

ORDINANCE 5-2024

**AN ORDINANCE OF THE BOROUGH OF CLAYTON AUTHORIZING THE
EXECUTION OF A LEASE AGREEMENT BETWEEN THE BOROUGH OF
CLAYTON AND INSPIRA HEALTH NETWORK, INC.**

WHEREAS, the Borough of Clayton is a municipal corporation of the State of New Jersey; and

WHEREAS, the Inspira Health Network, Inc. is an organization incorporated under the laws of the State of New Jersey; and

WHEREAS, the Borough of Clayton is in agreement to allow Inspira Health Network, Inc. to lease Medical Office Space at 15 E. High Street, Clayton New Jersey; and

WHEREAS, the parties have agreed to enter into a Lease Agreement for said purpose.

NOW, THEREFORE BE IT ORDAINED by the Borough Council of the Borough of Clayton, County of Gloucester and State of New Jersey as follows:

1. The Borough Council does hereby approve and authorize the execution of a Lease Agreement between the Borough of Clayton and Inspira Health Network, Inc. to lease Medical Office Space at 15 E. High Street, Clayton, New Jersey.
2. The Mayor and/or Borough Administrator be and is hereby authorized to execute said Lease Agreement on behalf of the Borough of Clayton.

BE IT FURTHER ORDAINED that this Ordinance shall take effect immediately upon formal approval by the Clayton Borough Council and publication as required by law.

BOROUGH OF CLAYTON



THOMAS BIANCO, Mayor

Attest:



CHRISTINE NEWCOMB, Borough Clerk

January 16, 2024

Borough of Clayton
125 N. Delsea Dr.
Clayton, NJ 08312

Dear Mayor Bianco:

Please accept this correspondence as confirmation of Inspira's exercise of its option to renew the lease of the premises at 15 East High Street, Clayton, NJ 08312 for three years, pursuant to the lease, at the same rent and pursuant to all other terms of the existing lease. Exercise of this renewal option extends the lease through to February 28, 2027.

Should you have any questions or concerns, please reach out to Rendina Healthcare Real Estate who has been retained by Inspira Health for all lease and lease administration services. You can reach Rendina at leaseadmin@rendina.com or 561-630-5055.

Best,

A handwritten signature in black ink, appearing to read "Wa E Moore".

Warren E. Moore
Executive Vice President & COO
Inspira Health

Expires 2/28/27.

Medical Office LEASE -- Hospital as Tenant

Date of this Lease:	March 1, 2021	Landlord:	Borough of Clayton
Building Address:	15 E. High Street Clayton NJ 08312-1650	Address:	125 N. Delsea Drive Clayton, NJ 08312-1650 Attn: Mr. Andy Lovell

Tenant:	Inspira Health Network Inc.	Number of Rentable Square Feet:	2,210
Suite No.:	N/A	Number of Usable Square Feet:	2,210
Leased Premises:	Aerial Photo attached as Exhibit B hereto.	Tenant's Proportionate Share of the Rentable Square Footage of the Suite:	100%
			2,210

Term of Lease: <u>3 Years</u> Subject to renewal as set forth on Exhibit A attached hereto. (1) 3-year Options to renew with 90 day written notice.	Approx. Commencement Date of Term of Lease: 3 years from <u>April 1, 2021</u> -- subject to construction renovation Expiration Date of Lease Term: <u>March 31, 2024</u> To be Memorialized in Commencement Date Rider
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Monthly Installments Table:			
Lease Year: Years 1 - 3	Annual Rental Rate: \$1.00 (nominal) per year	Rental Installments: \$1.00 at Signing	Additional Rent: Yes, -- This is a "Gross" Lease with Tenant paying for All utilities and interior maintenance of the building.

Utilities:

- ☐ Utilities are included in the Monthly Rental Installments.
- ☒ The following utilities are not included in the Monthly Rental Installments:
- ☒ Janitorial services provided to interior of space are not included in the Monthly Rental Installments.
- ☒ Tenant is solely responsible for payment of the following (if separately metered) utilities: ☒ electric ☒ gas ☐ water/sewer
- ☐ Tenant shall pay a pro-rata share of the following utilities: ☐ Common Area Electric ☐ gas ☐ water / sewer

Improvements (check any that apply): Leasehold Improvements: Tenant shall be permitted to upgrade the interior of the space, including paint, carpet, new restroom/shower, etc., and installing another private office as desired. Tenant shall also be allowed to upgrade the HVAC if they deem so. All upgrades to the premises are at Tenants own cost.

☐ First time Standard Build Out ☒ Existing Space (New Tenant or Renewal) ☐ Landlord to give Tenant improvement credit

☒ This Medical Office Space Lease is a sublease pursuant to that certain Lease dated effective October 4, 2017, by and between County of Gloucester, as tenant, and Borough of Clayton, as landlord.

If not checked, this paragraph is not applicable.

Attached hereto and incorporated herein for all purposes are the following additional exhibits:

- ☒ Exhibit A -- Medical Office Space Lease Standard Terms and Conditions
- ☒ Exhibit B -- Aerial
- ☐ Exhibit C -- Leasehold Improvement Specification Document
- ☒ Other -- Rent Commencement Date Rider

LANDLORD:
By: _____
Name: Borough of Clayton
Title: Mayor
By: _____
Name: County of Gloucester
Title: _____

TENANT:
By: <u>Amy Mansue</u>
Name: Amy Mansue
Title: President/Chief Executive Officer

5/26/21 Medical Office LEASE – Hospital as Tenant

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Landlord:	Borough of Clayton
Address:	125 N. Delsea Drive Clayton, NJ 08312-1650 Attn: Mr. Andy Lovell

Tenant:	Inspira Health Network Inc.
Suite No.:	N/A
Leased Premises: Aerial Photo attached as Exhibit B hereto.	

