, in the amounts and at the times otherwise provided for in this Lease.

Notwithstanding the foregoing or the application of any rule of law based on election of remedies or otherwise, if Tenant fails to pay the accelerated rent in full when due, Landlord thereafter shall have the right by notice to Tenant, (i) to terminate Tenant's further right to possession of the Premises and (ii) to terminate this Lease under paragraph 19.3 below; and if Tenant shall have paid part but not all of the accelerated rent, the portion thereof attributable to the period equivalent to the part of the Term remaining after Landlord's termination of possession or termination of this Lease shall be applied by Landlord against Tenant's obligations owing to Landlord as determined by the applicable provisions of paragraphs 19.4 and 19.5 below.

19.3 By notice to Tenant during the existence of a Default, Landlord shall have the right to terminate this Lease as of a date specified in the notice of termination and in such case, Tenant's rights, including any based on any option to renew, to the possession and use of the Premises shall end absolutely as of the termination date specified in such notice; and this Lease shall also terminate in all respects except for the provisions hereof regarding Landlord's damages and Tenant's liabilities arising prior to, out of and following the Default and the ensuing termination.

Following such termination (as well as upon any other termination of this Lease by expiration of the Term or otherwise) Landlord immediately shall have the right to recover possession of the Premises; and to that end, Landlord may enter the Premises and take possession, without the necessity of giving Tenant any notice to quit or any other further notice, with or without legal process or proceedings, and in so doing Landlord may remove Tenant's property (including any improvements or additions to the Premises which Tenant made, unless made with Landlord's consent which expressly permitted Tenant to not remove the same upon expiration of the Term), as well as the property of others as may be in the Premises, and make disposition thereof in such manner as Landlord may deem to be commercially reasonable and necessary under the circumstances.

19.4 Unless and until Landlord shall have terminated this Lease under paragraph 19.3 above, Tenant shall remain fully liable and responsible to perform all of the covenants and to observe all the conditions of this Lease throughout the remainder of the Term; and, in addition and without regard to whether Landlord shall have terminated this Lease, Tenant shall pay to Landlord, upon demand and as Additional Rent, the total sum of all costs, losses and expenses, including reasonable counsel fees, as Landlord incurs, directly or indirectly, because of any Default having occurred.

If Landlord either terminates Tenant's right to possession without terminating this Lease or terminates this Lease and Tenant's tenancy as above provided, Landlord shall have the unrestricted right to relet the Premises or any part(s) thereof to such tenant(s) on such provisions and for such period(s) as Landlord may deem appropriate. It is understood that Landlord shall have no obligation to have the Premises available for reletting or otherwise endeavor to relet so long as Landlord (or any related entity) has other comparable vacant space or property available for leasing to others and that notwithstanding non-availability of other space or property Landlord's obligation to mitigate damages shall be limited to such efforts as Landlord, in its sole reasonable judgment, deems appropriate.

19.5 The damages which Landlord shall be entitled to recover from Tenant shall be the sum of:

(1) all Basic Rent, Additional Rent and other charges accrued and unpaid as of the termination date; and

(2) (i) all costs and expenses incurred by Landlord in recovering possession of the Premises, including removal and storage of Tenant's property, improvements and alterations therefrom, (ii) the costs and expenses of restoring the Premises to the condition in which the same were to have been surrendered by Tenant as of the expiration of the Term, or, in lieu thereof, the costs and expenses of remodeling or altering the Premises or any part for reletting the same, (iii) the costs of reletting (exclusive of those covered by the foregoing (ii)), including brokerage fees and reasonable counsel fees, and (iv) any overhead expenses related to the vacancy of the Premises for each month or part between the date of termination and the reletting of the entire Premises; and

(3) all Basic Rent, Additional Rent and other charges to the extent that the amount(s) of Additional Rent or other charges have been determined otherwise payable by Tenant over the remainder of the Term; and

(4) any Rent attributable to the period from the Commencement Date to the Rent Commencement Date and not theretofore paid by Tenant, calculated at the rate per month payable as of the Rent Commencement Date.

Less, deducting from the total determined under subparagraphs (1), (2), (3) and (4) all rent and all other Additional Rent to the extent determinable as aforesaid, (to the extent that like charges would have been payable by Tenant) which Landlord receives from other tenant(s) by reason of the leasing of the Premises or part during or attributable to any period falling within the otherwise remainder of the Term.

The damage sums payable by Tenant under the preceding provisions of this paragraph 19.5 shall be payable on demand from time to time as the amounts are determined.

In lieu of the damages payable in subparagraph (1), (2), and (3) of this paragraph 19.5, in the event Landlord so elects or relets the Premises (or part thereof) during or attributable to any period falling within the otherwise remainder of the Term, Landlord shall be entitled to recover from Tenant, in a single action, as liquidated damages for such sum (in addition to the damages otherwise set forth herein), an amount calculated to equal the damages set forth in such subparagraph (1), (2), and (3), provided that for the purpose of calculating said liquidated damage amount, Additional Rent and other charges shall be fixed, from the date of such election or commencement of reletting, as the amount of Additional Rent and other charges which would have been paid by Tenant, had Tenant not defaulted, as of the date of such election or commencement of reletting and, the deduction, if any, therefrom as set forth above shall be the fair market rental value of the Premises at the date of such election or the then fixed rent payable by the terms of such reletting as the case may be.

19.6 Any sums payable by Tenant hereunder, which are not paid after the same shall be due, shall bear interest from that day until paid at the rate of interest stated at paragraph 1.3.

19.7 Landlord shall be entitled to injunctive relief in case of the violation, or attempted or threatened violation, of any covenant, agreement, condition or provision of this Lease, or to a decree compelling performance of any covenant, agreement, condition or provision of this Lease.

19.8 In addition to any applicable lien, none of which are to be deemed waived by Landlord, upon the occurrence of an event of default by Tenant, Landlord may, in addition to any other remedies provided herein, enter upon the Premises and take possession of any and all goods, wares, equipment, fixtures, furniture, improvements and other personal property of Tenant situated on the Premises, without liability for trespass or conversion, and sell the same at public or private sale, with or without having such property at the sale, after giving Tenant reasonable notice of the time and place of any public sale or of the time after which any private sale is to be made, at which sale Landlord or its assigns may purchase unless otherwise prohibited by law. Unless otherwise provided by law, and without intending to exclude any other manner of giving Tenant reasonable notice, the requirement of reasonable notice shall be met if such notice is given in the manner prescribed in ARTICLE XXVI of this Lease at least five (5) days before the time of sale. The proceeds from any such disposition, less any and all expenses connected with the taking of

possession, holding and selling of the property (including reasonable attorney's fees and other expenses), shall be applied as a credit against the indebtedness secured by the security interest granted herein. Any surplus shall be paid to Tenant or as otherwise required by law; and Tenant shall pay any deficiencies forthwith.

19.9 For the purpose of this ARTICLE XIX, in the event of Tenant's voluntary or involuntary bankruptcy, should the Tenant as Debtor-in-Possession or a Trustee appointed by the Bankruptcy Court, attempt to provide adequate assurance of Tenant's ability to continue to operate out of the Premises, adequate assurance shall mean, at a minimum, the following:

(i) The Trustee or Debtor-in-Possession has and will continue to have sufficient unencumbered assets after the payment of all secured obligations and administrative expenses to assure Landlord that the Trustee or Debtor-in-Possession will have sufficient funds to fulfill the obligations of Tenant under this Lease, and to keep the Demised Premises properly staffed with sufficient employees to conduct a fully operational, actively promoted business in the Premises; and

(ii) The Bankruptcy Court shall have entered an Order segregating sufficient cash payable to Landlord and/or the Trustee or Debtor-in-Possession shall have granted a valid and perfected first lien and security interest and/or mortgage in property of Tenant, Trustee or Debtor-in-Possession, acceptable as to value and kind to Landlord, to secure to Landlord the obligation of the Trustee or Debtor-in-Possession to cure the monetary and/or non-monetary defaults under this Lease within the time periods set forth above.

ARTICLE XX{tc "ARTICLE XX" \ 1 }

20. LANDLORD'S REMEDIES CUMULATIVE; EXPENSES{tc "20. LANDLORD'S REMEDIES CUMULATIVE;EXPENSES" \ 2 }

20.1 All rights and remedies of Landlord herein enumerated shall be cumulative, and none shall exclude any other right or remedy allowed by law. For the purposes of any suit brought or based hereon, at Landlord's option, this Lease shall be construed to be a divisible contract, to the end that if Landlord so elects successive actions may be maintained on this Lease as successive periodic sums mature hereunder.

20.2 Tenant shall pay, upon demand, all of Landlord's costs, charges and expenses, including reasonable fees of counsel, agents and others retained by Landlord, incurred in enforcing Tenant's obligations hereunder.

ARTICLE XXI{tc "ARTICLE XXI" \ 1}

21. SUBORDINATION, ESTOPPEL AND ATTORNMEN{tc "21. SUBORDINATION, ESTOPPEL AND ATTORNMEN" \ 2}

21.1 This Lease is subject and subordinate to the lien of any and all mortgages (which term shall include both construction and permanent financing and shall include deeds of trust and similar security instruments) and all ground or other underlying leases from which Landlord's title is derived ("ground leases") which may now or hereafter encumber or otherwise affect the Real Property or Landlord's leasehold therein, and to any and all renewals, extensions, modifications, recasting or refinancing thereof. This clause shall be self operative and no further instrument of subordination need to be required by any mortgagee, trustee or ground lessee. Nevertheless, if requested by Landlord, Tenant shall promptly execute such subordination certificate or other subordination document requested. Landlord may execute said certificate or other document on behalf of Tenant if Tenant does not execute said certificate or other document within five (5) days after receiving it and Tenant hereby designates Landlord its attorney-in-fact for such purpose. Tenant agrees that if any proceedings are brought for the foreclosure of any such mortgage, Tenant if requested to do so by the purchaser at the foreclosure sale or the grantee of any deed given in lieu of foreclosure, shall attorn to such purchaser or grantee, shall recognize the purchaser or grantee as the Landlord under this Lease, and shall make all payments required hereunder to such new Landlord without any deduction or set-off or any kind whatsoever. Tenant agrees that if any proceedings are successfully brought for the termination of any ground lease, or if any other remedy is successfully exercised by any ground lessor whereby the ground lessor succeeds to the interests of tenant under the ground leases, Tenant, if requested to do so by the ground lessor, shall attorn to the ground lessor, shall recognize the ground lessor as the Landlord under this Lease, and shall make all payments required hereunder to such new Landlord without deduction or set-off.

21.2 Tenant agrees at any time and from time to time upon not less than five (5) days prior written request by Landlord, to execute, acknowledge and deliver to Landlord's a statement in writing certifying that this Lease is unmodified and in full force and effect (or, if there have been modifications, that the same are in full force and effect as modified and stating the modifications) and the dates to which the Basic Rent and Additional Rent have been paid, and stating whether Tenant knows of any default by Landlord under this Lease, and, if so, specifying each such known default, it being intended that any such statement delivered pursuant to this paragraph 21.2 may be relied upon by a prospective purchaser of Landlord's interest or a mortgagee of Landlord's interest or assignee of any mortgage upon Landlord's interest in the Real Property.

21.3 If, in connection with obtaining or continuing financing on the Premises, the Real Property, or improvements thereto, the Landlord's mortgage lender shall request reasonable modifications to this Lease as a condition to such financing, Tenant agrees to promptly execute a modification document incorporating such modifications; provided that said modifications do not increase the monetary obligations of the Tenant or materially adversely affect the Tenant's use of the Premises.

ARTICLE XXII{tc "ARTICLE XXII" \ 1}

22. DAMAGE BY FIRE OR OTHER CASUALTY{tc "22. DAMAGE BY FIRE OR OTHER CASUALTY" \ 2}

22.1 If the Premises shall be damaged by fire or other casualty: (1) except as otherwise provided in subsection (2) hereof, Landlord shall, to the extent necessary and appropriate, repair and/or restore the Premises "shell" and Tenant shall promptly thereafter restore the Premises to their condition immediately prior to the casualty subject to any modification to the Premises required by NJDOHSS (and the provisions of ARTICLE IV of this Lease shall apply thereto), and the Basic Rent and Additional Rent until such repairs shall be made shall be equitably abated according to the part of the Premises which is usable by Tenant, unless such damage was caused by the fault or negligence of Tenant or its servants, agents, employees, invitees, or licensees, in which case no abatement of Basic Rent or Additional Rent shall be made. Landlord agrees, at its expense, to repair promptly any damage to the Building, and, to the extent necessary and appropriate, deliver to Tenant a clean "shell", except that Tenant agrees to repair or replace all Tenant's Work and its own furniture, furnishings and equipment. No penalty shall accrue due to an Excusable Delay. In no event shall Tenant's Rent abate for longer than sixty (60) days beyond the date on which Landlord shall have completed the restoration of the shell as required herein. (2) If the Premises are totally damaged or are rendered wholly untenable by fire or other casualty, or if Landlord's architect

certifies that it cannot be repaired within nine (9) months of the casualty and notice thereof is given to Tenant within ninety (90) days after the casualty, or if Landlord shall decide not to restore or repair same to the extent it is obligated to do hereunder, or shall decide to demolish the Building or to rebuild it, and notice thereof is given to Tenant ninety (90) days after the casualty, then the Term shall expire ten (10) days after such notice is given, and Tenant shall vacate the Premises and surrender the same to Landlord. (3) If Landlord fails to complete the repair and restoration of the Premises to the extent it is obligated to do so hereunder, within nine (9) months from the date of the casualty (subject to Excusable Delays) then Tenant shall have the right to cancel and terminate this Lease upon the delivery of a notice to Landlord delivered within fifteen (15) days after the expiration of the aforesaid nine (9) month period. (4) Landlord agrees that it shall diligently pursue all repair and restoration work required on its part to be completed hereunder.

