

LEASE TERM SHEET

The terms of this Lease Term Sheet are made a part of that certain Purchase and Sale Agreement (the "Agreement"), dated as of December 17, 2001, by and between Lahey/Advantage Health Partnership, as Seller, and The Town of Arlington, as Buyer (the "Lessor"). As part of the Agreement, Lahey Affiliated Services, Inc. (the "Lessee"), a general partner of Seller, intends to lease certain space as hereinafter defined, from the Buyer, as of the Closing. Capitalized terms used in these Lease Term Sheet and not otherwise defined herein shall have the meanings given to them in the Agreement.

As contained in Section 12.2 of the Agreement, the Lessor and Lessee must execute a lease containing the terms described herein as a condition to close the transaction (the "Lease").

Description of Rental Space:

Roughly [25,000] sq.ft. of space which will be consolidated into the East Wing, as shown on a floor plan or sketch to be attached to the Lease. Lessee shall make all commercially reasonable efforts to consolidate into the East Wing within ninety days from the Closing. Consolidation into the East Wing may be delayed beyond the ninety-day period due to restraints dictated by applicable licensure requirements, but in no event to exceed six months from the Closing. Rental space shall also include seventy-seven parking spaces and all necessary appurtenant rights in common areas and facilities.

It is understood that Lessee is renting the space "as is" except for the build-out required to support the current services provided by Lessee and sublessees of the space such that the space meets requirements for licensure. Lessor shall contribute up to \$37,500 of such build-out costs.

Permitted Uses:

Medical, hospital & healthcare uses.

Rent:

The minimum rent for years 1-2 of the lease shall be \$21/sq.ft. At the beginning of year 2, the rent may be increased above \$21 by the difference between the CPI at the beginning of year 1 and the then-current CPI,

provided that the rent for year 2 shall not exceed \$21.63, an increase of 3%.

The minimum rent for years 3-5 of the lease shall be \$23.50/sq.ft. At the beginning of years 4 and 5, the rent may be increased above \$23.50 by the difference between the CPI at the beginning of year 3 and the then-current CPI, provided that the rent for any year shall never exceed \$24.21, an increase of 3%.

The minimum rent for years 6-10 of the lease shall be \$25.50/sq.ft. At the beginning of years 7 through 10, the rent may be increased above \$25.50 by the difference between the CPI at the beginning of year 6 and the then-current CPI, provided that the rent for any year shall never exceed \$26.27, an increase of 3%.

All rent shall be inclusive of CAM, utilities and parking, but the Lessee will pay reasonable costs for landscaping and snow-plowing.

Payment of Real Estate Taxes:

Lessee has no obligation to pay real estate taxes. In the event that Lessor ceases to be a municipal subdivision, or for any other reason the property becomes subject to real estate taxes, so long as Lessee is, or would qualify, based on its status and use of the property, as a § 59, Chapter 5, Clause 3 entity, Lessee shall not be responsible to pay any real estate taxes.

Repairs and Maintenance:

Included in CAM.

Payment Terms:

Rent shall be paid in advance, monthly installments.

Right to Sublet:

Lessee may in its sole discretion sublet some portion of its rental space to the other tenants currently renting space for the delivery of health care services on the property (HealthSouth). Lessor agrees to cooperate with Lessee in performing its obligations under these subleases.

Insurance:

Included in CAM.

Signage:

Lessee shall be permitted reasonable directional signage consistent with Town zoning laws and that of the Property, as well as exterior building signage on the East Wing. Lessee shall not be limited in its use of interior signage.

Term:

The Term of the Lease shall commence on the date of Closing (the "Lease Commencement Date") and shall expire ten years from the Lease Commencement Date.

Special Termination Rights of Lessee:

1. The Lease shall contain a no-cause termination right for Lessee, exercisable at the end of year 2 or year 5 upon 120 days prior written notice.
2. In addition, the Lease shall contain a termination right for Lessee exercisable any time after the expiration of Lessee's Right of First Opportunity (described below) in the event that Lessor rents space on the Property to a health care provider offering services in direct competition to those provided by Lessee.