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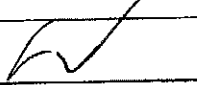
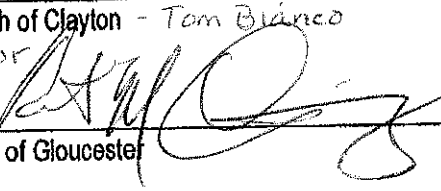
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Utilities: <input type="checkbox"/> Utilities are included in the Monthly Rental Installments. <input checked="" type="checkbox"/> The following utilities are not included in the Monthly Rental Installments: <input checked="" type="checkbox"/> Janitorial services provided to interior of space are not included in the Monthly Rental Installments. <input checked="" type="checkbox"/> Tenant is solely responsible for payment of the following (if separately metered) utilities: <input checked="" type="checkbox"/> electric <input checked="" type="checkbox"/> gas <input type="checkbox"/> water/sewer <input type="checkbox"/> Tenant shall pay a pro-rata share of the following utilities: <input type="checkbox"/> Common Area Electric <input type="checkbox"/> gas <input type="checkbox"/> water / sewer
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<input checked="" type="checkbox"/> This Medical Office Space Lease is a sublease pursuant to that certain Lease dated effective October 4, 2017, by and between County of Gloucester, as tenant, and Borough of Clayton, as landlord. If not checked, this paragraph is not applicable.

Attached hereto and incorporated herein for all purposes are the following additional exhibits: <input checked="" type="checkbox"/> Exhibit A – Medical Office Space Lease Standard Terms and Conditions <input checked="" type="checkbox"/> Exhibit B – Aerial <input type="checkbox"/> Exhibit C – Leasehold Improvement Specification Document <input checked="" type="checkbox"/> Other – Rent Commencement Date Rider
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LANDLORD: By:  Name: Borough of Clayton - Tom Bianco Title: Mayor By:  Name: County of Gloucester Title:

TENANT: By: _____ Name: Amy Mansue Title: President/Chief Executive Officer

**EXHIBIT A
MEDICAL OFFICE SPACE LEASE STANDARD TERMS AND CONDITIONS**

In consideration of the mutual covenants and representations set forth in the Medical Office Space Lease (herein so called) and this Exhibit A (collectively, this "Lease") and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties do hereby agree as follows. The capitalized terms used in this Exhibit A shall have the meaning assigned to such terms in the Medical Office Space Lease, unless another meaning is assigned to such terms in this Exhibit A.

1. **DEMISE.** Upon the terms and conditions hereinafter set forth, Landlord does hereby lease to Tenant, and Tenant does hereby lease from Landlord, the Leased Premises for the Term of this Lease.

2. **RENT.** The Monthly Rental Installments for this Lease shall be paid in advance, on each one-year anniversary.

3. **LANDLORD'S OBLIGATIONS.**

A. Utilities:

If utilities are included in the Monthly Rental Installments, then Landlord shall, at Landlord's expense, furnish utilities to the Leased Premises, including electrical, water and sewer, heat, ventilation, and air conditioning, however, Tenant shall be responsible for the payment of those services, and its own telephone and data services.

B. Maintenance

Landlord shall maintain, repair and replace all exterior walls and other features of the exterior including but not limited to the roof and all mechanical systems, including but not limited to air conditioning, heating, plumbing, wiring and piping.

C. Insurance

Landlord shall maintain fire and extended coverage insurance on the building in which the Leased Premises are located, in an amount not less than the full replacement cost of the Building.

D. Build Out by Landlord

If subpart C under "Improvements" on the Medical Office Space Lease has been checked, Landlord will be responsible for standard build out for office space pursuant to the Leasehold Improvements Specification document, attached hereto as Exhibit C (attached hereto and incorporated herein by reference).

4. **TENANT'S OBLIGATIONS.** In addition to the Monthly Rental Installments to be paid, Tenant also agrees to pay directly during the term of this Lease, commencing on the Commencement Date, the following items of expense as the same become due and payable:

A. Taxes.

All ad valorem or other property taxes, personal and intangible taxes payable in connection with the use, occupancy or conduct of business on any part of the Leased Premises, including but not limited to personal property, business, privilege, license, excise, sales, use and occupation taxes (but excluding local, state and federal income taxes payable by Landlord). Tenant shall be responsible for all taxes which are assessed against their stock and inventory, tangible personal property or their business and/or business operations.

B. Maintenance and Modifications.

The following charges for maintaining and operating the Leased Premises in good repair and operating condition:

- 1) Tenant shall, at its own cost and expense, keep the interior clean, maintaining suitable receptacles for trash and refuse, and removing from the interior all accumulations of trash and refuse.
- 2) Tenant shall service, keep and maintain the interior, including fixtures, doors, interior walls and appurtenances in good condition, repair and working order.
- 3) Tenant agrees to deliver to Landlord, upon the Expiration Date or upon earlier termination of this Lease in accordance with the provisions hereof, physical possession of the Leased Premises in good condition, reasonable wear and tear and damage by fire or other casualty excepted.

- 4) If utilities are not included in the Monthly Rental Installments, and if the Leased Premises is separately metered for certain utilities, such as electricity, gas, water, and sewer, Tenant shall be responsible for the payment of all such separately metered utilities provided to the Leased Premises.
- 5) If utilities are not included in the Monthly Rental Installments, and if utilities are not separately metered, Tenant shall be responsible for Tenant's Proportionate Share of Building utility expense, which shall initially be based on the Utility Base Rate for the Building and which shall be payable by Tenant monthly together with the Monthly Rental Installments. Landlord shall notify Tenant of any increase in the Utility Base Rate which may be adjusted by Landlord from time to time throughout the Term of this Lease. If the actual cost of utilities for the Building over any period during the Term of this Lease (i) exceeds the amount previously paid by Tenant during such period, Tenant shall pay Landlord the amount of such excess, which payment shall be due within thirty (30) days of Tenant's receipt of a written request therefor, or (ii) is less than the amount previously paid by Tenant during such period, Tenant shall be credited the amount of such excess against the next succeeding monthly payment(s) of Tenant's Proportionate Share of the then current Utility Base Rate.
- 6) Tenant shall be responsible for all service costs and installations of all telephone or data services and Landlord shall have no responsibility or liability with respect thereto or the failure of operation of any such services.