22.2 If any part of the Real Property or the Building (other than the Premises), including the parking area thereof, shall be damaged by fire or other casualty, the damage shall be repaired by and at the expense of Landlord and to the extent access to the Premises or use of parking facilities is denied as a result of such casualty, the Basic Rent and Additional Rent, until such repairs shall be made shall be equitably abated, unless the casualty was caused by the fault or negligence of Tenant or its servants, agents, employees, invitees or licensees, in which case no abatement of Basic Rent or Additional Rent shall be made. If the said damage is not repaired and access and/or parking restored within nine (9) months from the date of the casualty (subject to Excusable Delays), then Tenant shall have the right to cancel and terminate this Lease upon the delivery of a notice to Landlord in writing within fifteen (15) days after the expiration of the aforesaid nine (9) month period. Landlord agrees that it shall diligently pursue all repair and restoration work required on its part to be completed hereunder. If Landlord's architect certifies that the damage cannot be repaired within nine (9) months of the casualty, and notice thereof is given to Tenant within ninety (90) days after the casualty or if Landlord shall decide not to restore or repair same, or shall decide to demolish the Building or to rebuild it and notice thereof is given to Tenant within ninety (90) days after the casualty, then the Term shall expire ten (10) days after either of such notices is given, and Tenant shall vacate the Premises and surrender same to Landlord.

22.3 If any part of the Real Property or the Building (other than the Premises), including the parking area thereof, shall be damaged by fire or other casualty and the NJDOHSS shall require, as a condition to the continuation of Tenant's license, that the restoration and repair thereof include modifications to the Real Property or the Building (other than the Premises, which shall be the sole responsibility of Tenant as set forth in Section 22.1 above), then Tenant shall be responsible for the cost thereof (to the extent such cost is not covered by any insurance policy maintained by Landlord), to a maximum amount equal to whatever portion of the NJDOHSS Tenant Share (as defined in Section 1.6 of this Lease) shall have not been theretofore expended by Tenant. By way of example and not in limitation of the foregoing, in the event NJDOHSS required modifications to the Real Property as a condition to the issuance of Tenant's license prior to the Commencement Date, the cost of which modifications, paid by Tenant in accordance with Section 1.6 of this Lease, was \$25,000.00, then upon occurrence of a casualty, the maximum cost for which Tenant shall be obligated for modification to the Building and Real Property (other than the Premises) required by NJDOHSS as set forth above, shall be \$175,000.00. In the event the costs unreimbursed by Landlord's insurance for modifications to the Real Property or the Building (other than the Premises) required by NJDOHSS in connection with repair or restoration after damage by fire or other casualty are reasonably expected to exceed the portion of the NJDOHSS Tenant Share not theretofore expended by Tenant, then Landlord shall have the option either to pay any such excess and complete such modifications as soon as practicable thereafter, or to terminate this Lease, unless Tenant shall agree to be responsible for the entire cost of such modifications, in which event Landlord shall complete such modifications as soon as practicable thereafter. The provisions of this Section 22.3 shall not be construed as causing Tenant to become responsible for any deductible on Landlord's casualty insurance policy.

22.4 In all events after a casualty covered by either Section 22.1 or 22.2 of this Lease, Landlord shall endeavor in good faith to make known to Tenant all decisions by its architect and by Landlord as soon as practicable.

22.5 If the Premises shall be damaged by fire or other casualty arising from the fault or negligence of Tenant or its servants, agents, employees, invitees or licensees and said damage is not covered under the policy or policies of insurance required to be carried under this Lease, Tenant shall be liable to Landlord as is elsewhere provided in this Lease, Landlord shall have the option but not the obligation to restore or rebuild the same or to terminate this Lease and Tenant shall continue to be responsible to pay Basic Rent and Additional Rent without abatement for the entire Term otherwise applicable. Notwithstanding anything herein to the contrary, under no circumstances shall Tenant have the right to cancel and terminate this Lease in the event the Premises shall be damaged by fire or other casualty arising from the fault or negligence of Tenant or its servants, agents, employees, invitees or licensees.

ARTICLE XXIII{tc "ARTICLE XXIII" \1 }

23. MUTUAL WAIVER OF SUBROGATION CASUALTY{tc "23. MUTUAL WAIVER OF SUBROGATION CASUALTY" \2 }

23.1 Each party hereto waives any cause of action it might have against the other party on account of any loss or damage that is insured against under any insurance policy (to the extent that such loss or damage is recoverable under such insurance policy) that covers the Building, and/or Premises, Landlord's or Tenant's fixtures, personal property, leasehold improvements or business and which names Landlord or Tenant, as the case may be, as a party insured. Each party hereto agrees that it will cause its insurance carrier to endorse all applicable policies waiving the carrier's right of recovery under subrogation or otherwise against the other party.

ARTICLE XXIV{tc "ARTICLE XXIV" \1 }

24. CONDEMNATION {tc "24. CONDEMNATION" \2 }

24.1 If the Premises shall be acquired or condemned by eminent domain proceeding, or by giving of a deed in lieu of thereof, then and in that event, the Term shall cease and terminate from the date of title-vesting pursuant to such proceeding or agreement. If only a portion of the Premises shall be so acquired or condemned, this Lease shall cease and terminate at Landlord's option, and if such option is not exercised by Landlord, an equitable adjustment of the Basic Rent and Additional Rent payable by Tenant for the remaining portion of the Premises shall be made. If 25% or more of the Premises shall be acquired or condemned, the Tenant shall also have the option to terminate this Lease. In the event of a termination under this ARTICLE other than for the adjustment of the Basic Rent and Additional Rent as hereinbefore mentioned, Tenant shall have no claim whatsoever against Landlord including (without limitation) any claim for the value of any unexpired Term; nor shall Tenant be entitled to claim or receive any portion of any amount that may be awarded as damages or paid as a result of such proceedings or as the result of any agreement made by the condemning authority with Landlord. Tenant shall assert no claim, including (without limitation) any claim for the value of any unexpired Term, against the condemning authority that may in any way impair or diminish Landlord's claims against such condemning authority.

ARTICLE XXV{tc "ARTICLE XXV" \1 }

25. CHANGES SURROUNDING BUILDING{tc "25. CHANGES SURROUNDING BUILDING" \2 }

25.1 This Lease shall not be affected or impaired by any change, alteration or addition in, to or of the Building or any sidewalk, alley, street, landscape or structure adjacent to or around the Building or Real Property, except as provided in ARTICLE XXIV.

25.2 Any changes in the arrangement, appearance or location of any public portion of the Real Property or the Building not contained in the Premises or any part thereof, including but not limited to the driveways, sidewalks, parking areas, public hallways and the entrance ways into the

individual rental premises, including the Premises, shall not constitute an eviction or disturbance of Tenant's use or possession of the Premises provided such change does not unreasonably interfere with Tenant's use of or ingress to and from the Premises and Landlord shall be free to make such changes or alterations without liability to Tenant.

25.3 Landlord may designate a name and address for the Building and may change same from time to time as Landlord sees fit or as may be required by law.

ARTICLE XXVI{tc "ARTICLE XXVI" \1 }

26. NOTICES{tc "26. NOTICES" \2 }

26.1 Except as may be otherwise expressly provided in this Lease, notices by either party to the other shall be in writing and shall be sent by registered or certified mail, by overnight mail by a reputable overnight delivery service or by hand delivery, addressed to Landlord or Tenant at their respective addresses hereinabove set forth in the FUNDAMENTAL LEASE PROVISIONS or to such other address as either party shall hereafter designate by notice as aforesaid. All notices properly addressed shall be deemed served upon receipt by the addressee or, in the case of notice by mail, three (3) days after the date of mailing, except that notice of change of address shall not be deemed served until received by the addressee.

ARTICLE XXVII{tc "ARTICLE XXVII" \1 }

27. NO WAIVER{tc "27. NO WAIVER" \2 }

27.1 No delay or forbearance by Landlord, no act or undertaking by Landlord and/or no waiver by Landlord of any breach by Tenant of any of the terms, covenants, agreements, or conditions of this Lease shall be deemed to constitute a waiver of any current (unless Landlord so agrees in writing) or succeeding breach thereof, or a waiver of any breach of any of the terms, covenants, agreements and conditions herein contained.

27.2 No employee of Landlord or of Landlord's agents shall have any authority to accept the keys of the Premises prior to the Termination Date and the delivery of keys to any employee of Landlord or Landlord's agents shall not operate as an acceptance of a termination of this Lease or an acceptance of a surrender of the Premises.

27.3 The receipt by Landlord of the Basic Rent and Additional Rent with knowledge of the breach of any covenant of this Lease shall not be deemed a waiver of such breach. No payment by Tenant or receipt by Landlord of a lesser amount than the monthly Basic Rent or a lesser amount of the Additional Rent then due shall be deemed to be other than on account of the earliest stipulated amount then due, nor shall any endorsement or statement on any check or any letter or other instrument accompanying any check or payment as Basic Rent or Additional Rent be deemed an accord and satisfaction and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such Basic Rent or Additional Rent or pursue any other remedy provided in this Lease.

27.4 The failure of Landlord to enforce any of the Rules and Regulations as may be set by Landlord from time to time against Tenant or against any other tenant in the Building shall not be deemed a waiver of any such Rule or Regulation.

ARTICLE XXVIII{tc "ARTICLE XXVIII" \1 }

28. LANDLORD'S RESERVED RIGHTS{tc "28. LANDLORD'S RESERVED RIGHTS" \2 }

28.1 Landlord reserves the following rights: (1) if during or prior to the last one hundred eighty (180) days of the Term Tenant vacates the Premises, to decorate, remodel, repair, alter or otherwise prepare the Premises for reoccupancy and, (2) to masterkey all locks to the Premises.

28.2 Landlord may enter upon the Premises and may exercise either of the foregoing rights hereby reserved without being deemed to have caused an eviction or disturbance of Tenant's use and possession of the Premises and without being liable in any manner to Tenant.

ARTICLE XXIX{tc "ARTICLE XXIX" \ 1}

29. LANDLORD'S LIABILITY{tc "29. LANDLORD'S LIABILITY" \ 2}

29.1 Landlord, as well and Landlord's owners, servants, employees, agents or licensees, shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain, snow, or leaks from any part of the Building or from the pipes, appliances, plumbing, or the roof, street, subsurface, or from any other place or by dampness, offensive odors or noise, or by any other cause of whatsoever nature, unless caused by or due to the negligence of Landlord or its agents.

29.2 Should Tenant enter the Premises prior to the Commencement of this Lease for the purpose of making any installations, alterations or improvements as may be permitted by Landlord, Landlord shall have no liability or obligation for the care or preservation of Tenant's property, for personal injury, or otherwise.

29.3 Tenant agrees to take such steps, at its own cost, as it may deem necessary and adequate for the protection of itself, and its agents, servants, employees, invitees, and licensees against personal injury and property damage, by insurance, as a self-insurer or otherwise.

ARTICLE XXX{tc "ARTICLE XXX" \ 1}

30. TENANT'S LIABILITY{tc "30. TENANT'S LIABILITY" \ 2}

30.1 Tenant shall hold Landlord harmless from and indemnify Landlord for all expenses, damages, or fines, incurred or suffered by Landlord by reason of any breach, violation, or non-performance by Tenant, its agents, servants, employees, invitees, or licensees of any covenant or provision of this Lease, or by reason of damage to persons or property caused by moving property of or for Tenant in or out of the Building, or by the installation or removal of furniture or other property of or for Tenant or by reason of, or arising out of the carelessness, negligence or improper conduct of Tenant, or its agents, servants, employees, invitees, and licensees in the use or occupancy of the Premises. Any such expense shall be deemed Additional Rent, due in the next calendar month after it is incurred.

ARTICLE XXXI{tc "ARTICLE XXXI" \ 1}

31. TENANT'S INSURANCE{tc "31. TENANT'S INSURANCE" \ 2}

31.1 Tenant shall obtain and carry casualty insurance against fire and all risk of loss or damage insuring Tenant's improvements, fixtures and personal property at the Premises for their full replacement cost with extended coverage endorsement and rent continuation insurance. Tenant also covenants to provide on or before the Commencement Date for the benefit of Landlord and Tenant a comprehensive policy of liability insurance protecting Landlord and Tenant against any liability whatsoever occasioned by any occurrence on or about the Premises or any appurtenances thereto. Such policy is to be written by insurance companies qualified to do business in the State of New Jersey and the limits of liability thereunder shall not be less than the amount of Five Million Dollars (\$5,000,000.00) with respect to any one person, with respect to any one accident, and with respect to property damage. Such insurance may be carried under a blanket policy covering the Premises and other locations of Tenant, if any. In addition, Tenant covenants to provide throughout the Term for the benefit of Landlord and Tenant a policy of business interruption insurance in amounts and coverages which shall be customary as approved by Landlord in its reasonable discretion.

31.2 Prior to the time such insurance is first required by this ARTICLE to be carried by Tenant, and thereafter, at least thirty (30) days prior to the expiration of any such policy, Tenant agrees to deliver to Landlord either a duplicate original of the aforesaid policy or a certificate evidencing such insurance, including the Landlord and the managing agent as an additional insured, together with evidence of payment for the policy. Said policy or certificate shall contain an endorsement that such insurance may not be canceled except upon thirty (30) days notice to Landlord.

31.3 Upon failure at any time on the part of Tenant to procure and deliver to Landlord the policy or certificate of insurance, as hereinabove provided, stamped "Premium Paid" by the issuing

company at least thirty (30) days before the expiration of the prior insurance policy or certificate, if any, or to pay the premiums therefore, Landlord shall be at liberty, from time to time, as often as such failure shall occur, to procure such insurance and to pay the premium therefore, and any sums paid for insurance by Landlord shall be and become, and are hereby declared, to be Additional Rent hereunder for the collection of which Landlord shall have all the remedies provided for in this Lease or by law for the collection of rent. Payment by Landlord of such premium or the carrying by Landlord of any such policy shall not be deemed to waive or release the default of Tenant with respect thereto. Tenant's failure to provide and keep in force the aforementioned insurance shall be regarded as a Default hereunder entitling Landlord to exercise any or all of the remedies as provided in this Lease in the event of Default.

ARTICLE XXXII{tc "ARTICLE XXXII" \ 1}

32. CONSTRUCTION LIENS{tc "32. CONSTRUCTION LIENS" \ 2}

32.1 Nothing herein contained shall be construed as a consent on the part of the Landlord to subject the estate of the Landlord to liability under the Construction Lien Law of the State of New Jersey, it being expressly understood that the Landlord's estate shall not be subject to such liability. The Tenant shall have no power or right to any act or make any contract which may create or be the format for any lien, mortgage or other encumbrance upon the estate of the Landlord. Notwithstanding the foregoing, any construction lien filed against the Real Property for work claimed to have been done for, or materials claimed to have been furnished to Tenant, shall be bonded or discharged by Tenant within five (5) days after notice of filing, at Tenant's expense. Tenant shall forever indemnify and hold Landlord harmless from and against any and all claims arising from said liens including all costs, expenses, losses, fines and penalties, including without limitation, reasonable attorneys fees related thereto or resulting therefrom. This clause shall survive the Term of this Lease.

