

LEASE AGREEMENT

This Lease Agreement executed this 18th day of Apr^{il}, 2006, between KBA LIMITED, hereinafter called "LESSOR"; and, VERMILION COUNTY HEALTH, hereinafter called "LESSEE".

WITNESSETH: That the Lessor, for and in consideration of the rent, covenants and agreements hereinafter specified to be paid, kept and performed by the Lessee, hereby leases to the Lessee, and the Lessee hereby leases from the Lessor, the premises hereinafter described upon the terms and conditions herein set forth.

I. Description of Premises

1. The Leased premises is located at 102 North 1st Avenue, Hoopeston, Illinois 60942, and more particularly described as follows:

Administrative office space except for conference room and file room and including parking spaces in front of office.

2. The above described premises, together with any and all buildings and improvements are herein referred to as the "Leased Premises".

II. Term of Lease

1. The term of this Lease shall be for a period of 36 months, commencing on the 1st day of January, 2007, and terminating on the last day of December, 2009, unless said term shall be sooner terminated or extended as hereinafter provided.

III. Rent

1. The Lessee agrees to pay to the Lessor monthly installments of \$1,000.00 per month, with the first payment to be paid on January 1, 2007 and \$1,000.00 per month thereafter on the first day of each month up to and including December, 2009. The rent shall be paid on the first day of each calendar month during the term of this Lease at such place as the Lessor may designate.

IV. Taxes

1. The Lessor shall pay all real estate taxes and special assessments against said real estate which may hereafter be levied or assessed upon or against the land and buildings. Lessee shall pay all taxes arising out of, from or by virtue of the occupancy, use or possession of the Leased Premises, or which may be levied or assessed by any taxing authority upon or against the income earned by the Lessee from the Leased Premises.

V. Utilities

1. The Lessor agrees to pay all utilities during the term of the Lease except for telephone and internet service.

VI. Insurance

1. The Lessee shall at all times during the term of this Lease keep and maintain in force public liability insurance providing protection to the Lessor in the following amounts: (1) as respects injuries to persons, \$300,000.00 for any one person and \$1,000,000.00 for any one accident involving two or more persons, and (2) as respects damage to property \$100,000.00 for any one accident. Certificates of insurance evidencing such policies shall indicate that Lessor is an additional insured and Lessor shall receive twenty (20) days prior written notice of cancellation or modification, and shall be kept on deposit with the Lessor and the premium therefor shall be paid by the Lessee. Should a lapse in coverage occur, Lessor shall have the right but not the duty, to purchase the insurance coverage required of Lessee and charge the reasonable expense thereof as additional rent to Lessee.

VII. Use and Maintenance of the Leased Premises

1. Lessee covenants that throughout the term hereof that at his sole cost and expense to keep and maintain all window glass and the ceilings, doors, and door frames and inside walls of the Leased Premises, in good repair, order and condition, making all repairs thereto as may be required; all repairs to be of the same quality, design and class as the original work. At the expiration of this six-month Lease, Lessee shall surrender the Leased Premises in good condition and broom clean, responsible wear and tear, acts of God and other such casualties excepted. The Lessee shall be responsible for maintaining the premises in a neat and well groomed condition.

2. Lessee shall not make or permit to be made any alterations, improvements, and/or additions of any kind or nature to the structural parts of the Leased Premises except by and with the prior written consent of Lessor which consent shall not be unreasonably withheld. Lessee shall be permitted to make any alterations, improvements, and/or additions of any kind or nature to the non-structural parts of the Leased Premises, without the prior consent of Lessor. All alterations, improvements and additions to the Leased Premises shall be made in accordance with all applicable laws, and shall at once when made or installed be deemed to have become the property of Lessor and shall remain for the benefit of Lessor at the end of the term, or other expiration of this Lease, in as good order and condition as they were when installed, reasonable wear and tear, acts of god and other such casualties excepted. In the event of making such alterations, improvements and/or additions as herein provided, Lessee shall indemnify and save harmless Lessor from all expenses, liens, claims or damages to either persons or property arising out of, or resulting from the undertaking or making of said alterations, additions, and improvements.

