

R-24- 115

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE A LEASE AGREEMENT TO LEASE CERTAIN REAL PROPERTY LOCATED AT 2400 EAST WASHINGTON AVENUE IN THE CITY OF NORTH LITTLE ROCK, ARKANSAS, TO BAPTIST HEALTH; AND FOR OTHER PURPOSES.

WHEREAS, Arkansas Code Ann. § 14-54-302 authorizes the City to enter into lease agreements when authorized by a resolution approved by a majority vote of the City Council present and participating; and

WHEREAS, the City of North Little Rock (“the City”) owns certain real property located at 2400 East Washington Avenue (see map attached hereto as Exhibit A); and

WHEREAS, Baptist Health wishes to lease the property from the City for the purpose of providing a medical clinic for the citizens of Rose City; and

WHEREAS, it is in the best interest of the City and its residents to lease the property to Baptist Health.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTH LITTLE ROCK, ARKANSAS:

SECTION 1: That the Mayor and City Clerk are hereby authorized to execute a Lease Agreement (substantially similar to Exhibit B attached hereto) and to lease the premises at 2400 East Washington Avenue to Baptist Health.

SECTION 2: That this Resolution shall be in full force and effect from and after its passage and approval.

PASSED:

APPROVED:

Mayor Terry C. Hartwick

SPONSOR:

ATTEST:

TERRY C. Hartwick
Mayor Terry C. Hartwick

by AT

Diane Whitbey, City Clerk

APPROVED AS TO FORM:


Amy Beckman Fields, City Attorney

PREPARED BY THE OFFICE OF THE CITY ATTORNEY/kt

FILED 10:50 A.M. ___ P.M.

By A. Fields

DATE 5-21-24

**Diane Whitbey, City Clerk and Collector
North Little Rock, Arkansas**

RECEIVED BY S. Ussery

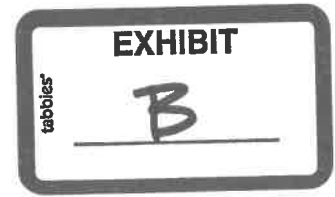


4200 E. Washington Ave.

EXHIBIT A
Tables



Date: 5/15/2024
This map is not survey, accurate.



LEASE AGREEMENT

THIS LEASE AGREEMENT, (hereinafter referred to as “Lease”), made and entered into effective as of the _____ day of _____, 2024, (the “Effective Date”) by and between the City of North Little Rock, (hereinafter referred to as “Landlord”) and Baptist Health, an Arkansas nonprofit corporation (hereinafter referred to as “Tenant”);

WITNESSETH

That each of the aforesaid parties acknowledges receipt of a valuable consideration from the other and that each of them acts herein in further consideration of the covenants of the other as herein stated.

The parties hereto, for themselves, their heirs, distributees, executors, administrators, legal representatives, successors, and assigns, hereby covenant and agree as follows:

ARTICLE 1. PREMISES

1.1. Demised Premises. Landlord, for and in consideration of the obligation to pay rent and in consideration of the covenants hereinafter contained and made on the part of the Tenant, does hereby grant, demise, and lease unto Tenant certain property situated in the County of Pulaski, State of Arkansas, more particularly described on **Exhibit “A”** attached hereto and incorporated herein by reference, together with all buildings and improvements thereon and all rights, privileges, easements, appurtenances, and immunities belonging to or in any way pertaining to said property (the “Premises”).

1.2. Use. The demised Premises shall be used only for the purpose of operating a medical clinic and for such other lawful purpose as may be incidental thereto. Any use of the Premises for any purpose incidental to operation of a medical clinic shall require the prior written consent of the Landlord, which shall not be unreasonably withheld. Tenant shall occupy the Premises, conduct its business and control its agents, employees, invitees, and visitors in such a manner as is lawful, reputable, and will not create a nuisance. Tenant shall at its own cost and expense obtain any and all licenses and permits necessary for any such use.

1.3. Quiet Enjoyment. Landlord covenants that it now has, or will acquire before Tenant takes possession of the Premises, good title to the Premises. Landlord represents and warrants that it has full right and authority to enter into this Lease and that Tenant, upon paying the Rent herein set forth, shall peaceably and quietly have, hold, and enjoy the Premises for the Term hereof without hindrance or molestation from Landlord, subject to the terms and provisions of this Lease.