32.2 If, because of any act or omission of Tenant or Tenant's agents any construction, mechanics' or other lien, charge or order for the payment of money or otherwise shall be filed against the Premises or the Building or the Real Property (whether or not such lien, charge or order is valid or enforceable as such), Tenant shall, at Tenant's expense, cause it to be canceled or discharged of record by bonding or otherwise within ten (10) days after such filing, and Tenant shall, in any event, indemnify and save Landlord, Mortgagee, and its and their employees, officers, directors, partners, shareholders or agents harmless against and shall pay all costs, expenses, losses, fines and penalties, including, without limitation, reasonable attorney's fees and disbursements, related thereto or resulting therefrom. If within such 10 day period Tenant fails to cause such lien or other encumbrance to be so discharged of record, then Landlord shall have the option of discharging any such lien or other encumbrance (without inquiring as to the validity thereof), and Tenant agrees to reimburse Landlord, as Additional Rent, for all costs, expenses and other sums of money incurred by Landlord in connection therewith, with interest thereon at the interest rate specified in Section 1.6 of this Lease from the date such cost was incurred, until repaid in full.

ARTICLE XXXIII{tc "ARTICLE XXXIII" \ 1}

33. NOTICE OF FIRE AND ACCIDENTS {tc "33. NOTICE OF FIRE AND ACCIDENTS" \ 2}

33.1 Tenant shall give Landlord immediate notice in case of fire or accident on the Premises or, in case of fire or accident involving Tenant, its servants, agents, employees, invitees, or licensees, in the Building or on the Real Property.

ARTICLE XXXIV{tc "ARTICLE XXXIV" \ 1}

34. RELEASE OF LANDLORD{tc "34. RELEASE OF LANDLORD" \ 2}

34.1 The term "Landlord" as used in this Lease means only the owner for the time being of the Real Property or the lessee of a lease of the Real Property. In the event of any transfer of title to or lease of the Real Property, the Landlord shall be and hereby is entirely freed and relieved of all covenants and obligations of Landlord accruing from and after the date of said transfer hereunder and this Lease shall be deemed and construed as a covenant running with the Land without further agreement between the parties or their successors in interest.

34.2 Landlord, as well as Landlord's owners, servants, employees, agents or licensees, shall be under no personal or recourse liability with respect to any of the provisions of this Lease, and if Landlord is in breach or default with respect to its obligations or otherwise, Tenant shall look solely to the equity of Landlord in the Real Property for the satisfaction of Tenant's remedies. It is expressly understood and agreed that Landlord's liability under the terms, covenants, conditions, and obligations of this Lease shall in no event exceed the loss of its equity in the Real Property.

ARTICLE XXXV{tc "ARTICLE XXXV" \ 1}

35. USE OF SECURITY DEPOSIT{tc "35. USE OF SECURITY DEPOSIT" \ 2}

35.1 In the event of a default of Tenant in respect of any of the terms, covenants or conditions of this Lease, without regard to any provision in this Lease regarding notice to cure, Landlord may use, apply or retain the whole or any part of the Security Deposit or present for payment the Letter of Credit to the extent required for the payment of any Basic Rent, Additional Rent, or any other sum as to which Tenant is in default, or for any sum which Landlord may expend or may be required to expend by reason of Tenant's Default in respect to any of the terms, covenants, or conditions of this Lease, including but not limited to, any damages or deficiency accrued before or after summary proceedings of other re-entry by Landlord. In the event that Landlord may at any time or from time to time use, apply or retain the whole or any part of the Security Deposit as aforesaid, Tenant shall immediately restore the Security Deposit to the sum thereof prior to any such use, application or retention. In the event that Tenant shall fully and faithfully comply with all of the terms, covenants, and conditions of this Lease, the remaining amount of the Security Deposit shall be returned to Tenant, without interest, after the Termination Date and after delivery of possession of the entire Premises to Landlord.

35.2 In the event Tenant shall have delivered the Letter of Credit as the Security Deposit, a breach of any of the provisions of Section 35.1 above shall constitute a Default under this Lease. In the event of a Default, Landlord shall have the right to present the Letter of Credit for payment either in multiple draws, if the Letter of Credit shall so provide, or in one single (1) draw for the entire amount thereof.

35.3 In the event of a sale of the Real Property or a leasing thereof, Landlord shall have the right to transfer the Security Deposit to the vendee or lessee, as the case may be, and Landlord shall thereupon be released by Tenant from all liability for the return of such Security Deposit transferred to the new Landlord; and Tenant agrees to look to the new Landlord solely for the return of the Security Deposit; and it is agreed that the provisions thereof shall apply to every transfer or assignment made of the Security Deposit to a new Landlord. Tenant further covenants that it will not assign or encumber, or attempt to assign or encumber the Security Deposit and that neither Landlord nor its successors or assigns shall be bound by any such assignment, or attempted encumbrance. Any fee charged by the issuer of the Letter of Credit for transfer of the Letter of Credit shall be the responsibility of the Tenant.

35.4 Commencing on the last day of Lease Year 4, and on the last day of Lease Year 5, and on the last day of Lease Year 6, provided no Default shall have occurred hereunder, the Security Deposit shall be reduced by \$55,000.00 per annum. Upon reduction of the Security Deposit, Tenant shall deliver to Landlord a replacement Letter of Credit and Landlord will, upon receipt, return the existing Letter to Credit to Tenant.

35.5 The Letter of Credit shall be a clean, irrevocable and unconditional letter of credit substantially in the form annexed hereto, issued by and drawn upon a commercial bank with offices for banking purposes in the Morris/Essex County, New Jersey area, acceptable to Landlord in its reasonable discretion.

35.6 Tenant covenants that it will not assign or encumber, or attempt to assign or encumber the monies or Letter of Credit deposited hereunder as security, and that neither the Landlord nor its successor or assigns shall be bound by any such assignment, encumbrance, attempted assignment, or attempted encumbrance.

ARTICLE XXXVI{tc "ARTICLE XXXVI" \ 1}

36. DIRECTORY{tc "36. DIRECTORY" \ 2}

36.1 Landlord shall furnish at the entrance of the Building a directory, on which space shall be allocated to Tenant based on Tenant's Proportionate Share. Tenant shall be responsible for the costs of changes to the Directory.

ARTICLE XXXVII{tc "ARTICLE XXXVII" \ 1 }

37. HAZARDOUS WASTE, AIR, WATER AND GROUND POLLUTION{tc "37. HAZARDOUS WASTE, AIR, WATER AND GROUND POLLUTION" \ 2 }

37.1 Notwithstanding anything to the contrary contained in this Lease, Tenant agrees to release and to indemnify, defend with experienced and competent counsel, and hold harmless Landlord and its parents, subsidiaries and affiliates, and their respective officers, directors, shareholders, employees, agents, general partners, and beneficiaries and any entity in privity of estate with Landlord (collectively, the "Landlord Entities") from and against any and all liabilities, losses, damages, suits, actions, causes of action, costs, expenses (including without limitation attorneys' fees and disbursements and court costs), penalties, fines, demands, judgments, claims or liens (including, without limitation, claims or liens imposed under any so-called "Superfund" or other environmental legislation) arising from or in connection with any actual or asserted failure of Tenant to fully comply with all applicable Regulations, or the presence, handling, use, release or discharge of any Hazardous Materials in the Premises (whether or not consented to by Landlord, and even though permissible under all applicable Regulations), or by reason of any actual or asserted failure of Tenant to keep, observe, or perform any provision of Section 2.1, which obligation shall survive the termination of this Lease.

Landlord agrees to release and to indemnify, defend with experienced and competent counsel, and hold harmless Tenant and its parents, subsidiaries and affiliates, and their respective officers, directors, shareholders, employees, agents, general partners, and beneficiaries and any entity in privity of estate with Tenant (collectively, the "Tenant Entities") from and against any and all liabilities, losses, damages, suits, actions, causes of action, costs, expenses (including without limitation attorneys' fees and disbursements and court costs), penalties, fines, demands, judgments, claims or liens (including, without limitation, claims or liens imposed under any so-called "Superfund" or other environmental legislation) arising from or in connection with any actual or asserted failure of Landlord to fully comply with all applicable Regulations, or the presence, handling, use, release or discharge of any Hazardous Materials on the Property, or in the Building and Premises prior to the Effective Date or otherwise not caused by or arising out of the use of the Premises by Tenant, which obligation shall survive the termination of this Lease.

Landlord hereby represents and warrants that to the best of its knowledge the Building and the Real Property are free of Hazardous Materials as of the date hereof.

The term "Hazardous Materials" shall include, without limitation, any medical waste, including any biomedical, regulated or radioactive waste; any solid or liquid waste which may present a threat of infection to humans, including non-liquid tissue, body parts, blood, blood products, and body fluids from humans; laboratory wastes which contain human disease causing agents; discarded sharps, used absorbent materials saturated with blood, blood products, body fluids, or excretions or secretions contaminated with visible blood; and absorbent materials saturated with blood or blood products that have dried, non-absorbent, disposable devices that have been contaminated with blood; and/or any thermometers or other equipment containing mercury; and any petroleum product, any reactive, ignitable, flammable, explosive or radioactive material, any biological or microbiological material or any hazardous or toxic waste, substance or material including, without limitation, substances defined as "hazardous substances," "solid waste," "hazardous waste," "hazardous material," or toxic substances" under any applicable laws relating to hazardous or toxic materials and substances, air pollution (including noise and odors), water pollution, liquid and solid waste, pesticides, drinking water, community and employee health, environmental and land use management, stormwater, sediment control, nuisances, radiation, wetlands, endangered species, environmental permitting and petroleum products, which laws may include, but not be limited to; the Toxic Substance Control Act; the Clean Water Act; the National Environmental Policy Act, the Solid Waste Disposal Act, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986; The Hazardous Material Transportation Act, the Resource Conservation and Recovery Act, the Clean Air Act, the Emergency Planning and Community Right-To-Know Act, the Occupational Safety and Health Act, all as amended; comparable state and local laws; and all rules and regulations promulgated pursuant to such laws and ordinances (collectively "Regulations").

Landlord shall provide prompt written notice of any third party claim to Tenant. The Tenant shall have the right to assume exclusive control of the defense of such claim or at the option of the Tenant, to settle the same. The Landlord agrees to cooperate reasonably with the Tenant in connection with the performance of the Tenant's obligations under this Section. This Article XXXVII shall survive the expiration or termination of this Lease.

37.2 Tenant hereby warrants that its North American Industry Classification System ("NAICS") Code Number is as set forth in the FUNDAMENTAL LEASE PROVISIONS. If Tenant's NAICS code shall ever change it shall immediately notify Landlord of such change. Tenant shall not allow the storage or use of Hazardous Materials in any manner not sanctioned by law or by the highest standards prevailing in the industry for the storage and use of such substances or materials, nor allow to be brought into the Premises, Building or Real Property any such materials or substances except to use in the ordinary course of Tenant's business, and then only after written notice is given to Landlord of the identity of such substances or materials. If any lender or governmental agency shall ever require testing to ascertain whether or not there has been release of Hazardous Materials, then the reasonable costs thereof shall be reimbursed by Tenant to Landlord upon demand as additional charges if such requirement applies particularly to the Premises. In addition, Tenant shall execute affidavits, representations and the like from time to time at Landlord's request concerning Tenant's knowledge and belief regarding the presence of hazardous substances or materials on the Premises. In all events, Tenant shall indemnify Landlord in the manner elsewhere provided in this Lease from any release of Hazardous Materials on the Premises occurring while Tenant is in possession, except to the extent arising from the acts of Landlord or Landlord's agents, or elsewhere if caused by Tenant or persons acting under Tenant. The within covenants shall survive the expiration or earlier termination of the Lease Term.

37.3 Landlord shall provide prompt written notice of any action taken by the DEP or United States Environmental Protection Agency concerning claims of contamination at the Real Property.

37.4 The provisions of ARTICLE XXXVII shall survive the expiration or termination of this Lease.

ARTICLE XXXVIII{tc "ARTICLE XXXVIII" \ 1}

38. ISRA COMPLIANCE{tc "38 ISRA COMPLIANCE" \ 2}

38.1 Tenant shall not cause the Premises to be used as an "Industrial Establishment" as defined under the New Jersey Industrial Site Remediation Act, N.J.S.A. 12:1K-6 et seq. ("the Act") and all regulations promulgated pursuant to the Act. Tenant shall, at Tenant's own expense, comply with the Act. Tenant shall, at Tenant's own expense, provide all information within Tenant's control requested by Landlord or the Bureau of Industrial Site Evaluation for the preparation of submissions, declarations, reports and plans pursuant to the Act. If the New Jersey Department of Environmental Protection (DEP) or any successor agency shall determine that a clean-up plan be prepared and that a clean-up be undertaken because of any spills or discharges of hazardous substances or wastes at the Premises or elsewhere if Tenant or persons acting under Tenant or on behalf of Tenant caused such release, then Tenant shall, at Tenant's own expense, prepare and submit the required plans and carry out the approved plans. Tenant shall indemnify, defend and save harmless Landlord from all costs, expenses, fines, suits, procedures, claims and actions of any kind arising out of or in any way connected with any such spills or discharges of hazardous substances or wastes at the Premises or elsewhere if caused by Tenant or persons acting under Tenant or on behalf of Tenant. Tenant's obligations and liability under this Paragraph shall survive the Term of this Lease and shall continue so long as Landlord remains responsible for any spills or discharges or hazardous substances or wastes at the Premises. Tenant also agrees to cooperate with the Landlord in obtaining ISRA approval. In the event Tenant fails to comply with ISRA in accordance with this Section or with any other environmental law as of the expiration or earlier termination of the Term of this Lease, and Landlord is unable to rent the Premises as a result thereof, then, the Tenant shall be deemed to be holding over and all provisions of ARTICLE XIV shall apply, until such time that Tenant shall demonstrate that it has fully complied with ISRA or such other environmental law.