5. IMPROVEMENTS. Tenant shall not make any structural changes or additions, however, Tenant may be allowed to make alterations and improvements to the Leased Premises with the written consent of Landlord, which shall not be unreasonably withheld. Except as otherwise required pursuant to Section 3.E hereof, Landlord shall not be responsible for, either in the performance or payment, any improvements to the Leased Premises.

6. USE OF LEASED PREMISES.

- A. Tenant shall use the Leased Premises for the purpose of: Medic Station, Office/Administrative space supporting the day to day business of Inspira Health Network, and any other use that is lawfully allowed by local zoning ordinance. In no event shall the Leased Premises or any part thereof be used for the following activities without the prior written consent of Landlord, which consent may be granted or denied in its sole and absolute discretion: (i) any purpose that is in violation of any law, code, ordinance, zoning ordinance or condition or governmental rule or regulation, (ii) any purpose deemed by Landlord or its insurer to be extra hazardous on account of fire risk, (iii) any purpose that would reasonably cause a cancellation of any insurance policy covering the Building, or (iv) any operation which creates a nuisance. Tenant will conduct its business, and control its agents, employees, and invitees in such a manner as not to create any nuisance or interfere with, annoy, or disturb other tenants or Landlord in the management of the Building.
- B. Tenant shall vacate the building for 1-day per year, in November of each year, for the purpose of allowing the Borough of Clayton to operate a voting/polling location inside the building. Landlord shall give at least three-weeks' notice prior to the date.

7. ASSIGNMENT; SUBLETTING. Tenant shall not, without the prior consent of Landlord, which consent may be withheld in Landlord's sole discretion, sublease, license or assign its interest under this Lease to any other person or entity. Assignment or subletting without the prior consent of Landlord, including assignment by operation of the law, shall constitute an event of default. In no event, whether with or without consent of Landlord, shall an assignment or lease relieve Tenant of liability under the terms, conditions and provisions of this Lease.

8. INSURANCE.

- A. Tenant shall keep and maintain at all times during the Term the following insurance coverage on the Leased Premises: (a) comprehensive general liability insurance coverage on the Leased Premises in the sum of One Million Dollars (\$1,000,000) for any single claim and Three Million Dollars (\$3,000,000) for annual aggregate claims for bodily injury and death resulting therefrom, (b) insurance coverage in the sum of One Hundred Thousand Dollars (\$100,000.00) per occurrence against liability for damage to property, arising out of the maintenance or use of the Leased Premises by the Tenant, and (c) casualty insurance insuring Tenant against loss or damage to its equipment and other personal property in the Leased Premises by fire and all other casualties usually covered under an "all risk" policy of casualty insurance. The policies described in this Section 8 shall name both Tenant and Landlord as additional insureds. Annually, Tenant shall furnish Landlord with a certificate of such coverage which shall provide that thirty (30) days' advance written notice be given to Landlord in the event of cancellation or material change in the insurance policy.
- B. Tenant shall not do or permit any act which will increase premiums for any casualty, fire, liability or other insurance maintained by Landlord on the Building or any other property therein or which shall render such insurance void or voidable.

9. **DAMAGE TO PROPERTY/INJURY TO PERSON.** Tenant shall and hereby does indemnify and hold Landlord harmless from and against any and all claims to the extent they arise from (i) Tenant's use of the Leased Premises or the conduct of its business, (ii) any activity, work or thing done, permitted or suffered by the Tenant in or about the Leased Premises, (iii) any breach or default in the performance of any obligation on Tenant's part to be performed under the terms of this Lease, or (iv) any act of negligence of Tenant or his agents or employees.

10. **EARLY TERMINATION.** Any vacation of the Leased Premises for more than thirty (30) days or any abandonment of the Leased Premises by Tenant will be considered a material default under this Lease.

11. **LAWS AND REGULATIONS; RULES OF THE BUILDING.** Tenant at its sole cost and expense will maintain the Leased Premises in a clean and healthful condition and will comply with all laws, ordinances, orders, rules and regulations of any governmental authority having jurisdiction over the use, condition or occupancy of the Leased Premises. Tenant, at Tenant's sole cost and expense, shall be responsible for medical, special and infectious waste removal for the Leased Premises in accordance with all applicable laws, regulations and orders. Tenant shall not permit the mixing or disposal of any hazardous substances, wastes or materials or any medical, special or infectious waste with the general office refuse and Landlord shall have no duty or obligation to remove any hazardous substances, wastes or materials or any medical, special or infectious waste from the Leased Premises. Without limiting the generality of the foregoing, Tenant shall comply strictly and in all respects with the requirements of all Hazardous Waste Laws (hereinafter defined) and shall indemnify Landlord and hold Landlord harmless from and against any liabilities, costs or expenses that may arise on account of the release, discharge, storage, disposal, treatment, processing or other handling or discovery of any Hazardous Substance (hereinafter defined) within the Leased Premises, or the discharge, release, disposal, storage, treatment, processing or other handling of any Hazardous Substance by Tenant, its employees, agents, contractors, or invitees anywhere on the Land or within the Building, or off site. As used herein, "Hazardous Substance" means any substance, material or matter that may give rise to liability under any Hazardous Waste Laws, including (but not limited to) medical waste and petroleum products or petroleum wastes. "Hazardous Waste Laws" shall mean any local, state or federal laws, rules, ordinances, regulations, and policy and guidance statements by any environmental agencies, either in existence as of the date hereof, or enacted, promulgated or issued after the date of this Lease, that concern the management, control, discharge, treatment, containment or removal of substances or materials that are or may become a threat to public health or the environment, including without limitation the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) and the Resource Conservation and Recovery Act (RCRA).