1.4. Condition of the Premise. Tenant acknowledges that it has inspected the Premises and accepts the Premises, in their present condition as suitable for the purpose for which the Premises are leased and further acknowledges that no representations as to the repair of the Premises or the Building nor promises to alter, remodel, or improve the Premises have been made by Landlord.

1.5. Signs. Tenant shall not install signs upon the interior or exterior of the Premises or any other building situated upon the Premises without prior written consent by Landlord, which consent shall not be unreasonably withheld. Tenant shall remove all such signs at the

termination of this Lease. Such installations and removals shall be made in such manner as to avoid injury or defacement of the Premises, the building and other improvements.

1.6. Alterations and Additions. Tenant may, with Landlord's consent which shall not be unreasonably withheld or delayed, make any alterations or additions to the Premises as are reasonably deemed by Tenant to be necessary or desirable. Any such alterations or additions shall be at Tenant's cost and expense, and such alterations or additions shall be of good workmanship and material at least equal to that of the original construction and such alterations or additions neither shall reduce the size and strength of the existing Premises, nor adversely affect the market value of the Premises. The value of any such improvements may be included in the insurance coverage for the Premises. Tenant shall not be required to remove any such approved alterations or addition or to restore the Premises to its original conditions at the termination of this Lease. Tenant shall not permit any mechanic's or materialmen's liens to be filed against the Premises by reason of any work, labor, or materials supplied to the Premises by Tenant or at Tenant's request (including Tenant's agents or contractors) and in the event any lien shall so attach to the Premises, then Tenant hereby agrees to indemnify and hold Landlord harmless from any such lien or claim, and within thirty (30) days after the filing thereof, to cause such lien to be discharged of record unless Tenant contests said lien in good faith in which case Tenant shall obtain the discharge of such lien within sixty (60) days after the filing thereof by substitution of a bond in accordance with Arkansas Code Annotated §18-44-118.

ARTICLE 2. TERM

2.1. Term. The term of this Lease ("Term") shall be for a period of thirty-six (36) consecutive months commencing (the "Commencement Date") on the ___ day of _____, 2024. If the Commencement Date falls on a date other than the first of a calendar month, the Term shall include the partial calendar month during which the Commencement Date falls and shall continue for thirty-six (36) calendar months following such partial calendar month so that the Term shall terminate on the last day of a calendar month.

2.2. Renewal or Extension of Lease. Landlord and Tenant agree to engage in good faith discussions on the subject of renewal or extension of the Lease no later than 180 days prior to the last day of the Term, with the terms of any renewal or extension, including but not limited to Base Rent, to be agreed to by the Landlord and Tenant and approved by the North Little Rock City Council.

2.3. Definition of Lease Year. The first twelve complete calendar month period of the Term and each subsequent twelve calendar month period of the Term, if any, shall be known as a "Lease Year".

2.4. Surrender. The Tenant shall on the last day of the Term, or upon the sooner termination of the Term, peaceably and quietly surrender and return the Premises to the Landlord, broomclean, in as good condition and repair as of the Commencement Date, reasonable wear and tear excepted. At the termination of this Lease, Tenant may, if Tenant so elects, remove all alterations, additions, improvements, and partitions erected by Tenant and restore the Premises to their original condition; otherwise, such improvements shall be delivered up to the Landlord with the Premises. All such removals and restoration shall be accomplished in a good workmanlike

manner so as not to damage the primary structure or structural qualities of the Building and other improvements in the Building. In the event Tenant has installed trade fixtures and equipment in the premises that are removable and desires to remove such fixtures and equipment without removing all other alterations, additions, improvements and partitions erected by Tenant, Tenant may, if Tenant so elects, remove such fixtures and equipment, provided that Tenant shall repair any damage resulting from such removal. At the termination of this Lease, moveable equipment or furniture owned by Tenant may be removed by Tenant.

2.5. Holding Over. Should Tenant, or any of its successors in interest, hold over the Premises, or any part thereof, after the expiration of the Term of this Lease, by lapse of time or otherwise, unless otherwise agreed in writing, such holding over shall constitute and be construed as tenancy from month to month only, at a Base Rent equal to one hundred twenty percent (120%) the Base Rent payable for the last month of the Term of this Lease, plus all Additional Rent during such period of holding over.