38.2 As a condition precedent to Tenant's right to sublet the Premises or to assign this Lease, Tenant shall, at Tenant's own expense, first comply with ISRA and all other Environmental Laws, and fulfill all of Tenant's environmental obligations under this Lease pursuant to ARTICLE XXXVII which also arise upon termination of Tenant's Lease Term. If this condition shall not be satisfied, the Landlord shall have the right to withhold consent to sublet or assignment. Landlord

pledges its reasonable cooperation at no cost to Landlord with Tenant's request for information or Landlord's reasonable consent to submit to environment studies during the course of Tenant's performance of any due diligence or conducting environmental studies in connection with this ARTICLE XXXVIII and ARTICLE XXXVII.

38.3 Landlord hereby represents and warrants that to the best of its knowledge no part of the Building or the Real Property has been used as an Industrial Establishment at any time and no action has been taken by DEP under the Act or otherwise, which has not been remediated or otherwise resolved.

ARTICLE XXXIX{tc "ARTICLE XXXIX" \ 1}

39. INTENTIONALLY OMITTED{tc "39. INTENTIONALLY OMITTED" \ 2}

ARTICLE XL{tc "ARTICLE XL" \ 1}

40. OPTION TO RENEW{tc "40. OPTION TO RENEW" \ 2}

40.1 Provided that no default has occurred, Tenant shall have the option to extend the Term of its Lease of the Premises, from the date upon which this Lease would otherwise expire for two (2) additional terms of five (5) years each (each an "Extended Period") upon the following terms and conditions:

40.2 If Tenant elects to exercise said option, it shall do so by giving written notice of such election to Landlord on or before the date set forth in the FUNDAMENTAL LEASE PROVISIONS. Tenant agrees that it shall have forever waived its right to exercise any such option if it shall fail for any reason whatsoever to give such notice to Landlord by the time provided herein for giving of such notice, whether such failure is inadvertent or intentional, time being of the essence as to the exercise of such option. If Tenant shall fail to so exercise said option for the first Extended Period, then, the Tenant shall have no further right or option to extend the Term of this Lease.

40.3 If Tenant elects to exercise said option, the Termination Date shall be and become, for all purposes, except for establishment of Basic Rent during the Extended Period, which shall be in accordance with Section 40.4 below, the last day of such respective five (5) year Extended Period and the Term shall be automatically extended for the respective Extended Period without execution of an extension or renewal lease. However, within ten (10) days after request of either party following the effective exercise of such option, Landlord and tenant shall execute, acknowledge and deliver to each other duplicate originals of an instrument confirming that such option was effectively exercised.

40.4 The Extended Period shall be upon the same terms and conditions as are in effect immediately preceding the commencement of any such Extended Period; provided, however, that Tenant shall have no further right or option to extend the Term for any period of time beyond the expiration of the second Extended Period and provided further, that in each respective five (5) year Extended Period Tenant's annual Basic Rent shall be the "Fair Market Rental" for the Premises, but in no event less than the annual Basic Rent payable hereunder as of the then Termination Date. The "Fair Market Rental" shall be the Basic Rent agreed upon by the Landlord and Tenant within thirty (30) days after Tenant's exercise of the within option. If the parties shall fail to agree upon Fair Market Rental within thirty (30) days after Tenant's exercise of its option to renew, then each party shall designate a licensed MAI appraiser located in Morris or Suburban Essex counties to render an appraisal of the Fair Market Rental under the terms of this Lease, which appraisals shall be exchanged within sixty (60) days after Tenant's exercise of the within option. If the two appraisals shall be within ten (10%) percent of one another, then the Fair Market Rental for the respective Extended Period shall be the average of the two (2) appraisals (but in no event less than the Basic Rental as of the then Termination Date). If the two (2) appraisals are not within ten (10%) percent of one another (i.e., if the higher appraisal is more than one hundred ten (110%) percent of the lower appraisal) the two (2) appraisers shall, within twenty (20) days after their exchange of appraisals, jointly designate a third independent MAI appraiser, who shall within twenty (20) days of appointment select one of the two (2) appraisals that he or she deems to more closely represent the Fair Market Rental for the Premises and such rental shall during the extension period (so long as not less than the Basic Rent of the Termination Date) be deemed to be the Fair Market Rental.

40.5 Any Termination, expiration, cancellation or surrender of this Lease shall terminate any right or option for the Extended Period not yet exercised.

40.6 The option provided herein to extend the term of the Lease may not be severed from the lease or separately sold, assigned or otherwise transferred.

ARTICLE XLI{tc "ARTICLE XLI" \ 1}I

41. MISCELLANEOUS{tc "41. MISCELLANEOUS" \ 2}

41.1 ENTIRE AGREEMENT: {tc "41.1 ENTIRE AGREEMENT" \ 2} This Lease contains the entire agreement between the parties, and any attempt hereafter made to change, modify, discharge, or effect an abandonment of it in whole or in part shall be void and ineffective unless in writing and signed by the party against whom enforcement of the change, modification, discharge, or abandonment is sought.

41.2 JURY TRIAL WAIVER{tc "41.2 JURY TRIAL WAIVER" \ 2}: Landlord and Tenant do hereby waive trial by jury in any action, proceeding, or counterclaim brought by either of the parties hereto against the other on any matter whatsoever arising out of or in any connection with this Lease, the relationship of Landlord and Tenant, Tenant's use or occupancy of the Premises, and/or any claim, injury or damage, or any emergency or statutory remedy.

41.3 FORCE MAJEURE{tc "41.3 FORCE MAJEURE" \ 2}: If, by reason any circumstance or condition constituting Excusable Delay, Landlord shall be unable to fulfill its obligations under this Lease or shall be unable to supply a service which Landlord is obligated to supply, this Lease and Tenant's obligation to pay Basic Rent and Additional Rent hereunder shall in no way be affected, impaired, or excused.

41.4 BROKER{tc "41.4 BROKER" \ 2}: Tenant represents that it has not dealt with any real estate broker in connection with this Lease, other than the Broker. Tenant indemnifies and holds Landlord harmless of and from any and all claims, liabilities, costs, or damages Landlord may incur as a result of a breach of this representation, or as a result of any claim asserted on the basis of allegations that would involve (if true) a breach of this representation.

41.5 SEPARABILITY{tc "41.5 SEPARABILITY" \ 2}: If any term or provision of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby and all other terms and provisions of this Lease shall be valid and enforced to the fullest extent permitted by law.

41.6 INTERPRETATION{tc "41.6 INTERPRETATION" \ 2}:

41.6.1 Whenever in this Lease any words of obligation or duty are used, such words or expressions shall have the same force and effect as though made in the form of covenants.

41.6.2 Words of any gender used in this Lease shall be held to include any other gender, and words in singular number shall be held to include the plural, when the sense requires.

41.6.3 All pronouns and any variations thereof shall be deemed to refer to the neuter, masculine, feminine, singular, or plural as the identity of the Tenant requires.

41.6.4 No rules of construction shall apply by reason of the identity of the draftsman of the Lease. No remedy or election given by any provision in this Lease shall be deemed exclusive unless so indicated, but each shall, wherever possible, be cumulative with all other remedies in law or equity except as otherwise specifically provided. Each provision hereof shall be deemed both a covenant and a condition and shall run with the land.

41.6.5 If, and to the extent that, any of the provisions of any Rider to this Lease conflict or are otherwise inconsistent with any of the preceding provisions of this Lease, or of the Rules and Regulations appended to this Lease, whether or not such inconsistency is expressly noted in the Rider, the provisions of the Rider shall prevail, and in case of

inconsistency with said Rules and Regulations, shall be deemed a waiver of such Rules and Regulations with respect to Tenant to the extent of such inconsistency.

41.6.6 Tenant agrees that all of Tenant's covenants and agreements herein contained providing for the payment of money and Tenant's covenant to remove mechanics' liens shall be deemed conditions as well as covenants, and that if default be made in any such covenants, Landlord shall have all of the rights provided for herein.

41.6.7 The parties mutually agree that the headings and captions contained in this Lease are inserted for convenience of reference only, and are not to be deemed part of or to be used in construing this Lease.

41.6.8 The covenants and agreements herein contained shall, subject to the provisions of this Lease, bind and inure to the benefit of Landlord, its successors and assigns, and Tenant, its successors and assigns except as otherwise provided herein.

41.6.9 It is further understood and agreed that wherever the provisions of this Lease require that Landlord shall approve or consent, Landlord agrees not to unreasonably withhold such prompt approval and consent and wherever Tenant is required to do anything to the satisfaction of Landlord it shall be deemed except as set forth in ARTICLE XII and elsewhere as stated in Lease that reasonable satisfaction of Landlord will be sufficient.

41.6.9.1 This Lease has been executed and delivered in the State of New Jersey and shall be construed in accordance with the laws of the State of New Jersey, and Landlord and Tenant acknowledge that all of the applicable statutes of the State of New Jersey are superimposed on the rights, duties, and obligations of Landlord and Tenant hereunder and this Lease shall not otherwise provide that which said statutes prohibit.

41.6.9.2 Landlord has made no representations or promises with respect to the Premises or the Real Property, except as expressly contained herein. Tenant has inspected the Premises and agrees to take the same in an "as is" condition, except as otherwise expressly set forth. Landlord shall have no obligation, except as herein set forth, to do any work in and to the Premises to render them ready for occupancy and use by Tenant.

41.6.9.3 Tenant shall not record this Lease or a memorandum thereof.

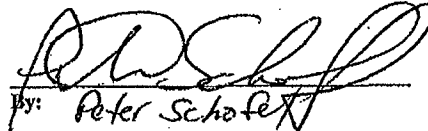
41.7 FINANCIAL STATEMENTS (cc "41.7 FINANCIAL STATEMENTS" ¶ 2): Tenant agrees at Landlord's request to file periodically with the Landlord or its mortgagee(s) copies of such financial information as is commercially reasonable in light of the request. Any such information shall be delivered to Landlord, kept confidential by Landlord and shared only with Landlord's accountants, attorneys, lenders or prospective lenders. Landlord agrees to inform any such party of the obligation to maintain said financial statements as confidential and shall not disclose the financial statements to any third parties or use the information contained therein for any purpose not contemplated in this Lease.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Lease on the date first above written.

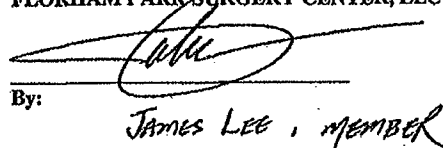
WITNESS:

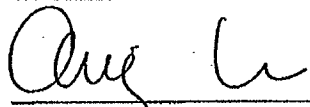
Landlord:
HANOVER ASSOCIATES
By: Janfel-JBS Corp., a General Partner


By: Peter Scholte

WITNESS:

Tenant:
FLORHAM PARK SURGERY CENTER, LLC


By: James Lee, member


{tc "ATTACHMENTS:"\n \1}
{tc "RULES AND REGULATIONS" \n \2}
{tc "EXHIBIT A - LEASING PLAN" \n \2}
{tc "EXHIBIT B - COMMENCEMENT DATE AGREEMENT" \n \2}
{tc "EXHIBIT C - USE RESTRICTIONS" \n \2}
{tc "EXHIBIT D - TENANT'S WORK" \n \2}
{tc "EXHIBIT E - FORM OF LETTER OF CREDIT" \n \2}

RULES AND REGULATIONS

1. Tenant shall not obstruct or permit its employees, agents, servants, invitees or licensees to obstruct, in any way, the sidewalks, entry passages, corridors, halls, stairways or elevators of the building, or use the same in any way other than as a means of passage to and from the offices of Tenant; nor shall Tenant permit its employees, agents, servants, invitees, or licensees to smoke in the Building; throw substances of any kind out of the windows or doors, or down the passages of the Building, or in the halls or passageways; sit on or place anything upon the window sills; or clean the exterior of the windows.

2. The cost of repairing any damage to the public portions of the Building or to any common areas, caused by a tenant or the servants, agents, employees, licensees, or invitees of a tenant, shall be paid by such tenant.

3. Waterclosets and urinals shall not be used for any purpose other than those for which they were constructed, and no sweepings, rubbish, ashes, newspaper or any other substances of any kind shall be thrown into them. Waste and excessive or unusual use of electricity or water is prohibited.

4. The windows, doors, partitions and lights that reflect or admit light into the halls or other places of the Building shall not be obstructed. NO SIGNS, ADVERTISEMENTS OR NOTICES SHALL BE INSCRIBED, PAINTED, AFFIXED OR DISPLAYED IN, ON, UPON OR BEHIND ANY WINDOWS, except as may be required by law or agreed upon by the parties; and no sign, advertisement or notice shall be inscribed, painted or affixed on any doors, partitions or other part of the inside of the Building, without prior written consent of Landlord. If such consent be given by Landlord, any such sign, advertisement, or notice shall be inscribed, painted or affixed by Landlord, or a company approved by Landlord, but the cost of the same shall be charged to and be paid by Tenant, and Tenant agrees to pay the same promptly, on demand. Landlord shall allow Tenant to place a sign on or adjacent to Tenant's entrance, which must be approved in writing by Landlord prior to installation. Tenant shall be responsible for the cost of repairing any damage to the wall its sign may cause.

5. No contract of any kind with any supplier of towels, water, ice, toilet articles, waxing, rug shampooing, venetian blind washing, furniture polishing, lamp servicing, cleaning of electrical fixtures, removal of wastepaper, rubbish or garbage, or other like service shall be entered into by Tenant, nor shall any vending machine of any kind be installed in the Building, without the prior written consent of Landlord.

6. When electric wiring of any kind is introduced, it must be connected as directed by Landlord, and shall be done only by contractors approved by Landlord. No stringing or cutting of wires will be allowed, except with the prior written consent of Landlord. No Tenant shall lay floor covering so that the same shall be in direct contact with the floor of the Premises. If floor covering is desired to be used, an interlining of builder's deadening felt shall be first affixed to the floor by a paste or other material, the use of cement or other similar adhesive material being expressly prohibited.

7. Landlord shall have the right to prescribe the weight, size, and position of all safes and other bulky or heavy equipment (except medical equipment) and all freight brought into the Building by any Tenant; and the time of moving the same (including medical equipment) in and out of the Building. All such moving shall be done under the supervision of the Landlord. Landlord will not be responsible for loss of or damage to any such equipment or freight from any cause; but all damage done to the Building by moving or maintaining any such equipment or freight shall be repaired at the expense of Tenant. All safes shall stand on a base of such size as shall be designated by Landlord. Landlord reserves the right to inspect all freight to be brought into the Building and to exclude from the Building all freight which violates any of these Rules and Regulations or the Lease of which these Rules and Regulations are a part.