12. **DEFAULT.** Tenant shall be in default of the terms of this Lease if (i) Tenant shall fail to make a payment of any rent or additional rent, and such rent or additional rent is not paid within thirty (30) days following receipt of written notice by Landlord to Tenant of non-payment of same; provided, that Landlord shall not be obligated to send more than two (2) such notices during any twelve (12) month period, (ii) Tenant shall otherwise commit an act of default under the terms hereof, and shall not cure such default within thirty (30) days following receipt of written notice by Landlord to Tenant of such default, (iii) any petition shall be filed by or against Tenant pursuant to any section or chapter of the Bankruptcy Code of the United States, as amended (the "Bankruptcy Code") or under any similar law or statute of the United States or any state thereof, or Tenant shall be adjudged bankrupt or insolvent in proceedings filed under any section or chapter of the Bankruptcy Code or under any similar law or statute of the United States or any state thereof; (iv) Tenant shall become insolvent or make a transfer in fraud of creditors; (v) Tenant shall make a general assignment for the benefit of its creditors; (vi) a receiver or trustee shall be appointed for Tenant or any of the assets of Tenant, or (vii) the vacation of the Leased Premises for more than thirty (30) days or any abandonment of the Leased Premises by Tenant.

In the event of default:

- A. Landlord may continue this Lease in full force and effect and shall have the right to collect rent when due. During the term Tenant is in default, Landlord may re-enter the Leased Premises with legal process and relet same, or any part thereof, to third parties for Tenant's account. Tenant shall be liable for all reasonable costs Landlord incurred for reletting the Leased Premises, including without limitation broker's commissions, expenses associated with repairing and / or remodeling the Leased Premises in order to return the Leased Premises to the same condition as when received by Tenant from Landlord and similar costs. Reletting can be done for a period shorter or longer than the remaining term of this Lease. Tenant shall pay to Landlord the rent due under this Lease on the date such rent is due, less the rent Landlord receives from any reletting. Landlord shall use commercially reasonable efforts to relet the Leased Premises at a reasonable price. Under this paragraph, Tenant's obligations shall not exceed the total rent due for the remainder of the Term.
- B. Landlord may terminate this Lease pursuant to the terms of this Section 12. Upon termination, Landlord shall have the right to collect an amount equal to all expenses, if any, including reasonable attorneys' fees, incurred by Landlord in recovering possession of the Leased Premises and all reasonable costs and charges for the care of the Leased Premises while vacated by Tenant.
- C. Landlord may enter upon the Premises and change, alter, or modify the door locks on all entry doors of the Premises, and permanently or temporarily exclude Tenant, and its agents, employees, representatives and invitees, from the Premises, but only to the extent permitted by, and subject to the requirements of, applicable state statutory law in effect at the time of the event of default.

- D. Should any of these remedies or any portion thereof not be permitted by the laws of the state where the Building is located, then such remedy or portion thereof shall be considered deleted and unenforceable, and the remaining remedies or portions thereof shall be and remain in full force and effect, and Landlord may avail itself of these as well as any other remedies or damages allowed by law.

Pursuit of any of the foregoing remedies shall not preclude pursuit of any of the other remedies herein provided or any other remedies provided by law or equity. Any entry by Landlord upon the Premises may be by use of a master or duplicate key or electronic pass card or any locksmith's entry procedure or other peaceable means. No entry or taking possession of the Leased Premises by Landlord shall be construed as an election on its part to terminate this Lease, unless a written notice of such intention is given to Tenant. In the event it is necessary for Landlord to institute suit against Tenant in order to collect the rental or any other sum due hereunder or any deficiency between the rental and any other sum provided for by this Lease for a calendar month and the rental and any other sum actually collected by Landlord for such calendar month, Landlord shall have the right to allow such deficiency to accumulate and to bring an action upon several or all of such rental deficiencies at one time. Any suit shall not prejudice in any way the right of Landlord to bring a similar action for any subsequent rental deficiency or deficiencies. No waiver by Landlord of any violation or breach of any of the terms, provisions and covenants contained herein shall be deemed or construed to constitute a waiver of any other violation or breach of any of the terms, provisions and covenants of this Lease. Forbearance by Landlord to enforce one or more of the remedies provided herein upon the occurrence of an event of default shall not be deemed or construed to constitute a waiver of any other violation or event of default.

13. **RIGHT OF ACCESS.** Landlord and its agents shall have reasonable access to the Leased Premises during all reasonable business hours for the purpose of examining same to ascertain if they are in good repair and to make reasonable repairs which Landlord may be required to make hereunder.

14. **END OF TERM.** At the termination of this Lease, Tenant shall surrender its interest in the Leased Premises to Landlord in as good condition and repair as reasonable use thereof will permit, ordinary wear and tear excepted, and will leave the Leased Premises broom clean. Tenant shall have the right, prior to said termination, to remove any equipment, furniture, trade fixtures or other personal property in the Leased Premises owned by Tenant, provided that Tenant promptly repairs any damage to the Leased Premises caused by such removal. In the event of holding over by Tenant after the expiration or termination of the Term of this Lease, Tenant shall pay rent at the then-current rate for Monthly Rental Installments escalated by a percentage Rent Increase of Eight (8.0%) percent on an annual basis. Tenant shall have the Option to extend the term of this Lease for (1) 3 Year period, by giving written notice 90 days prior to expiration of the term. Rent shall not increase in either Option period.

15. **ATTORNEYS' FEES.** In the event that suit is brought by either party against the other for breach or default under the terms of this Lease, the prevailing party shall be entitled to reasonable attorneys' fees, expenses (including expert witness fees) and court costs equal to the sum established by the court.