Special Termination Rights of Lessor:

1. The Lease shall contain a no-cause termination right for Lessor exercisable at the end of year 2 or ear 5 upon 120 days prior written notice.
2. In addition, Lessor may terminate the lease at any time during the Term of the lease upon 120 days prior written notice (or such longer period as may be required under Massachusetts regulations including those applicable to the relocation of "essential health services") in the event that the Lessor makes "alternative comparable space" available to Lessee. For purposes of this paragraph, "alternative comparable space" shall

mean: (a) space in the Town of Arlington, (b) substantially equivalent in square footage (and accompanying parking spaces), (c) suitable for use as a hospital and physician site in the reasonable opinion of Lessee, and (d) built-out, at no cost or expense to the Lessee, to the extent required to support the then-current services provided by Lessee such that the space meets the requirements for licensure. Lessee's rent for Alternative Comparable Space shall be set at the prevailing Arlington and surrounding community area rents for medical office use at the time of the termination.

Standard Termination Rights:

The Lease must include standard, for-cause termination rights for both parties.

Right of First Opportunity:

The right of first opportunity applies only to any expansion of current services or to any provision of new physician or hospital services on the property commencing during the first two years of the Lease. Current services will be defined by a schedule of physician and hospital services provided by Lessee in writing at the commencement of the Lease and annually thereafter to reflect any increases or decreases in the services.

Lessor must provide Lessee the right of first opportunity for the first two years of the Lease as follows:

1. Prior to proposing or allowing itself or any other tenant or occupant a "new service" or expanding a "current service", the Lessor would deliver a written proposal describing the opportunity to Lessee.
2. The proposal would include a description of the services to be provided including material terms and conditions relating to the implementation of the opportunity such as the proposed space to be occupied and lease terms.
3. Lessee would have 60 days from receipt of the

proposal to notify Lessor if it will accept the opportunity described in the proposal. If it accepts the opportunity, it must do so on the terms provided including the space and lease terms specified.

4. If Lessee accepts the opportunity, the Lessor would not be permitted to allow any other tenant to provide the services.

5. If Lessee declines the opportunity, or fails to accept the opportunity within the specified timeframe, the Lessor would be permitted to pursue an alternate provider on substantially the same terms described in the proposal. If the proposal is substantially modified after Lessee declines the opportunity, the Lessor would have to submit the modified version to Lessee before seeking an alternate provider. If Lessee declines the terms, then the new provider may expand the services in the future without Lessee's consent provided that the expansion is only for those services that Lessee previously declined to provide.

Right to sublet and assign:

In addition to the other rights to sublet contained herein, Lessee shall have the right to sublet to additional health care providers upon notice to the Lessor. Lessee shall have the right to assign this Lease or to sublease to its affiliates, and the right to assign this lease or to sublease in connection with a merger, consolidation, or sale of assets. Other sublets and assignments will require Lessor consent which shall not be unreasonably withheld.

Relocation Assistance

The following language shall be included in the lease:

“Lessee specifically acknowledges that it is entering into this Lease with Lessor without any expectation of payment or reimbursement of any relocation benefits or other expenses to be incurred by Lessee in relocating from the Premises at the expiration or earlier termination of this Lease. No such relocation, whether voluntary or involuntary, shall give rise to any claim for or of the nature of land damages under all applicable law,

including, without limitation, the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646), as amended, and Massachusetts General Laws, Chapter 79A, and the regulations promulgated pursuant to such laws (collectively, the "Relocation Laws"). Moreover, in consideration of Lessor's agreement to enter into this Lease and other good and valuable consideration received by Lessee, Lessee hereby waives any right or entitlement it may have to any such relocation benefit or payment, including, without limitation, those benefits and payments payable under the Relocation Laws."

Other standard terms and conditions for inclusion in the Lease:

It is anticipated that the parties will reach agreement on the remaining standard terms for inclusion in the Lease in advance of executing the Lease:

Arbitration
Indemnification
Casualty damage
Condemnation
Subordination
& non-disturbance
Default & remedies
Estoppel
Force Majeure