ARTICLE 3. RENT

3.1. Base Rent. Beginning on the Commencement Date and thereafter on the first day of each month throughout the Term, Tenant shall pay Landlord in advance, without offset or deduction, a specified base rent of One and 00/100 Dollars (\$1.00) per year (the “**Base Rent**”). If the Term shall commence on a day other than the first day of a calendar month, Tenant shall pay Base Rent for such first partial month in an amount prorated in accordance with the number of days in such partial month. As additional consideration during the initial Term, Tenant agrees to equip, establish, and operate a medical clinic at the Premises. Tenant will operate the clinic and see patients during regular business hours Monday through Friday. Tenant agrees to employ adequate medical providers and staff to operate the clinic pursuant to Tenant’s obligations set forth in this Paragraph 3.1. Tenant will not discriminate on the grounds of race, age, sex, color, creed, religion, national origin, or physical or mental disability in any manner and will accept all patients with regard to ability to pay.

3.2. In no event shall the annual increases in Base Rent determined in accordance with this Paragraph 3.2 exceed seven and one-half percent (7.5%) of the Base Rent for the month immediately prior to the commencement of the Lease Year.

3.3. [Reserved.]

3.4. Payment. Unless otherwise specified herein, Base Rent payments shall be made without notice, demand, set-off, counterclaim, suspension, deduction, or defense and shall be made at the address provided for Landlord in Section 15.1 or such other address as Landlord may from time to time provide.

3.5. Definition of Rent. References herein to “**Rent**” shall be deemed to mean Base Rent.

ARTICLE 4. [RESERVED]

[Reserved]

ARTICLE 5. UTILITIES

5.1. Utility Connections. Landlord and Tenant agree that Landlord has provided adequate water, sewer, electricity, telephone, and other utility service connections to the Premises.

5.2. Tenant's Utilities. Tenant shall pay all charges incurred for electricity, water, sewer, telephone, and other utility services used on or from the Premises.

ARTICLE 6. TAXES

6.1. Real Estate Taxes. Tenant shall pay to Landlord ad valorem taxes and assessments of the Leased Premises during the Term on a monthly basis, unless otherwise agreed in writing by the parties. Such amounts shall be based on the amounts levied against the Premises during the prior calendar year and subject to reconciliation between Landlord and Tenant within thirty (30) days after receipt of an invoice from Landlord for same, which must be accompanied by reasonable documentation substantiating the taxes incurred. Landlord agrees to make payment of all ad valorem taxes and assessments of the Leased Premises to such applicable authority prior to delinquency. In no event shall Tenant be liable for any taxes and assessments invoiced to Tenant more than thirty (30) days after the expiration or earlier termination of the Term or of any Extended Term.

6.2. Personal Property Taxes. Tenant shall be liable for all personal property taxes levied against personal property in the Premises, including any personal property taxes levied against trade fixtures, and equipment in the Premises. If Tenant fails to pay such taxes when due and such failure results, or with the passage of time could result, in the creation of a lien against the Premises, Landlord shall have the right, at its sole discretion, to pay such amounts to the appropriate governmental authority and to increase the Rent due hereunder by the same amount until Landlord recoups the amounts paid on behalf of Tenant. Tenant may, at its sole cost and expense (in its own name, as it may deem appropriate) dispute and contest the same, and in such case, such disputed item need not be paid until finally adjudged to be valid. At the conclusion of such contest, Tenant shall pay the items contested to the extent that they are held valid together with all items, court costs, interest, and penalties relating thereto.

6.3. Definition of Taxes. Any references in this Lease to the term "Taxes", shall be deemed to include all real property taxes (both general and special), assessments or governmental charges lawfully levied or assessed against the Premises or any part thereof and all personal property taxes levied against personal property in the Premises, including any personal property taxes levied against trade fixtures, and equipment in the Premises. If at any time during the term of this Lease, the present method of taxation shall be changed so that in lieu of the whole or any part of any Taxes, there shall be levied, assessed or imposed on Landlord a capital levy or other tax directly on the rents received therefrom and/or a franchise tax, assessment, levy or charge measured by or based, in whole or in part, upon such taxes, assessments, levies or charges, or the part thereof so measured or bases, shall be deemed to be included within the term "Taxes" for the purposes hereof.