16. **HEADINGS.** The article captions contained in this Lease are for the convenience of the parties only and shall not be considered in the construction or interpretation of any provision hereof.

17. **ENTIRE AGREEMENT.** The Lease contains the entire agreement between the parties and supersedes any and all other prior oral and written agreements between the parties regarding the subject matter contained herein and may not be changed or terminated orally but only by agreement in writing and signed by all parties.

18. **DAMAGE OR DESTRUCTION.** If the Leased Premises are damaged by fire or other casualty, the damage shall be repaired by and at the expense of Landlord (excluding any equipment which is owned by Tenant), provided that such repairs can, in Landlord's opinion, be made within one-hundred twenty (120) days after the occurrence of such damage. Landlord shall notify Tenant within thirty (30) days of the event of casualty of its determination. Until such repairs are completed, the rent shall be abated in proportion to the part of the Leased Premises rendered unusable, but there shall be no abatement of rent for a period equal to one (1) day or less. If such repairs cannot, in Landlord's opinion, be made within one-hundred twenty (120) days and Landlord nonetheless chooses to repair, then Tenant may, at its option, continue as Tenant under this Lease until such repairs are completed, during which time all rent shall abate, or Tenant may terminate this Lease. A total destruction of the Building in which the Leased Premises are located shall automatically terminate this Lease. Total destruction of the Building shall be defined as damage greater than fifty percent (50%) of the then replacement value thereof.

19. **EMINENT DOMAIN.** If the whole of the Leased Premises or so much thereof as to render the balance unusable by Tenant shall be taken under power of eminent domain, this Lease shall automatically terminate as of the effective date of the taking. In the event of a partial taking which does not result in a termination of this Lease, the rent reserved hereunder shall remain unaffected. Landlord may, without any obligation or liability to Tenant, stipulate with any condemning authority for a judgment of condemnation without the necessity of a formal suit or judgment of condemnation, and the date of taking under this clause shall then be deemed the date agreed to under the terms of said agreement for stipulation and this Lease shall terminate as of the stipulated date.

20. **WAIVER.** No waiver by either party shall be deemed to be a waiver of any other provision hereof or of any subsequent breach by either party of the same or any other provision. Landlord's consent to or approval of any act by Tenant requiring Landlord's consent or approval shall not be deemed to render unnecessary the obtaining of Landlord's consent to or approval of any subsequent act of Tenant, whether or not similar to the act so consented to or approved.

21. **NOTICES.** Any notice required or permitted to be given hereunder may be given by mail and shall be sufficiently given if personally served or sent by certified mail or by special or overnight courier, addressed to the relevant party at the addresses specified in this Lease. For any notice given to Tenant, a copy shall be provided to the Tenant's Counsel as follows: General Counsel, Legal Department, 165 Bridgeton Pike, Mullica Hill, NJ 08062.

22. **BINDING EFFECT.** The Lease shall be binding upon and inure to the benefit of the parties hereto, their heirs, successors, assigns, executors and administrators. Nothing in this article shall be deemed to amend the provisions herein concerning assignment and subletting.

23. **APPLICABLE LAW.** The laws of the state where the Building is located shall be employed in and govern the interpretation of all of the covenants, terms and conditions of this Lease.

24. **NO PARTNERSHIP RELATIONSHIP.** Notwithstanding any agreement herein contained, Landlord shall not be construed or held to be a partner or associate of Tenant in the conduct of its business, it being expressly understood and agreed that the relationship between the parties is and at all times shall remain that of Landlord and Tenant.

25. **NO REQUIREMENT TO REFER.** The parties expressly agree that nothing contained in this Lease shall require Tenant or any physician or other referral source to refer or admit any patients to or order any goods or services from Landlord or any affiliate. Notwithstanding any unanticipated effect of any provision of this Agreement, neither party will knowingly or intentionally conduct himself in such a manner as to violate the prohibition against fraud and abuse in connection with the Medicare and Medicaid programs (42 USC Section 1320a-7b).

26. **QUIET ENJOYMENT.** Landlord warrants and shall defend Tenant in the quiet enjoyment and possession of the Leased Premises during the term and any extension or renewal thereof.

27. **SUBORDINATION, ATTORNMEN AND NON-DISTURBANCE.**

- A. Tenant agrees that this Lease and all rights of Tenant hereunder are and shall be subject and subordinate to any ground or underlying lease which may now or hereafter be in effect regarding the Building or any component thereof, to any mortgage now or hereafter encumbering the Leased Premises or the Building or any component thereof, to all advances made or hereafter to be made upon the security of such mortgage, to all amendments, modifications, renewals, consolidations, extensions and restatements of such mortgage, and to any replacements and substitutions for such mortgage. The terms of this provision shall be self-operative, and no further instrument of subordination shall be required. Tenant, however, upon request of any party in interest, shall execute promptly such instrument or certificates as may be reasonably required to carry out the intent of this provision.
- B. In the event any proceedings are brought for the foreclosure of, or in the event of exercise of the power of sale under, or in the event of a deed in lieu of foreclosure with respect to any mortgage covering the Leased Premises or the Building, or in the event of termination of any Lease under which Landlord may hold title, Tenant shall, at the option of transferee, attorn to such transferee and shall recognize and be bound and obligated hereunder to such person as the Landlord under this Lease. Tenant agrees to execute any attornment agreement not in conflict with this provision.
- C. Notwithstanding anything contained herein to the contrary, so long as Tenant is not in default in the payment of Rentals or other charges, or in the performance of any of the other terms, covenants or conditions of this Lease, mortgagee or such person shall not disturb Tenant in its occupancy of the Leased Premises during the original or any renewal term of this Lease notwithstanding any event or proceedings described in this section.