8. Except for medical equipment, no machinery of any kind or articles of unusual weight or size (including rolling filing systems or safes) will be allowed in the Building without the prior written consent of Landlord. Business machines and mechanical equipment shall be placed and maintained by Tenant, at Tenant's expense, in settings sufficient, in Landlord's judgment, to absorb and prevent vibration, excessive weight loads, noise and annoyance to other Tenants.

9. No additional lock or locks shall be placed by Tenant on any door in the Building, without the prior written consent of Landlord. Two keys will initially be furnished to Tenant by Landlord; two additional keys will be supplied to Tenant by Landlord, upon request, without charge; any additional keys requested by Tenant shall be paid for by Tenant. Tenant, its agents and employees, shall not have any duplicate key made and shall not change any lock. All keys to doors and washrooms shall be returned to Landlord on or before the Termination Date, and, in the event of a loss of any keys furnished, Tenant shall pay Landlord the cost thereof.

10. INTENTIONALLY OMITTED.

11. No bicycles, vehicles or animals of any kind shall be brought into or kept in or about the Premises, except for animals assisting disabled people as may be required by law.

12. The requirements of Tenant will be attended to only upon application at the office of Landlord. Employees of Landlord shall not perform any work for Tenant or do anything outside of their regular duties, unless under special instructions from Landlord.

13. The Premises shall not be used for lodging or sleeping purposes, and cooking therein is prohibited, except for the use of microwaves, toasters and coffee pots.

14. Tenant shall not conduct or permit any other person to conduct, any auction upon the Premises; manufacture or store goods, wares or merchandise upon the Premises, without the prior written approval of Landlord, except the storage of usual supplies and inventory to be used by Tenant in the conduct of its business; permit the Premises to be used for gambling; make any unusual noises in the Building; permit to be played any musical instrument in the Premises; permit to be played any radio, television, recorded or wired music in such a loud manner as to disturb or annoy other tenants; or permit any unusual or offensive odors including, but in no way limited to odors associated with electrostatic painting of any metal office equipment or furniture, to be produced upon the Premises.

15. No awnings or other projections shall be attached to the outside walls of the Building. No curtains, blinds, shades or screens shall be attached to or hung in, or used in connection with any window or door of the Premises, without the prior written consent of Landlord. Such curtains, blinds, and shades must be of a quality, type, design, and color, and attached in a manner approved by Landlord.

16. Any area of the Premises visible from any public area of the Building or Real Property shall be kept neat and orderly at all times. The color and quality of all wall and floor coverings and furnishings in such areas visible from public areas shall be of a quality, type, design, and color, and attached in a manner approved by Landlord.

17. Canvassing, soliciting and peddling in the Building is prohibited, and Tenant shall cooperate to prevent the same.

18. There shall not be used in the Premises or in the Building either by Tenant or by others in the delivery or receipt of merchandise, supplies or equipment, any hand trucks except those equipped with rubber tires and side guards. No hand trucks will be allowed in passenger elevators.

19. Each tenant, before closing and leaving the Premises, shall ensure that all windows are closed and all entrance doors locked. Entrance doors shall not be left open at any time. All window blinds in each tenant's premises shall be lowered when reasonably required because of the position of the sun, during the operation of the Building air conditioning system.

20. Landlord shall have the right to prohibit any advertising by Tenant which in Landlord's opinion tends to impair the reputation of the Building or its desirability as a building for medical offices, and upon written notice from Landlord, Tenant shall refrain from or discontinue such advertising.

21. Tenant shall be required to break down, remove from Building and properly dispose of any large boxes or corrugated crates. Tenant shall not place any garbage outside its Premises in the Building hallways or common areas at any time. Tenant shall strictly comply with any recycling program which Landlord may have in place from time to time.

22. Tenant shall supply its own fire extinguishers throughout the Premises.

23. Landlord hereby reserves to itself any and all rights not granted to Tenant hereunder, including, but not limited to, the following rights which are reserved to Landlord for its purposes in operating the Building; (a) the exclusive right to the use of the name of the Building for all purposes, except that Tenant may use the name as its business address and for no other purpose; (b) the right to change the name or address of the Building, without incurring any liability to Tenant for so doing; (c) the right to install and maintain a sign or signs on the exterior of the Building or at the Real Property; (d) the exclusive right to use or dispose of the use of the roof of the Building; (e) the right to limit the space on the directory of the Building or any exterior signage to be allotted to Tenant; (f) the right to grant to anyone the right to conduct any particular business or undertaking in the Building.

24. Tenant shall have the non-exclusive right to use in common with Landlord and other Tenants of the Building and their employees and invitees the parking area provided by Landlord for the parking of passenger automobiles, other than parking spaces specifically allocated to others by Landlord. Landlord may issue parking permits, install a gate system, and impose any other system as Landlord deems necessary for the use of the parking area. Tenant agrees that it and its employees and invitees shall not park their automobiles in parking spaces allocated to others by Landlord and shall comply with such rules and regulations for use of the parking area as Landlord may from time to time prescribe. Tenant further agrees that it shall not burden the parking available for the Building and agrees that it shall not use more than four (4) parking spaces per 1,000 square feet of usable area of the Premises. Landlord shall not be responsible for any damage to or theft of any vehicle in the parking area and shall not be required to keep parking spaces clear of unauthorized vehicles or to otherwise supervise the use of the parking area. Landlord reserves the right to change any existing or future parking area, roads or driveways and may make any repairs or alterations it deems necessary to the parking area, roads and driveways and to temporarily revoke or modify the parking rights granted to Tenant hereunder.

25. The Tenant shall not use the Premises or permit the Premises to be used for the sale of food or beverages.

26. Smoking of any kind shall be prohibited at all times in the Building.

27. In the event tenant installs any type of security system within their premises, Landlord must be notified. Tenant shall provide Landlord with the appropriate access code to disarm/arm the system in order to gain access to the premises in the event of an emergency.

28. Tenant shall provide the Landlord with the names and telephone numbers of at least two (2) individuals who can be contacted after normal working hours in the event of an emergency.

EXHIBIT A

[LEASING PLAN]

NWK_NWK_201430_11a/BKLEINMAN

EXHIBIT B**COMMENCEMENT DATE AGREEMENT**

THIS COMMENCEMENT DATE AGREEMENT, made as of the ____ day of _____, 200__, by and between HANOVER ASSOCIATES a New Jersey general partnership ("Landlord"), and _____, a _____ of the State of _____ ("Tenant").

WITNESSETH:

WHEREAS, Landlord is the owner of the building located at 83 Hanover Road, Florham Park, New Jersey (the "Building"); and

WHEREAS, by that certain lease dated _____, 200__ (the "Lease"), Landlord leased a portion of the Building (the "Premises") to Tenant; and

WHEREAS, Tenant is in possession of the Premises and the Term of the Lease has commenced; and

WHEREAS, pursuant to Section 1.6 of the Lease, Landlord and Tenant agreed to enter into an agreement setting forth certain information with respect to the Premises and the Lease.

NOW, THEREFORE, Landlord and Tenant agree as follows:

1. The Commencement Date occurred on _____, 200__ and the Rent Commencement Date occurred/shall occur on _____, 200__.

2. The Term of the Lease shall expire on _____, 200__ (the "Termination Date"), unless Tenant exercises its option to extend the Term of the Lease or unless the Lease terminates earlier as provided in the Lease.

3. The Rentable Area of the Premises is _____ square feet. As a result of the fact that the Rentable Area of the Premises varies from the number estimated in the FUNDAMENTAL LEASE PROVISIONS, the Lease is hereby amended as follows:

(a) Basic Rent shall be

- (i) Lease Year 1-5 - \$22.80 per Rentable Square Foot of the Premises; \$_____ per annum in equal monthly installments of \$_____;
- (ii) Lease Year 6-10 - \$25.55 per Rentable Square Foot of the Premises; \$_____ per annum in equal monthly installments of \$_____;
- (iii) Lease Year 11-Termination Date - \$28.30 per Rentable Square Foot of the Premises; \$_____ per annum in equal monthly installments of \$_____.

(b) Tenant's Proportionate Share of Real Estate Taxes and Landlord's Operating Expenses shall be _____%, subject to exceptions as set forth in the FUNDAMENTAL LEASE PROVISIONS.

4. Capitalized terms used, but not defined, herein shall have the meanings ascribed to them in the Lease.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Commencement Date Agreement to be executed the date and year first above written.

WITNESS:

Landlord:
HANOVER ASSOCIATES
By: Janfel-JBS Corp., a General Partner

By:

WITNESS:

Tenant:
NAME

EXHIBIT C

USE RESTRICTIONS

Hanover Associates - Use Restrictions

1. Medical Uses to be Excluded:

1. Immediate medical care (facilities regularly providing medical services on a walk-in basis).
2. Overnight patient care.
3. Patient visits on Sunday.
4. Methadone clinics.
5. Drug rehabilitation.
6. Abortion clinics.
7. Uses requiring outdoor activities.

2. Medical Uses to be Permitted:

1. Acupuncture
2. Audiology
3. Adolescent Medicine
4. Allergy and Immunology
5. Ambulatory Surgery
6. Anesthesiology
7. Arthritis, Rheumatology and Musculoskeletal
8. Bariatrics
9. Cardiology
10. Cardiovascular
11. Chiropractic Medicine
12. Dental
13. Dermatology
14. Diabetes
15. Endocrinology
16. Endodontics
17. Family Practice
18. Gastroenterology
19. General Practice
20. General Surgery

21. Genetic Medicine
22. Geriatrics
23. Hand Surgery
24. Hematology
25. Hepatology
26. Hospitalist
27. Infectious Disease
28. Internal Medicine
29. Laser Vision
30. Medical Labs
31. Neonatology
32. Nephrology
33. Neurology
34. Nuclear Medicine
35. Nutrition
36. Obstetrics/Gynecology
37. Oncology
38. Ophthalmology
39. Optometry
40. Oral & Maxillofacial
41. Orthodontists
42. Orthopedics
43. Otology/neurotology
44. Otorhinolaryngology
45. Pain Management
46. Pediatrics
47. Perinatology
48. Periodontics
49. Physical Medicine and Physiatry
50. Physical, Occupational, Speech and Other Therapies
51. Plastic and Reconstructive Surgery
52. Podiatry
53. Proctology
54. Prosthodontics
55. Psychiatry & Mental Health
56. Pulmonology
57. Radiology, Imaging and Diagnostics

- 58. Reproductive Medicine
- 59. Sports Medicine
- 60. Surgeons
- 61. Thoracic
- 62. Urology
- 63. Vascular Medicine
- 64. Medical groups consisting of one or more of the above uses.
- 65. Other similar uses.

EXHIBIT D

TENANT'S WORK

A. General Conditions/Landlord Submittals:

All Tenant's improvements are subject to Landlord's reasonable approval, and shall be performed in accordance with ARTICLES IV, XI and XXXII of the Lease, as well as the provisions of this Exhibit D and Exhibit D-1. In the event of conflict between this Exhibit D and the provisions of ARTICLE XI of the Lease, the provisions of this Exhibit D shall supercede and prevail. Tenant should discuss specific thoughts about their design concept and raise any questions with "Landlord's Tenant Coordinator" (as hereafter defined) before beginning preliminary design work. Preliminary design drawings ("Design Drawings") and sign drawings, if any ("Sign Drawings") shall be submitted to Landlord within fifteen (15) days following the Effective Date of the Lease. All plan submittals, whether design drawings, construction documents, or otherwise, must comply with Landlord's required project design information, which can be obtained from Landlord's Tenant Coordinator.

Tenant is required to retain an architect and/or engineer registered in the State of New Jersey to prepare construction documents. Tenant shall notify Landlord's Tenant Coordinator of the name, address, and telephone number of the architect and/or engineer who will be preparing plans ("Tenant's Architect").

The use of jack hammers, core drilling, saw cutting or other similar types of equipment shall not be used until Landlord has been notified and has given prior written approval thereto.

All submittals shall be forwarded directly to Landlord's Tenant Coordinator at the address set forth below:

Mr. Peter Schofel
Hanover Associates
c/o Eastman Management Corp.
651 W. Mt. Pleasant Ave., Suite 110
Livingston, NJ 07039-1667

Telephone No. 973-992-7727 x304
Telecopier No. 973-992-3084

B. Plan Submittal Requirements:

For each submittal phase (design and construction documents), Tenant shall provide one (1) reproducible sepia set drawings as follows:

1. Key plan showing location of the Premises.
2. Floor plans at 1/4" scale, indicating:
 - a. Location of partitions and doors.
 - b. Location of fixtures.
 - c. Landlord's and Tenant's responsibilities (for informational purposes only).
 - d. Overall dimensions of space, column locations and ceiling heights for each space.
3. Overall sections at 1/4" scale.
4. Reflected ceiling plan at 1/4" scale, indicating:

- a. Ceiling grid and type of ceiling system.
 - b. Lighting plan and description of fixtures.
 - c. Supply and return grilles.
 - d. Other types of attachments and penetrations through the ceiling.
5. Complete mechanical plans.
6. Finish and Color Schedule - one (1) set of samples of all signage and interior materials, finishes and colors (including samples of carpet, if any, along with appropriate specifications) mounted on foamcore or card stock. All materials should be clearly labeled and referenced on an attached room finish schedule.

The following items (7 through 12) need only be submitted in connection with obtaining Landlord's approval of the Final Construction Documents:

7. Interior elevations at 1/4" scale.
8. Location and weights of heavy equipment such as medical equipment, safes, equipment, cases, refrigeration equipment and any masonry facing materials must be shown on drawings.
9. Door schedule with jamb details.
10. Plumbing plan at 1/4" scale, indicating:
 - a. Location of water supply lines and vents.
 - b. Location of drains.
 - c. Location of water closets, sinks, etc.
 - d. Single line riser diagram.
11. Mechanical plan at 1/4" scale, indicating:
 - a. Location and listing of all items requiring penetration of roof.
 - b. Location of ducts.
 - c. Method of mounting unit.
 - d. Equipment schedule.
 - e. HVAC load calculation directly on drawings.
12. Electrical plan at 1/4" scale, indicating:
 - a. Loading requirement chart in watts (included in this package).
 - b. Riser diagram, electrical details, fixture and panel schedules.
 - c. Size of conduit, wire and disconnect switch.
 - d. Complete distribution system.
 - e. Location of power and phone outlets; also indicate the total power required in watts.

f. Connected load summary - see electrical criteria as to format and include directly on drawings.

g. Mechanical and Electrical plans must be prepared by a registered engineer.