ARTICLE 7. ASSIGNMENT OR SUBLEASE

7.1. Assignment or Sublease. Tenant shall not have the right to assign this Lease or to sublet the whole or any part of the Premises without the prior written consent of Landlord, which shall not be unreasonably withheld.

ARTICLE 8. REPAIRS AND MAINTENANCE

8.1. Landlord's Repairs and Maintenance. Landlord shall, at its own cost and expense, repair and maintain (in good repair, reasonable wear and tear excepted) the exterior walls and roof of the building which is a part of the Premises, the electrical wiring, heating and air conditioning systems, and plumbing in the Premises; provided, however, Landlord shall not be responsible for any such repairs for any damage caused by the negligence or intentional acts of Tenant, or Tenant's employees, agents, or invitees, or caused by Tenant's default hereunder. All other repairs and maintenance shall be the responsibility of the Tenant, as set forth in Section 8.2. below. Landlord's liability hereunder shall be limited to the cost of such repairs or curing such defect. Tenant shall promptly give Landlord written notice of defect or need for repair, after which Landlord shall have reasonable opportunity to repair same or cure such defect.

8.2. Tenant's Repairs. Tenant shall, at its own cost and expense, maintain and keep the interior portions of the Premises in as good repair as when the Premises were received, or in their highest state of repair during the lease term, ordinary wear and tear excepted, and Tenant shall return the Premises at the expiration of termination of this Lease in good order and condition, excepting only ordinance wear and tear. Tenant shall repair and pay for any damage to the Premises caused by the negligence or intentional act of Tenant, or Tenant's employees, agents, or invitees, or caused by Tenant's default hereunder. Should the Tenant fail or refuse to maintain the leased premises or to commence repair of any defective condition within ten (10) days from receipt of notice of the condition requiring such maintenance or repair, Landlord may cause the same to be remedied, maintained and restored to good condition and may charge the reasonable cost thereof to the Tenant, which cost may be additional rent due and payable in full on the next date on which rent is due hereunder. .

ARTICLE 9. CASUALTY AND INSURANCE

9.1. Casualty Notice. If the Premises should be damaged or destroyed by fire, tornado, or other casualty, Tenant shall give prompt written notice thereof to Landlord.

9.2. Right to Termination.

9.2.1. If the Premises shall be so damaged by fire or other casualty that the Premises are untenantable in whole or in material part and rebuilding or repairs cannot be completed within one hundred eighty (180) days after the date upon which Landlord is notified by Tenant of such damage, then Landlord and Tenant shall each have the option to terminate this Lease and the rent shall be abated during the unexpired portion of this Lease, effective upon the date of the occurrence of such damage. The foregoing option to terminate this Lease shall be exercised by Tenant by delivery of written notice to the Landlord in the manner provided in ARTICLE 15 within thirty (30) days after the date of the occurrence of such damage to the Premises or by Landlord by delivery of written notice to Tenant in the manner provided in ARTICLE 15 within thirty (30) days after the date upon which Landlord is notified by Tenant of such damage.

9.2.2. Notwithstanding anything in this Lease to the contrary, in the event the holder of any indebtedness secured by a mortgage or deed of trust covering the Premises

requires that the insurance proceeds be applied to such indebtedness, then Landlord shall have the right to terminate this Lease by delivering written notice of termination to Tenant within forty-five (45) days after the date of occurrence of such damage, whereupon all rights and obligations hereunder shall cease and terminate as of the date of the occurrence of such damage.

9.3. Restoration. If the Premises shall be damaged by fire or other casualty and this Lease is not terminated pursuant to Section 9.2 above, Landlord shall, at its sole cost and expense, proceed with reasonable diligence to rebuild and repair the Premises, to substantially the condition in which they existed prior to such damage. If the Premises are untenantable in whole or in part following such damage, the Rent payable hereunder during the period in which they are untenantable shall be reduced proportionately in relation to that portion of the Premises that are untenantable. In the event that Landlord should fail to complete such repairs and rebuilding within one hundred twenty (120) days after the date upon which Landlord is notified by Tenant of such damage, Tenant may at its option terminate this Lease by delivering written notice of termination to Landlord.