28. **ESTOPPEL CERTIFICATE.** Within fifteen (15) days after written request from Landlord, Tenant shall deliver an executed statement addressed to Landlord certifying (if such be the case) that this Lease is in full force and effect, that Tenant has commenced the payment of rent, and that there are no defenses or offsets to this Lease claimed by Tenant, as well as any other information reasonably requested. If Tenant fails or refuses to give a certificate hereunder within the required time frame, then the information on such certificate as submitted by Landlord shall be deemed correct for all purposes and Landlord shall have the right to treat such failure or refusal as a default by Tenant.

29. **FORCE MAJEURE.** With the exception of the obligation of Tenant to pay Rent and all other amounts that may be due from time to time under this Lease, if either party shall be delayed or hindered in or prevented from doing or performing any act or thing required hereunder by reason of any matters beyond the reasonable control of such party, then such party shall not be liable or responsible for any such delays and the doing or performing of such act or thing shall be extended for a period equivalent to the period of such delay. In such event, this Lease and the obligations of both parties to perform and comply with all of the other terms and provisions of this Lease shall in no way be affected, impaired, or excused.

30. **WAIVER OF JURY TRIAL.** LANDLORD AND TENANT HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT EITHER MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION, ACTION, PROCEEDING OR COUNTERCLAIM BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS LEASE OR THE OBLIGATIONS EVIDENCED HEREBY, THE RELATIONSHIP OF LANDLORD AND TENANT, TENANT'S USE OF OR OCCUPANCY OF THE PREMISES,

ANY CLAIM OF INJURY OR DAMAGE, OR ANY EMERGENCY OR OTHER STATUTORY REMEDY OR ANY OTHER DOCUMENT OR INSTRUMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HEREWITH, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT TO EACH OF LANDLORD AND TENANT IN ENTERING INTO THIS LEASE.

31. **SUBLEASE.** In the event this Lease is a sublease to an underlying lease agreement, as described in this Lease, then with respect to the Leased Premises, except for the Term of this Lease and the Rental Rate/Installment, Tenant shall perform all of the obligations of tenant/lessee under such underlying lease agreement.

32. **LIMITATION OF LANDLORD LIABILITY.** The liability of Landlord to Tenant for any default by Landlord under the terms of this Lease shall be limited to the interest of Landlord in the Building and the Land, and Landlord shall not be personally liable for any deficiency. Notwithstanding anything to the contrary contained in this Lease, in the event Landlord sells, assigns, transfers or conveys its interest in the Land, Landlord shall have no liability for any acts or omissions that occur after the date of said sale, assignment, transfer or conveyance, provided that any such grantee, assignee or transferee assumes all of Landlord's obligations under this Lease.

33. **BROKERAGE.** Tenant represents and warrants to Landlord that it has not had any dealings with any broker or agent in connection with the negotiation or execution of this Lease; and Tenant agrees to indemnify Landlord and hold Landlord harmless from and against any and all costs, expenses or liability for commissions or other compensation or charges claimed by any other broker or agent, through commitments of Tenant with respect to this Lease.

34. **NO THIRD-PARTY BENEFICIARY.** This Lease is for the sole benefit of Landlord, its successors and assigns, and Tenant, its permitted successors and assigns, and it is not for the benefit of any third party.

35. **SEVERABILITY.** If any clause or provision of this Lease is illegal, invalid or unenforceable under present or future laws effective during the term of this Lease, then and in that event, it is the intention of the parties hereto that the remainder of this Lease shall not be affected thereby, and it is also the intention of the parties to this Lease that in lieu of each clause or provision that is illegal, invalid or unenforceable, there be added as a part of this Lease a clause or provision as similar in terms to such illegal, invalid or unenforceable clause or provision as may be possible and still be legal, valid and enforceable.

36. **SECURITY DEPOSIT.** (If applicable) Tenant shall deposit with Landlord a Security Deposit in the total amount of \$0.00. The Security Deposit shall be held by Landlord without liability for interest and with the understanding that: (i) the Security Deposit or any portion thereof may be applied to the curing of any default, without prejudice to any other remedy or remedies which Landlord may have on account thereof, and upon such application, Tenant shall pay Landlord on demand the amount so applied which, when paid, shall be added to the Security Deposit so the same will be restored to its original amount; (ii) Landlord shall not be obligated to hold the Security Deposit as a separate fund, but may commingle it with other funds; and (iii) if Tenant is not in default, the remaining balance of the Security Deposit shall be returned to Tenant, without interest, within thirty (30) days after the expiration of the Term or other termination of this Lease; provided, however, Landlord shall have the right to retain and expend such remaining balance for cleaning and repairing the Premises if Tenant shall fail to deliver the Premises at the termination of this Lease in a neat and clean condition and in as good a condition as existed at the date of possession of same by Tenant, except for ordinary wear and tear. Landlord shall have the right to use the Security Deposit to offset any Rent Increase which is either not collected by Landlord or not paid by Tenant pursuant to the terms of this Lease.

37. **MECHANICS' LIENS.** Nothing contained in this Lease shall authorize Tenant to do any act which shall in any way encumber the title of Landlord in and to the Leased Premises or the Building or any part thereof; and if any mechanic's or materialman's lien is filed or claimed against the Leased Premises or Building or any part thereof in connection with any work performed, materials furnished or obligation incurred by or at the request of Tenant, Tenant will promptly either (x) pay same and cause it to be released of record or (y) contest same in good faith and, if it has not been removed within thirty (30) days, bond around it. If the lien is not released of record (or bonded around) and default in payment thereof shall continue for thirty (30) days after written notice thereof from Landlord to Tenant, Landlord shall have the right and privilege at Landlord's option of paying the same or any portion thereof without inquiry as to the validity thereof, and any amounts so paid, including expenses and interest, shall be repaid to Landlord immediately by Tenant on demand therefor.