13. Detailed plan for removal of existing HVAC fixtures.

14. Detailed Sprinkler Plan.

C. Plan Review Process:

1. Landlord shall, within fourteen (14) days after its receipt of the Design Drawings and Sign Drawings, if any, provide Tenant with any comments or objections to same. If Landlord has any objections to the preliminary Design Drawings and/or Sign Drawings, it shall advise Tenant of same in sufficient detail to allow Tenant to respond to such objections, and in such case Tenant shall, within five (5) business days after receipt of Landlord's objections, revise the Design Drawings and/or Sign Drawings and submit same to Landlord. Landlord shall respond within fourteen (14) days after its receipt of any re-submission of the Design Drawings and/or Sign Drawings. Tenant acknowledges that the information required herein must be delivered to Landlord by the date set forth in Article A above in order to allow Landlord sufficient time to review the Design Drawings and Sign Drawings and to discuss with Tenant any changes therein which Landlord believes to be necessary or desirable. The process set forth herein shall continue until Landlord has approved the Design Drawings and Sign Drawings in their entirety. All such Design Drawings and Sign Drawings shall be signed and sealed by the architect and/or engineer who prepared same.

2. Within thirty (30) days following Landlord's approval of the Design Drawings and/or Sign Drawings, Tenant shall cause its architect and/or engineer to prepare working construction drawings in accordance with the Design Drawings and Sign Drawings, and submit same to Landlord for review. Landlord shall, within fourteen (14) days after its receipt of the working construction drawings, provide Tenant with any comments or objections to same. If Landlord has any objections to the working construction drawings, it shall advise Tenant of same in sufficient detail to allow Tenant to respond to Landlord's objections, and in such case Tenant shall, within five (5) business days after receipt of such objections, revise the working construction drawings and submit same to Landlord. Landlord shall respond within fourteen (14) days after its receipt of any re-submission of the working construction drawings. The process set forth herein shall continue until Landlord has approved the working construction drawings in their entirety, at which time the working construction drawings shall become the Final Construction Documents, and Tenant shall provide Landlord with five (5) sets thereof, along with an additional copy thereof in CAD format. All such Final Construction Documents shall be signed and sealed by the architect and/or engineer who prepared same, and shall be in sufficient form to enable Tenant to obtain any building permits, sign permits and other governmental approvals necessary for the performance of Tenant's Work.

3. It shall be Tenant's responsibility to ensure that the Design Drawings, the Sign Drawings and the Final Construction Documents comply with all Legal Requirements and Insurance Requirements. Landlord's review and/or approval of any plans, specifications and/or drawings shall not constitute an assumption of any responsibility by Landlord for their accuracy, safety or sufficiency, and shall in no event create an express or implied confirmation that any such plans, specifications and/or drawings have been prepared in accordance with, or that the work shown thereon or specified therein is in accordance with, either Legal Requirements or Insurance Requirements.

4. All drawings and specifications must be clearly identified with the project name, Tenant's name, Tenant suite number and seal indicating that the architect and engineer preparing these drawings is licensed by the State of New Jersey. Tenant (or Tenant's Architect or contractor) must apply for and obtain the necessary permits from all applicable governmental agencies prior to start of construction. Tenant's contractor will not be permitted to start construction until: (i) Landlord has approved Final Construction Documents; (ii) Tenant has obtained its building permits, sign permits and other governmental approvals which were issued with respect to the Final Construction Documents; and (iii) Landlord has issued the "Start Construction" notice to

the Tenant. During construction, one (1) set of drawings approved by the local authorities having jurisdiction must be kept at the site at all times.

5. Tenant shall pay to Landlord, within ten (10) days of receipt of an invoice therefor, any out-of-pocket review fees incurred by Landlord in connection with the Design Drawings, the Sign Drawings and/or the Final Construction Documents. Landlord shall not be required to issue the "Start Construction" notice to the Tenant until Tenant's payment in full of such review fees.

D. Tenant Build-Out Criteria

1. Tenant shall construct all interior partitions.
2. Procurement of building permits and all required certificate(s) of occupancy for Tenant's work and space shall be the sole responsibility of Tenant.
3. Display fixtures, furniture, desks, counters and all other items of equipment shall be provided and installed by Tenant.
4. Floor coverings to be provided and installed by Tenant.
5. Prior to starting construction, Tenant's contractor shall submit to Landlord's Tenant Coordinator Certificate(s) of Insurance (including, without limitation, Workers Compensation, General Liability, Owner's Protective Liability Insurance and Builder's Risk Insurance) in such amounts and with insurance companies as required under the Lease.
6. Union contractors may be required if Landlord believes that Tenant's failure to use union labor could cause a work stoppage elsewhere in the Building.
7. All roofing shall be done by Landlord's roofing contractor to protect roofing warranty.
8. All dumpsters to be located away from patient parking. Location to be determined by landlord. Also, all dumpsters shall be placed on wood planks so as not to damage pavement surface.
9. No contractor signs to be posted.
10. Work area and site to be cleaned at the end of each work day.
11. Landlord to be notified so that mechanical room can be entered to do necessary shut down of domestic water and/or fire sprinkler.
12. Fire sprinkler system shall remain active during construction. Landlord's Sprinkler Shutoff charge is \$400 for each shutoff.
13. All temporary electric shall be used from Tenant's submeter, or in accordance with Section 15.2.2 of the Lease.

E. Tenant's Contractor Qualifications and Procedure. Prior to the commencement of any work governed hereby, the Tenant's contractor and sub-contractors performing such work shall be accepted by the Landlord under the following provisions:

1. That the Tenant furnish in writing to the Landlord a listing of subcontractors at least seven (7) days prior to said subcontractors commencing work.
2. The Tenant shall furnish the Landlord subcontractors insurance, including Workmen's Compensation and Public Liability and Property Damage Insurance, all in the amounts and with companies conducting business in New Jersey and/or forms acceptable to Landlord.
3. Tenant's subcontractors shall where applicable maintain a license as a contractor with the municipality and all other enforcement agencies having jurisdiction.

4. Access to the demised premises for the Tenant's contractor and sub-contractors shall be during normal working hours and Tenant shall receive without charge, water, heat, ventilation or cooling but only to the extent that such services are being supplied to the Landlord at the demised premises at the time. Tenant shall pay for hoist and rubbish removal service in connection with its work. The Tenant's subcontractors may have access to the demised premises beyond normal working hours with the Landlord's approval and the Tenant shall pay utility overtime charges on an hourly basis as defined in the Lease. The Tenant shall pay Landlord all costs incurred by Landlord for maintaining Landlord's superintendents and subcontractors in the demised premises as required by codes and/or union jurisdiction for all overtime work being performed by Tenant's subcontractors.

5. The Tenant (and his contractor and subcontractors) access and entry shall be deemed to be under all of the terms, covenants, provisions and conditions of the Lease except as the covenant to pay rent.

F. Construction Rules for Tenant's Contractors

1. No Smoking. Smoking is not permitted inside or outside of the building. Smoke only in designated areas.

2. Park in designated areas only. Do not leave vehicles in loading zones, visitor parking, or reserved parking areas.

3. Deliveries (Materials, equipment and Tools), shall be restricted to the hours of 7:00 am to 9:00am, Monday through Saturday. No deliveries can be made on Sundays. Random deliveries shall take no longer the 15 minutes in a pre-approved designated area. Delivery areas will be kept clean and free of debris at all times.

Permission for deliveries that require property modification and or adjustment (Window removal etc.) must be requested in advance from the Eastman main office Tenant Service Representative 973-992-7727 ext 301.

4. Building dumpster or recycling totes are not for constructions debris. Contractor's dumpster is to be placed on wood planks in a designated area allowed by Property Management.

5. Construction activities will be coordinated daily with the Building Technician.

6. Building hours are 8:00 a.m. to 6:00 p.m., Monday through Friday. Any construction activities before/after this time must be arranged and approved through the Property Manager.

7. Construction activities related to power fastening, hammer drilling, and jack hammering, etc., are to be performed during off hours to minimize disruption to building occupants/tenants. This also pertains to painting, staining, or the application of strong odor material. These activities must be scheduled with the Building Manager. Construction dust to be held to minimum.

8. Hallway floors are to be protected with Masonite; doors are to be protected against scratches, etc. Granite floors and walls are to be protected with Homosote and Masonite. The contractor is responsible for supplying and maintaining protection. Protective materials must be removed at the end of each day and the area cleaned.

9. Entry doors to the building must be properly held open during the delivery of materials and must be closed at the end of deliveries. Please see the Management Office for specifics. (973) 992-7727 ext 301.

10. Do not use the building cleaning service's vacuums, brooms, mops, etc.

11. Do not use lavatory sinks to wash/clean contracting materials. Building lavatories are off limits.

12. All common area doors are to be closed during construction. Owner to have key for each tenant entrance door at all times in case of emergency.

13. Materials and tools must not be outside of building and must not block entranceways to the buildings.

14. Access to all mechanical and electrical rooms must be made through Property Management.

15. All contractors shall provide their own debris dumpsters and bins. The location of which shall be discussed with the Management Office before placement. (973) 992-7727. All dumpsters must be placed on wood planks to protect the pavement.

16. Any construction activity that will take place or in a tenant occupied area must be pre-arranged and scheduled through the Management Office. (973) 992-7727. The shut down of any mechanical equipment must be prearranged.

17. Alcohol and radios are not permitted on the premises.

18. Breaks and lunches are to be taken in designated areas, not in common areas. Each tenant area shall be used by tenant's G.C. and their subcontractors. Garbage must be removed from the area after lunch or breaks. The area must be kept as clean as possible at all times.

19. It is the Tenants General Contractor's responsibilities to clean, maintain, and repair tenant areas and exterior areas utilized by construction. Clean-up must be carried out on a daily basis, and the contractor will be back charged if Building Management has to perform this clean-up. Any common area repairs will be done to the satisfaction of Building Management.

20. Contractors needing roof access must arrange access with the Management Office. (973) 992-7727. Tenant contractor must use owners roofer. When work on the roof is complete, an inspection of the work area will then be conducted jointly by the Building Technician and Contractor.

21. The General Contractor is responsible to clean-up the designated parking area on a daily basis, and will be back charged if Building Management has to perform this clean-up.

22. While working in the common area, the area immediately around the work area must be appropriately marked with warning signs.

23. OSHA/UL approved trade tools and equipment must be used. All work must be performed in accordance with OSHA regulation at all times. Safety is a critical issue. Management will have the right to remove contractor for not following OSHA regulations

24. The Contractor is to provide adequate temporary safety signage where needed depending on nature of work, i.e., wet paint signs. Contractor advertising signs are not to be installed on the property except on work vehicles.

25. If glazing is removed for loading of materials the contractor is responsible for protection of all adjoining surfaces, repair and/or replacements of any damage, and a one (1) year guarantee against defects for items disturbed.

26. Work associated with the roofing membrane must be performed by owners roofing contractor, with written proof of this authorization required before any work commences; this requirement is to maintain the building roof guarantee.

27. All HVAC control work is to be performed after review with Building Management and Project Manager.

28. No wiring, cable, conduit, etc., shall be acceptable or accepted if laid in ceiling grid, tied or "caddy" clipped to any ceiling grid suspension wire or mechanical supports. All connections and supports will be made directly to building steel or concrete slab at four (4) foot intervals or per code. Any and all work found improperly installed shall be rejected and removed, reinforced and rehung at the sole expense of the contractor.

29. Contractor shall insure that it's employees or subcontractors:

- A. Do not use offensive, inappropriate, or loud language in or around the work area
- B. Dress appropriately
- C. Keep visitors to a minimum
- D. Provide appropriate insurance coverage
- E. Shall not create unsafe conditions for occupants and visitors to the building grounds

30. A Fire Sprinkler shut down fee in the amount commensurate with the complexity of the shut down will be charged per shut down. Sprinklers will not be allowed to remain shut down overnight.

31. Submit Company Safety Plan for record and one (1) copy to remain on site. All accidents must be reported in writing to property management within 3 hours of occurrence.
32. First Aid Kit and fire extinguisher to remain on site and be maintained on site during construction activities
33. Furnish copy of permit and certificate of occupancy to Property management.
34. Submit AS BUILT DRAWINGS within 15 days after completion of work to Property Management.
35. Submit Insurance Certificate per attached limits and name additional insured Five Regent Park Associates, Eastman Construction Company Inc, Eastman Management Company Inc.
36. Prior to work there will be a pre-construction meeting on site with Tenant and their G.C / Subs and a list of General and all subcontractors that will be performing work on site will be made available to Eastman with contact and telephone information

ACCEPTED BY TENANT

Name of Tenant _____

Tenant Signature _____

Dated _____

Contractor Insurance Certificate Requirements:

<u>FORM OF COVERAGE:</u>	<u>MINIMUM LIMITS OF LIABILITY</u>
A. Worker's Compensation	Statutory
B. Employers Liability	\$ 2,000,000
C. Comprehensive General Liability Including Coverage for: Premises – Operations, **Explosion & Collapse **Underground Products/completed operations Contractual Liability Broad form property damage Independent Contractors Personal Injury Bodily injury & Property Damage Combined Single Limit	\$1,000,000
**Mandatory where M&C manual class indicates XC or U	
D. Comprehensive Automobile Liability (Covering Owned, Non-Owned, or Hired Vehicles) Bodily Injury & Property Damage	\$500,000 Combined Single Limit
E. Umbrella	\$1,000,000

INDICATE DESCRIPTION OF OPERATION & JOB LOCATION ON CERTIFICATE:

Certificate should show as additional insured's:

Property Owner Hanover Associates
Management Company Eastman Management Corp.,

Please mail certificate to:
C/O Eastman Management Corp
651 West Mount Pleasant Avenue
Suite 110
Livingston, NJ 07039
ATTN: Donna Krumenaker
or fax to:(973) 992-3084

EXHIBIT D-1

[TENANT'S PROPOSED SPACE PLAN]

EXHIBIT E

FORM OF LETTER OF CREDIT

Irrevocable Standby Letter of Credit No. _____

Beneficiary:

Issuance Date:

Landlord Name

Address

Accountee/Applicant:

Tenant's Name

Address

Ladies and Gentlemen:

We hereby establish our irrevocable letter of credit no. _____ in your favor for the account of _____ [Tenant's Name] for an amount not to exceed in the aggregate \$ _____ [amount in words U.S. Dollars].

Funds under this credit are available against presentation of a draw request.