3. The Lessee may place and maintain in and about the Leased Premises such neat and appropriate signs advertising its business as it shall desire, normal wear and tear, acts of God and other such casualties excepted. Upon the termination of this Lease, the Lessee shall remove all signs and repair any damage to the Leased Premises caused by the erection, maintenance or removal of the signs; normal wear and tear, acts of god and other such casualty excepted. Lessee shall be permitted, at Lessee's sole cost and expense, to paint the Leased Premises with Lessor's standard color scheme.

4. The Lessee may use and occupy the Leased Premises for any lawful purpose and may conduct thereon any lawful business. The Lessee shall comply with and observe all laws, ordinances or regulations of duly constituted public authorities, which are now or which may hereafter be enacted or promulgated, and which in any manner affect the Leased Premises or the use thereof. The Lessee shall, in all events, indemnify and hold harmless the Lessor from the consequence of any violation of such laws, ordinances or regulations.

5. The Lessee shall not permit any mechanic's laborer's, materialmen's or other liens to remain outstanding against the Leased Premises for any labor performed or material furnished to or at the

instance of the Lessee, or claimed to have been so performed or furnished. The Lessee may, however, contest the validity of any such lien or claim, provided the Lessee shall give such reasonable security to the Lessor as may be reasonably demanded by the Lessor to insure the payment of such lien or claimed lien and to prevent any sale, foreclosure or forfeiture of the Leased Premises or any part thereof by reason of such lien or claims, and to indemnify the Lessor against any loss, reasonable attorneys' fee and other cost and expense suffered or incurred by the Lessor as a result of such contest of the lien or claim. Upon the final determination of the validity of any such lien or claims, the Lessee shall immediately pay any judgment or decree rendered in favor of the Lienholder or Claimant.

6. The Lessor and/or his designated agent, shall have the right upon twenty-four (24) hours prior written notice, except for emergencies, to enter upon the Leased Premises to inspect the same, and to make any repairs which are necessary.

VIII. Assignments and Subleases

1. The Lessee may not sublease or assign the Leased Premises to any of its subsidiaries or affiliated companies or any other person without the prior written consent of Lessor, which consent shall not be unreasonably withheld or delayed.

IX. Indemnification and Exoneration

1. Lessee shall defend, indemnify and hold harmless from and against any claim, loss, expense or damage to any person or property in or upon the Leased Premises arising out of Lessee's use or occupancy of said Leased Premises, or any willful or negligent act or neglect of Lessee or Lessee's servants, employees or agents.

X. Environmental Compliance

1. The Lessee agrees that the Lessee will remain in environmental compliance with all of the laws and regulations of the State of Illinois and the United States Government, and shall not allow any pollutants, meaning any hazardous or toxic substances, materials, waste, including without limitation asbestos and pcbs, which is or becomes regulated by a local government authority, the State of Illinois or the United States Government, including without limitation any federal, state or local statutory or common laws relating to pollution or

protection of the environment, including without limitation, any common law of nuisance or trespass, and any law or regulation relating to emissions, discharges, releases or threatened release of pollutants, contaminants or chemicals, or industrial, toxic or hazardous substances or waste into the environment (including without limitation ambient air, surface water, ground water, land surface or subsurface strata) or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of pollutants, contaminants or chemicals, or industrial, toxic or hazardous substances or wastes (collectively, "Environmental Law"). Lessee hereby agrees to, and shall, indemnify, reimburse, defend and hold harmless Lessor for, from and against all demands, claims, actions or causes of action, assessments, losses, damages, liabilities, costs, expenses, fees (including without limitation, reasonable attorneys', consultants' and paralegals' fees) and disbursements asserted against, imposed on or incurred by Lessor, directly or indirectly pursuant to or in connection with the application of any Environmental law to the acts or omissions occurring at any time of Lessee and/or its officers or directors, if any, and/or its employees or agents, specifically including acts or omissions with respect to the on-site and/or off-site disposal of waste and waste waters, or threatened damage to the environment.

XI. **Attorneys Fees**

1. In the event of any litigation under the terms of this Lease, the Lessee agrees to pay Lessor's reasonable attorney fees and costs and expenses.

This Agreement shall be governed by and construed under the laws of the State of Illinois

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in duplicate by their respective officers thereunto duly authorized as of the day and year first above written.

KBA LIMITED

By  _____

"Lessor"

VERMILION COUNTY HEALTH

By  _____
Public Administration Health Administration

"Lessee"