38. **ABANDONED PROPERTY.** All personal property of Tenant remaining in the Leased Premises after the expiration or earlier termination of the Term may be treated by Landlord as having been abandoned by Tenant, and Landlord shall have the right to remove such personal property from the Leased Premises without any obligation to deliver such personal property to Tenant and without any liability to Tenant whatsoever, it being agreed that Tenant shall have no right to reclaim such property. Provided, however, that in no event whatsoever shall Landlord have any access or rights to the confidential and proprietary information of Tenant, specifically including, without limitation, patient medical charts, records or other information. Landlord shall have no duty to notify Tenant that Landlord may dispose of Tenant's property.

39. **TRANSFER OF LANDLORD'S RIGHTS.** In the event Landlord transfers its interest in the Building, Landlord shall thereby be released from any further obligations hereunder, and Tenant agrees to look solely to the successor in interest of the Landlord for the performance of such obligations, provided however, that any assignee or transferee of Landlord shall assume by written agreement all of Landlord's obligation under this Lease.

40. **REMEASUREMENT.** Tenant or Landlord, at such party's own cost and expense, shall have the right to re-measure the Leased Premises and the Building from time to time (but not more than once per year) substantially in accordance with the BOMA Standard (as defined below) to reflect actual physical increases or decreases due to physical expansions or contractions in the rentable area of the Building. "BOMA Standard" shall mean the Building Owners and Managers Association International Standard Method for Measuring Floor Area in Office Building, ANSI Z65.1-1996; provided, however, that notwithstanding the foregoing to the contrary, the BOMA Standard shall not include any area below the ground floor of the Building in which the Premises is located, any areas outside the perimeter walls of such Building, any elevator shafts, or any stairwells. In the event such re-measurement reveals a different square footage for the Premises or the Building than as set forth in this Lease, the parties shall execute an amendment which revises the rentable square footage of the Leased Premises and the Tenant's Proportionate Share and the Tenant's payment of Rent shall be adjusted accordingly. In the event that the Tenant refuses to execute such amendment, then Landlord shall have the right to terminate this Lease upon thirty (30) days written notice to Tenant.

41. **RULES AND REGULATIONS.** Tenant shall faithfully observe and comply strictly with the following rules and regulations, adopted for the safety, care and cleanliness of the Building or the preservation of good order therein. Landlord shall not be liable to Tenant for a violation of such rules and regulations, or for the breach of any covenant or condition in a lease by any other tenant in the Building. Landlord may, from time to time and upon notice to Tenant, adopt additional or substitute rules and regulations of the Building.

- A. Conduct. Tenant shall not conduct its practice or business, or advertise such business, profession or activities of Tenant conducted in the Premises in any manner which violates local, state or federal laws or regulations.
- B. Hallways and Stairways. Tenant shall not obstruct or use for storage, or for any purpose other than ingress and egress, the sidewalks, entrance, passages, courts, corridors, vestibules, halls, elevators and stairways of the Building.
- C. Nuisances. Tenant shall not make or permit any noise, odor or act that is objectionable to other occupants of the Building to emanate from the Premises and shall not create or maintain a nuisance thereon.
- E. Locks. No additional locks or bolts of any kind shall be placed upon any of the doors or windows by Tenant, nor shall any changes be made in existing locks or the mechanism thereof. Tenant must upon the termination of its tenancy restore to Landlord all keys to the Premises and toilet rooms either furnished to or otherwise produced by Tenant, and in the event of loss of any keys so furnished, Tenant shall pay to Lessor the cost thereof.
- F. Obstructing Light, Damage. The doors, window glass, lights and skylights that reflect or admit light into the halls or other places of the Building shall not be covered or obstructed. The toilets and urinals shall not be used for any purpose other than those for which they were intended and constructed, and no rubbish, newspapers or other substance of any kind shall be thrown into them. Waste and excessive or unusual use of water shall not be allowed. Tenant shall not mark, drive nails, screw or drill into, paint, nor in any way deface the walls, ceilings, partitions, floors, wood, stone or iron work. The expense of any breakage, stoppage or damage resulting from a violation of this rule by Tenant shall be borne by Tenant. Tenant shall be permitted to hang pictures on office walls, but it must be done in a workmanlike manner and in such a way as not to damage or deface such walls.
- G. Wiring. Electrical wiring of every kind shall be introduced and connected only as directed by Landlord, and no boring nor cutting of wires will be allowed except with the consent of Landlord. The location of the telephone, call boxes, etc., shall be subject to the approval of Landlord.
- H. Equipment, Moving, Furniture, Etc. Landlord shall approve the weight, size and position of all fixtures, equipment and other property brought into the Building, and the times of moving which must be done under the supervision of Landlord. Landlord will not be responsible for any loss of or damage to any such equipment or property from any cause, and all damage done in the Building by moving or maintaining any such property shall be repaired at the expense of Tenant. All equipment shall be installed as required by law.
- I. Requirements of Tenant. The requirements of Tenant will be attended to only upon application at the office of Landlord. Employees shall not perform any work nor do anything outside their regular duties unless under special instructions from Landlord. No employees shall admit any person, Tenant or otherwise, to any other office without instruction from the office of Landlord. All janitorial services personnel, guards or any outside contractors employed by Tenant shall be subject to the regulations and control of Landlord but shall not act as an agent or servant of Landlord. Tenant to contract for and pay for interior janitorial services and Landlord shall contract and pay for common area janitorial.
- J. Medical and Hazardous Wastes. Tenant shall comply with all policies established from time to time by Landlord regarding the storage and disposal of hazardous substances, wastes and materials, and medical, special or infectious wastes. Tenant to contract for and pay for its' own Medical waste disposal.