This Letter of Credit expires and is payable at the office of _____ [Issuing Bank's name, address, department, and fax number], on or prior to _____ [enter the Expiration Date], or any extended date as hereinafter provided for (the "Expiration Date").

It is a condition of this letter of credit that the Expiration Date will be automatically extended without amendment for one year from the Expiration Date hereof, or any future Expiration Date, unless at least thirty (30) days prior to any Expiration Date we notify you by registered mail, return receipt requested, or overnight courier service with proof of delivery to the address shown above, Attention: _____, and notify _____, in the same delivery method, that we elect not to extend the Expiration Date of this letter of credit. Upon your receipt of such notification, or upon Tenant's failure to provide a replacement Letter of Credit at least thirty (30) days prior to the Expiration Date of this Letter of Credit, you may draw against this Letter of Credit by presentation of a draw request.

Demands presented by fax (to fax number _____) are acceptable.

Drawing(s) in compliance with all of the terms of this Letter of Credit, presented prior to 11:00 a.m., east coast time, on a Business Day (as hereinafter defined), shall be made to the account number or address designated by you of the amount specified, in immediately available funds, on the same Business Day. As used herein, "Business Day" shall be defined as Monday through Saturday, except for New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day and Christmas Day.

Drawing(s) in compliance with all of the terms of this Letter of Credit, presented on or after 11:00 a.m., east coast time, on a Business Day, shall be made to the account number or address designated by you of the amount specified, in immediately available funds, on the following Business Day.

This Letter of Credit is transferable without charge to you. Transfer must be requested in accordance with our transfer form, which is attached as Attachment A. This Letter of Credit is transferable provided that such transfer would not violate any governmental rule, order or regulation applicable to us.

We hereby engage with you that documents (including fax documents) presented in compliance with the terms and conditions of this Letter of Credit will be duly honored if presented to our bank on or before the Expiration Date of this Letter of Credit, which is _____.

Multiple and partial drawings are permitted.

This Letter of Credit is subject to the International Standby Practices 1998, International Chamber of Commerce Publication No. 590.

[Issuing Bank's name]

By: _____
Name: _____
Title: _____

Attachment A to Letter of Credit

Irrevocable Standby Letter of Credit No. _____

Date: _____

To:

Name of Issuing Bank

Address

Ladies and Gentlemen:

Re: Irrevocable Standby Letter of Credit No. _____

For value received, the undersigned beneficiary hereby irrevocably transfers to:

_____ [Name of Transferee]

_____ [Address]

_____ [City, State, Zip Code]

all rights of the undersigned beneficiary to draw under the above Letter of Credit in its entirety.

By this transfer, all rights of the undersigned beneficiary in such Letter of Credit are transferred to the transferee and the transferee shall have the sole rights as beneficiary thereof, including sole rights relating to any amendments whether increases or extensions or other amendments and whether now existing or hereafter made. All amendments are to be advised direct to the transferee without necessity of any consent of or notice to the undersigned beneficiary.

We ask that you forward to the transferee a replacement Letter of Credit naming the new beneficiary thereon.

Very truly yours,

[Beneficiary's name]

By: _____

Name: _____

Title: _____

**FIRST AMENDMENT OF
AGREEMENT OF LEASE
As of October 1, 2008**

Between: **Hanover Associates (Landlord)**
a New Jersey general partnership
c/o Eastman Management Corporation
651 West Mount Pleasant Avenue
Livingston, New Jersey 07039

And: **Florham Park Surgery Center, LLC**
A New Jersey limited liability company
83 Hanover Road
Florham Park, New Jersey 07932

RE: Lease dated October 30, 2007

WITNESSETH

WHEREAS, on October 30, 2007, the parties entered into a certain Agreement of Lease (the "Original Lease") for Tenant's use and occupancy of certain premises at 83 Hanover Road, Florham Park, New Jersey (the "Premises"); and

WHEREAS, the Premises are reflected on Schedule A annexed hereto; and

WHEREAS, the parties desire to amend certain provisions of the Original Lease as herein set forth.

1. Notwithstanding the **FUNDAMENTAL LEASE PROVISIONS** set forth in the Original Lease, the parties agree as follows:

- A. The Rentable Area of the Premises is 15,230 square feet.
- B. The Termination Date is September 30, 2024.
- C. Basic Rent is:

Lease Year 1 – 5 – \$22.80 per Rentable Square Foot of the Premises (subject to Section 1.5 of this Lease); Three Hundred Forty-Seven Thousand Two Hundred Forty-Four (\$347,244.00) Dollars per annum in equal monthly installments of Twenty-Eight Thousand Nine Hundred Thirty-Seven (\$28,937.00) Dollars.

Lease Year 6 – 10 - \$25.55 per Rentable Square Foot of the Premises; Three Hundred Eighty-Nine Thousand One Hundred Twenty-Six and 50/100 (\$389,126.50) Dollars per annum in equal monthly installments of Thirty-Two Thousand Four Hundred Twenty-Seven and 21/100 (\$32,427.21) Dollars.

Lease Year 11 – Termination Date - \$28.30 per Rentable Square Foot of the Premises; Four Hundred Thirty-One Thousand Nine (\$431,009.00) Dollars per annum in equal monthly installments of Thirty-Five Thousand Nine Hundred Seventeen and 42/100 (\$35,917.42) Dollars.

- D. Tenant's Proportionate Share, except as set forth in the FUNDAMENTAL LEASE PROVISIONS is 27.69%. Estimated Additional Rent during the first calendar year of the Term of the Lease is \$9,709.13 per month.

2. The following Definition as set forth in the Original Lease shall be deleted and replaced with the following:

"LEASE YEAR"

LEASE YEAR shall mean the period beginning on October 1 of each year during the Term, beginning on October 1, 2008, and ending on the next succeeding September 30. Lease Year 1 shall mean the period beginning on October 1, 2008 and ending on September 30, 2009. Lease Year 2 shall mean the period beginning on October 1, 2009 and ending on September 30, 2010. Each subsequent annual period during the Term shall be considered the consecutively numbered Lease Year.

3. Full Rent shall commence on October 1, 2008.

4. Section 2.7 of the Original Lease shall be deleted and replaced with the following:

2.7 Notwithstanding any provision hereof, Tenant agrees to abide by any restrictions imposed by the municipality upon the days or hours the Tenant's business may be open to the public in the Premises. The Borough of Florham Park has restricted the hours of operation for scheduled patient visits to the hours of 8:00 a.m. to 6:00 p.m. Monday to Friday and 9:00 a.m. to 3:00 p.m. on Saturday, and the hours of deliveries to 8:00 a.m. to 4:00 p.m.

5. There shall be added to the Original Lease the following:

2.9 Tenant covenants and agrees to abide by the terms of the Patient Transport Protocol as approved by the Borough of Florham Park, and annexed hereto as Exhibit B.

6. Tenant consents to the substitution of Exhibit C as annexed hereto.

7. Capitalized terms used herein shall have the meanings set forth in the Original Lease, unless otherwise defined herein.

8. In all other respects, except as expressly modified herein, the Original Lease is hereby ratified and confirmed.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have hereunto set their hands on the date first written above.

WITNESS:

Melinda Switzer

Landlord:

HANOVER ASSOCIATES

By: Janfel JBS Corp., a General Partner

By: [Signature]

WITNESS:

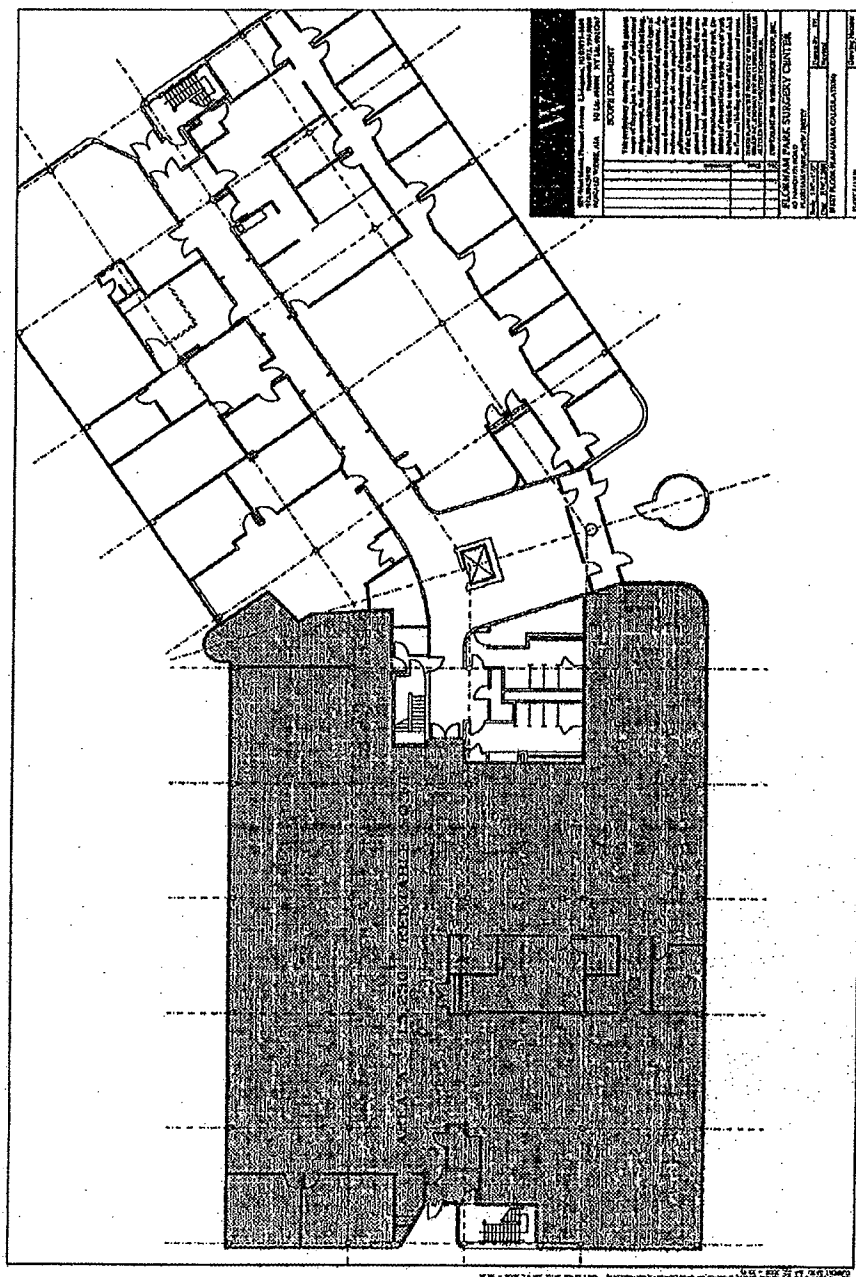
Kin Bair

Tenant:

FLORHAM PARK SURGERY CENTER, LLC

By: [Signature]

EXHIBIT A



NWK 212927.4

EXHIBIT B

83 HANOVER ROAD MEDICAL BUILDING

**PATIENT TRANSPORT PROTOCOL
AS REQUIRED BY
BOROUGH OF FLORHAM PARK**

The provisions of this protocol are designed to maximize the efficiency of patient drop offs and pickups and to minimize idling of vehicles and standing at entryway curbside while waiting for patients at 83 Hanover Road, Florham Park.

1. Patient pickups are by advance appointment only.
2. Upon drop off of a patient, vehicles are to leave the site. If a vehicle must remain on site, it must park in one of the three designated parking spaces on the opposite side of the building from the entrances, at the southerly side of the site. Engines and lights must be shut off while on site and not moving. If vehicle windows are opened, radio or other noise must be kept to a minimum.
3. Upon drop off of a patient, the vehicle driver must provide the patient with a card containing the driver's cell phone number. A call will be placed to the driver by the patient or the doctor's office when the patient is ready to be picked up.
4. N.J.S.A.39:3-70.2 prohibits idling by certain vehicles. Please comply with the law.

1102872

EXHIBIT C

USE RESTRICTIONS

Hanover Associates – Use Restrictions

1. Medical Uses to be Excluded

1. Immediate medical care (facilities regularly providing medical services on a walk-in basis).
2. Overnight patient care.
3. Patient visits on Sunday.
4. Methadone clinics.
5. Drug rehabilitation.
6. Abortion clinics.
7. Uses requiring outdoor activities.

2. Medical Uses to be Permitted:

1. Acupuncture
2. Audiology
3. Adolescent Medicine
4. Allergy and Immunology
5. Ambulatory Surgery
6. Anesthesiology
7. Arthritis, Rheumatology and Musculoskeletal
8. Bariatrics
9. Cardiology
10. Cardiothoracic Surgery
11. Cardiovascular
12. Chiropractic Medicine
13. Dental
14. Dermatology
15. Diabetes
16. Endocrinology
17. Endodontics
18. Family Practice
19. Gastroenterology
20. General Medical Billing and Administrative Services
21. General Practice
22. Genetic Medicine and Counseling
23. Geriatrics
24. Hand Surgery
25. Hematology
26. Hepatology
27. Hospitalist
28. Infectious Disease
29. Internal Medicine

30. Laser Vision
31. Medical Labs that do not involve animals
32. Neonatology
33. Nephrology
34. Neurology
35. Nuclear Medicine
36. Nutrition
37. Obstetrics/Gynecology
38. Oncology
39. Ophthalmology
40. Optometry
41. Oral & Maxillofacial Surgeons
42. Orthodontists
43. Orthopedics
44. Otology/neurotology
45. Otorhinolaryngology
46. Pain Management
47. Pediatrics
48. Perinatology
49. Periodontics
50. Physical Medicine and Physiatry
51. Physical, Occupational, Speech and Other Therapies
52. Plastic and Reconstructive Surgery
53. Podiatry
54. Proctology
55. Prosthodontics
56. Psychiatry & Mental Health
57. Pulmonology
58. Radiation Oncology
59. Radiology, Imaging and Diagnostics
60. Reproductive Medicine
61. Sports Medicine
62. Surgeons related to practices in this approved list
63. Thoracic Surgery
64. Ultrasound Centers
65. Urology
66. Vascular Medicine
67. Medical groups consisting of one or more of the above uses.
68. Other uses similar to those enumerated above.

EXECUTION COPY

**SECOND AMENDMENT OF
AGREEMENT OF LEASE
February 2, 2009**

Between: **Hanover Associates (Landlord)**
a New Jersey general partnership
c/o Eastman Management Corporation
651 West Mount Pleasant Avenue
Livingston, New Jersey 07039

And: **Florham Park Surgery Center, LLC (Tenant)**
A New Jersey limited liability company
83 Hanover Road
Florham Park, New Jersey 07932

RE: Lease dated October 30, 2007
First Amendment dated as of October 1, 2008

WITNESSETH

WHEREAS, on October 30, 2007, the parties entered into a certain Agreement of Lease (the "Original Lease") for Tenant's use and occupancy of certain premises at 83 Hanover Road, Florham Park, New Jersey (the "Premises"); and

WHEREAS, the original Lease was amended in accordance with the First Amendment of Agreement of Lease dated as of October 1, 2008 (the "First Amendment", and, together with the Original Lease, the "Lease").

WHEREAS, the parties desire to amend certain provisions of the Lease as herein set forth.

1. Notwithstanding the provisions of Section 4.3 of the Lease, the Tenant Improvement Allowance shall be paid to the Tenant upon execution of this Amendment by both parties.
2. The parties acknowledge and agree that all lien waivers required in accordance with Section 4.3 of the Lease have not been received. Tenant will exercise reasonable efforts to obtain all necessary lien waivers as soon as practicable hereafter.
3. Landlord has agreed to perform Tenant's responsibility for the erection of a roof screen to shield the HVAC unit installed on the rooftop as part of Tenant's Work. The reasonable costs thereof shall be shared by Landlord and Tenant in accordance with this Paragraph 3. The sum of \$45,000.00 shall be deducted from the Tenant Improvement Allowance to be used as Tenant's minimum contribution toward Tenant's share of such costs. Landlord shall be responsible for the next \$45,000.00 in costs. In the event Landlord determines that the reasonable costs are expected to exceed \$90,000.00, Landlord shall inform Tenant and the parties shall work together cooperatively and in good faith in attempting to limit the cost to no more than \$90,000.00 and, failing which, to agree to share any excess equally.
4. Attached hereto as Schedule A is the agreed punch-list for Tenant's Work. Tenant agrees to complete all work listed on Schedule A as soon as practicable in accordance with Section 4.3 of the Lease. Upon satisfactory completion of such work, and delivery of all applicable lien waivers, the hold back shown in Paragraph 5 shall be promptly returned.

5. The Tenant Improvement Allowance is as follows:

Due per Lease	\$319,825.00
HVAC Reimbursement	450,000.00
Reimbursement to Landlord for work performed by Landlord as listed on Schedule B annexed hereto	(17,948.78)
Construction Supervision Fee	(50,000.00)
Tenant contribution to Roof Screen	(45,000.00)
Hold back for Punch List	<u>(29,135.00)</u>
 Paid to Tenant on Execution	 \$627,741.22

6. Capitalized terms used herein shall have the meanings set forth in the Lease, unless otherwise defined herein.

7. Upon execution hereof by Tenant, Tenant shall execute and deliver to Landlord the estoppel attached hereto as Schedule C.

8. In all other respects, except as expressly modified herein, the Lease is hereby ratified and confirmed.

IN WITNESS WHEREOF, the parties have hereunto set their hands on the date first written above.

WITNESS:

Melinda Skelton

Landlord:

HANOVER ASSOCIATES

By: Janfel-JBS Corp., a General Partner

Peter Schotely, Jr.
By: Peter Schotely

WITNESS:

[Signature]

Tenant:

FLORHAM PARK SURGERY CENTER, LLC

[Signature]
By:

EXECUTION COPY

**SCHEDULE A
Punch-List**

<u>Florham Park Surgery Center – 83 Hanover Road</u>	<u>Cost</u>
Flashing and membrane where through the wall units were removed as detailed by Architect.	\$22,491.00
Repair damage to exterior façade.	\$650.00
Remove and replace asphalt at driveway where gas main was installed.	\$1,994.00
Installation of water sub-meter and remote meter in common area Janitor's closet.	\$1,285.00
Walkway pad around new HVAC unit on roof.	\$1,250.00
Miscellaneous work (tar on ladder to roof and floor area, electric switch (second floor) was relocated, but was never connected).	\$500.00
"As built" drawings/CD	\$0.00
Aluminum partition caps at window.	\$965.00
Total Construction Costs	<u>\$29,135.00</u>

EXECUTION COPY

Schedule B

Work Completed by Landlord:	Cost
Lawn Sprinkler Repair	\$455.35
Curbs at generator	\$1,570.00
Fence at generator	\$1,946.84
Overtime electric service	\$3,996.77
Fire Alarm Panel Relocated	\$500.00
Electric -Usage from bldg permit date (3/21/08) -	
\$1500 per month---to 9/30/08	\$9,000.00
Fire Extinguisher Tagging	\$79.82
Shutdown sprinkler for Fire Final	\$400.00
TOTAL	\$17,948.78

Schedule C

ESTOPPEL CERTIFICATE

RE: Lease dated October 30, 2007, between HANOVER ASSOCIATES ("Landlord"), as Landlord, and FLORHAM PARK SURGERY CENTER, LLC ("Tenant"), as Tenant

AMENDMENTS: First Amendment of Agreement of Lease dated as of October 1, 2008;
Second Amendment of Agreement of Lease dated January 2, 2009.
Feb

PREMISES: 83 Hanover Road, Florham Park, NJ

Said lease, as so amended, is herein referred to as the "Lease".

Tenant hereby certifies to UNION CENTER NATIONAL BANK ("Lender"), as follows:

1. Tenant is the holder of the tenant's interest under the Lease, and the Lease is in full force and effect.
2. Tenant is presently in possession of the Premises, the term of the Lease commenced on October 1, 2008, and is presently scheduled to expire on September 30, 2024. Tenant has options to extend the term of the Lease for two (2) extension periods of five (5) years each.
3. To Tenant's knowledge, (a) neither Landlord nor Tenant is presently in default under the Lease, and (b) Tenant presently has no defense, setoff or counterclaim against Landlord arising out of the Lease.
4. The monthly basic rent currently being paid by Tenant under the Lease, in the amount of \$28,937.00, has been paid through the month of January, 2009, and no rent has been paid more than one month in advance. All additional rent currently due and payable pursuant to the Lease has been paid.
5. A \$275,000.00 Irrevocable Stand By Letter of Credit has been delivered as Tenant's Security Deposit under the Lease.
6. The Lease has not been assigned by Tenant, nor modified, supplemented or amended, and constitutes the entire agreement between Landlord and Tenant with respect to the Premises, except for NONE.
7. All improvements required under the Lease to be made by Landlord have been completed to the satisfaction of Tenant, and all required contributions by Landlord for tenant improvements have been received by Tenant.

8. Tenant acknowledges that it has received notice that the Lease will be assigned to Lender, and Tenant has not received notice of any prior assignment, hypothecation or pledge of the Lease or the rents, income, or deposits arising thereunder.

9. The Lease does not contain any options, or rights of first refusal, to purchase the Premises.

10. To Tenant's knowledge, Tenant's use, maintenance and operation of the Premises complies in all material respects with applicable federal, state, county and municipal laws and regulations relating to environment, health and safety.

11. To Tenant's knowledge, Tenant has not stored or discharged any hazardous or toxic wastes or substances (other than standard cleaning materials, materials held for sale in the ordinary course of business and similar items) on any part of the Premises.

12. Tenant has not received written notice of violation of any federal, state, county or municipal laws, regulations, ordinances, orders or directives relating to the use of condition of the real estate of the Demised Premises, that remains uncured, except NONE.

13. Except as provided in the Lease, Tenant is not entitled to, and has made no agreement with Landlord or its agents or employees concerning, free rent, partial rent, rebate of rental payments, credit or offset or deduction in rent, or any other type of rental concession.

14. No actions, voluntary or otherwise, are pending against Tenant under the bankruptcy laws of the United States or any state.

15. This Estoppel Certificate is being executed and delivered by Tenant with the understanding that the above statements will be relied on by Lender.

DATED:

2/2/09

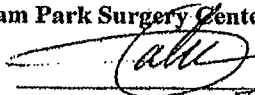
TENANT:

Florham Park Surgery Center, LLC

By:

Name:

Its:


JAMES LEE

EXECUTION COPY

GUARANTY OF LEASE

THIS GUARANTY OF LEASE (the "Guaranty") is made on ^{Feb} January 2, 2009, by James Lee, MD residing at ~~366 HARDENBURGH AVE, DEMAREST, NJ~~ ^{15 Kensington Ct Warren NJ} (the "Lee"), and Andrew Baik, MD, residing at ^{15 Kensington Ct Warren NJ} (the "Baik"), and, together with Lee, the "Guarantors", in favor of Hanover Associates, a New Jersey general partnership, having a principal place of business at c/o Eastman Management Corporation, 651 West Mt. Pleasant Avenue, Livingston, New Jersey 07039 (the "Landlord").

WITNESSETH:

WHEREAS, by Lease dated October 30, 2007 (the "Original Lease"), as amended October 1, 2008 (the "First Amendment") and January __, 2009 (the "Second Amendment"), and collectively, with the Original Lease, the "Lease"), the Landlord did lease to Florham Park Surgery Center, LLC (the "Tenant"), certain premises located in the building at 83 Hanover Road, Florham Park, New Jersey (the "Premises"); and

WHEREAS, the Original Lease provided that upon satisfaction of certain conditions (the "Conditions") Landlord was to pay to Tenant a certain Tenant Improvement Allowance; and

WHEREAS, certain of the Conditions have been satisfied, certain of the Conditions have not been satisfied, but the Tenant has requested that the Landlord pay the Tenant Improvement Allowance before satisfying all of the Conditions; and

WHEREAS, based on the Second Amendment the Landlord has agreed to pay the Tenant Improvement Allowance to the Tenant subject to the receipt of the Guaranty from the Guarantors as hereinafter set forth.

NOW, THEREFORE, in order to induce Landlord to disburse the Tenant Improvement Allowance as set forth in the Original Lease and the Second Amendment (the "Disbursed Amount"), the Guarantors, jointly and severally, agree as follows:

1. Subject to the provisions of Paragraph 5 hereof, Lee and Baik hereby unconditionally and absolutely, jointly and severally, guarantee to Landlord, its successors and assigns, the full, prompt and complete payment by Tenant of any Basic Rent, Additional Rent and any other payments due under the Lease, and the prompt, faithful and complete performance and observance by Tenant of all of the terms, covenants and conditions of the Lease on the Tenant's part to be performed or observed.

2. The Guarantors covenant and agree to exercise reasonable efforts to obtain all necessary lien waivers as set forth in Section 4.3 of the Lease (the "Lien Waiver Condition") as soon as practicable hereafter.

3. The Guarantors hereby guarantee the prompt, faithful and complete performance and observance by Tenant of all of the provisions of Article XXXII of the Lease, including, but not limited to, the obligation to indemnify and hold harmless the Landlord from and against any and all claims arising from any construction liens for work performed in connection with

Tenant's Work. The provisions of this Paragraph 3 shall survive the expiration or termination of this Guaranty, but liability under this Paragraph 3 shall not exceed the Disbursed Amount.

4. The Guarantors covenant and agree to cause the Tenant to complete the punch-list items set forth on Schedule A annexed hereto and to guaranty Tenant's obligations to complete such punch-list items. The provisions of this Paragraph 4 shall survive the expiration or termination of this Guaranty.

5. Upon receipt of final licensure of the Tenant to operate an Ambulatory Surgery Facility in the Premises, this Guaranty shall, except as set forth in Paragraph 3 and Paragraph 4 hereof, terminate and expire and be thereafter null and void and of no further force or effect.

6. Guarantors do hereby waive notice of any and all defaults on the part of Tenant, acceptance and notice of acceptance of this Guaranty, and all demands for payment or performance. Guarantors agree that no delay on the part of Landlord in enforcing any of its rights or remedies or insisting thereupon, nor any extension of time nor any changes or modifications in or to, or in connection with the Lease, shall in any way limit, affect or impair the liability of Guarantors hereunder; and Guarantors hereby expressly consent to and approve thereof, with the same force and effect as though written consent had been given to each of such delays, extensions, changes and modifications.

7. This Guaranty is independent of and in addition to any security or other remedies which Landlord has or may have for the performance of any of the obligations on the part of the Tenant. Guarantors agree that Landlord shall not be required to resort to any other security or other remedies before proceeding upon this Guaranty, and that Landlord may proceed hereunder against either or both of the Guarantors at any time it sees fit, independently of or concurrently with any other remedies it may have.

8. The liability of the Guarantors hereunder shall in no way be affected by (a) the release or discharge of the Tenant in any creditors, receivership, bankruptcy or other proceedings (b) the impairment, limitation or modification of the liability of the Tenant or the estate of the Tenant in bankruptcy, or of any remedy for the enforcement of the Tenant's said liability under the Lease, resulting from the operation of any present or future provisions of the Bankruptcy Code or other statute or from the decision in any court; (c) the rejection or disaffirmance of the Lease in any such proceeding; (d) the assignment or transfer of the Lease by the Tenant; (e) any disability or other defense of the Tenant, or (f) the cessation from any cause whatsoever of the liability of the Tenant.

9. This Guaranty may not be changed, modified, discharged or terminated orally or in any manner other than by an agreement in writing signed by the Guarantors and the Landlord.

10. In the event suit or action is brought upon or in connection with the enforcement of this Guaranty, Guarantors shall pay upon the final judgment in favor of Landlord, not subject to appeal, the reasonable attorneys' fees and all court costs incurred by Landlord.

11. This Guaranty shall inure to the benefit of Landlord, its successors and assigns, and any successor to the interest of Landlord under the Lease.

12. Guarantors agree that they will, at any time and from time to time, within ten (10) business days following written request by Landlord, execute, acknowledge and deliver to Landlord a statement certifying that this Guaranty is unmodified and in full force and effect (or if there has been any modification, that the same is in full force and effect as modified and stating such modification). Guarantors agree that such certificate may be relied on by anyone holding or proposing to acquire any interest in the Premises from or through Landlord or by any mortgagee or prospective mortgagee of any such premises or any interest therein.

13. If Guarantors fail to pay any amount payable under this Guaranty when due, interest on such amount shall accrue from the date such amount was due until paid at the highest legal rate chargeable to Guarantor in the State of New Jersey.

IN WITNESS WHEREOF, the Guarantors have duly executed this Guaranty on this _____ day of January, 2009.

WITNESS:

Name:

Name:

James Lee, MD

Andrew Baik, MD