- K. Access to Building. Any person entering or leaving the Building may be questioned by Building security regarding his/her business in the Building and may be required to sign in and out. Anyone who fails to provide a satisfactory reason for being in the Building may be excluded.
- L. Vehicles, Animals, Refuse. Tenant shall not allow anything to be placed on the outside window ledges of the Premises or to be thrown out of the windows of the Building. No bicycle or other vehicle, and no animal, except for service animal, shall be brought into the offices, halls, corridors, elevators or any other parts of the Building by Tenant or the agents, employees or invitees of Tenant, and Tenant shall not place or permit to be placed any obstruction or refuse in any public part of the Building.
- M. Equipment Defects. Tenant shall give Landlord prompt notice of any accidents to or defects in the water pipes, gas pipes, electric lights and fixtures, heating apparatus, or any other service equipment.
- N. Parking. Unless otherwise specified by Landlord, Tenant and its employees may park automobiles only in spaces designated by Landlord for such purpose and shall in no event park in spaces reserved for public parking. Tenant agrees that Landlord assumes no responsibility of any kind whatsoever in reference to such automobile parking area or the use thereof by Tenant or its agents or employees.
- O. Conservation and Security. Tenant will see that all windows and doors are securely locked, and that all faucets and electric light switches are turned off before leaving the Building.
- P. Signage. Tenant shall not place any sign upon the Leased Premises or the Building without Landlord's prior written consent. All signage will be provided for and installed by Tenant.
- Q. Smoking. The use of all tobacco products, including without limitation, cigarettes, cigars, pipe tobacco, and smokeless tobacco of any kind, is prohibited in all portions of the Building.

42. GUARANTY. (If applicable) The Guarantor(s) identified in the Medical Office Space Lease hereby jointly and severally covenant and agree to and with Landlord that if default shall at any time be made by Tenant in the payment or performance of any obligations set forth herein, when due, Guarantor(s) will forthwith pay or perform such obligation on behalf of Tenant to or for the benefit of Landlord. The guaranty provisions of this Section 42 constitute an absolute, unconditional and irrevocable guaranty of payment (and not of collection) and performance and are a surety agreement. Guarantor(s)' liability hereunder is primary and direct and may be enforced without Landlord being required to resort to any other right, remedy or security and the terms of this Section 42 shall be enforceable against Guarantor(s) jointly and severally, without the necessity for any suit or proceedings on Landlord's part of any kind or nature whatsoever against Tenant or any other guarantor, and without the necessity of any notice of non-payment, non-performance or non-observance or the continuance of any such default or of any notice of acceptance, protest, dishonor or presentment of the terms hereof or of Landlord's intention to act in reliance hereon or of any other notice or demand to which Guarantor(s) might otherwise be entitled, all of which Guarantor(s) hereby expressly waive. The terms of this Section 42 shall be a continuing guaranty, and (whether or not Guarantor(s) shall have notice or knowledge of any of the following) the liability and obligation of Guarantor(s) hereunder shall not be released, discharged or in any way impaired by (a) any amendment or modification of, or supplement to, or extension or renewal of, this Lease; (b) any exercise or non-exercise of any right or remedy under this Lease; (c) any bankruptcy, insolvency, reorganization, liquidation or similar proceeding relating to Tenant (including without limitation any rejection or disaffirmance of this Lease in any such proceedings); (d) any limitation on the liability or obligation of Tenant under this Lease or its estate in bankruptcy or of any remedy for the enforcement thereof, resulting from the operation of any present or future provision of the federal bankruptcy law or any other statute or from the decision of any court; (e) any transfer by Tenant or any assignment, mortgage or pledge of its interest under this Lease; (f) any agreement entered into between Landlord and an assignee of Tenant or any agreement entered into between Landlord and the holder of any leasehold mortgage (or between Landlord and the nominee of any such holder of a leasehold mortgage); or (g) any other thing which might otherwise operate to exonerate, discharge, or reduce the liability of Guarantor(s) for the payment of any sums or the performance of any other obligations becoming due from the Tenant under this Lease.

43. FINAL LEASE VERSION. The Lease is collectively comprised of the Medical Office Space Lease to which this Exhibit A is attached, and all Exhibits attached hereto. Notwithstanding any provision contained herein to the contrary, no handwritten or interlineated changes to this Lease will override the printed text of this Lease unless those changes are included in the final fully executed counterpart of this Lease which is scanned and electronically stored in Landlord's corporate database.

44. APPROVALS. Neither this Lease nor any amendment or modification hereto shall be effective or legally binding upon Landlord, or any officer, director, employee or agent thereof, unless and until it has been reviewed and approved electronically (or in writing) by the General Counsel of Inspira Health Network Inc.

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EXHIBIT B

FLOOR PLAN

[ATTACH ON THIS PAGE]

NOTICE OF INTRODUCTION

ORDINANCE 5-2024

**AN ORDINANCE OF THE BOROUGH OF CLAYTON AUTHORIZING THE
EXECUTION OF A LEASE AGREEMENT BETWEEN THE BOROUGH OF
CLAYTON AND INSPIRA HEALTH NETWORK, INC.**

TAKE NOTE that the foregoing ordinance was introduced at a meeting of the Mayor and Council of the Borough of Clayton held on February 8, 2024 and was then read for the first time. The said ordinance will be further considered for final passage by the Mayor and Council at the Municipal Building, 125 N. Delsea Drive, Clayton, New Jersey, at a meeting beginning 6:30 p.m. on February 22, 2024, at which time and place, or any time and place to which such meeting be adjourned, all persons interested will be given an opportunity to be heard concerning such ordinance.

BY ORDER of the Mayor and Council of the Borough of Clayton.

Christine Newcomb
Borough Clerk

NOTICE OF ADOPTION

ORDINANCE 5-2024

**AN ORDINANCE OF THE BOROUGH OF CLAYTON AUTHORIZING THE
EXECUTION OF A LEASE AGREEMENT BETWEEN THE BOROUGH OF
CLAYTON AND INSPIRA HEALTH NETWORK, INC.**

The foregoing Ordinance was finally adopted by the Mayor and Council of the Borough of Clayton on February 22, 2024.

Christine Newcomb
Borough Clerk