9.4. Property Insurance. Tenant shall procure and maintain from a reputable company authorized to do business in the state of Arkansas during the term of this Lease fire, windstorm, extended coverage, vandalism, and malicious mischief insurance (“**Fire and Extended Coverage Insurance**”) and such other casualty insurance as Tenant may reasonably determine from time to time to be required or appropriate for the Premises in an amount equal to the cost of complete replacement or reconstruction of the improvements comprising a part of the Premises and name Landlord as an additional named insured, and Tenant shall furnish Landlord evidence of such insurance coverage. Should the Premises be so damaged by fire, the elements or other unavoidable casualty as to be rendered unfit in whole or in part for the use herein provided, then, and in that event, Tenant shall restore said damage to the Premises to its former condition. Landlord and Tenant agree to apply the process of any such insurance coverage to pay for the cost of such restoration to the extent of claims paid through such insurance coverage. **Personal Property Insurance.** Tenant shall carry Fire and Extended Coverage Insurance for the full insurable value of Tenant’s merchandise, trade fixtures, furnishing, wall covering, carpeting, drapes, equipment, and all other items or personal property of Tenant located on or within the Premises. Any insurance policies required to be carried pursuant to this paragraph shall name Landlord as an additional insured, and Tenant shall furnish Landlord evidence of such insurance coverage. Such insurance policies may not be modified or terminated without thirty (30) days advance notice to Landlord. All insurance required hereunder shall be placed with companies reasonably acceptable to Landlord which are licensed to conduct business in the State of Arkansas.

9.5. Subrogation Waiver. Notwithstanding anything contained herein to the contrary, for this ARTICLE 9 Tenant and Landlord hereby waive any subrogation rights which they may have against the other, or against the Regime or other tenants in the Building. Tenant and Landlord further covenant that any insurance maintained by either party shall contain an appropriate provision whereby the insurance company or companies consent to the foregoing mutual release of liability and waive all subrogation rights to the extent of the agreement contained in this Section.

ARTICLE 10. LIABILITY

10.1. Hold Harmless. Landlord shall not be liable to Tenant or Tenant's employees, agents, patrons, or visitors, or to any other person whomsoever, for any injury to person or damage to property on or about the Premises, caused by the negligence or intentional acts of Tenant, its agents, servants, or employees, or of any other person entering upon the Premises under express or implied invitation of Tenant, or for any injury or damage covered by the insurance to be maintained by Tenant pursuant to Section 10.2 below. Tenant agrees to indemnify Landlord and hold it harmless from any loss, expense, or claims, including attorney's fees, arising out of any such damage or injury or arising from Tenant's failure to maintain the insurance required pursuant to Section 10.2. It is specifically provided, however, that Tenant shall not be liable to the extent the negligence or intentional acts of Landlord causes any injury to person or damage to property in excess of the liability insurance coverage required of Tenant in Section 10.2. In the event of any lawsuit, claim, or legal action alleging negligence on the party of Landlord, Tenant agrees to cooperate to the fullest extent possible, at Landlord's expense, in Landlord's defense based on its immunity under the provisions of Ark. Code Ann. § 21-9-301, et. seq., including but not limited to, the execution of affidavits or documents, providing of information requested by Landlord or Landlord's counsel, and meeting with Landlord representatives or the Landlord's counsel. Nothing in this paragraph shall be construed as suggesting or implying that Tenant should testify in any way other than truthfully or provide anything other than accurate, truthful information. Notwithstanding any provision to the contrary, Landlord shall have no indemnity obligation or liability for any claim based in tort from which the Landlord is determined to be immune under the provisions of Ark. Code Ann. § 21-9-301, et seq.

10.2. Liability Insurance. Tenant shall procure and maintain throughout the Term of this Lease a policy or policies of insurance, at its sole cost and expense, insuring both Landlord and Tenant against all claims, demands, or actions arising out of or in connection with Tenant's use or occupancy of the Premises, any injury to person or damage to property on or about the Building, caused by the negligence or intentional acts of Tenant, its agents, servants, or employees, or of any other person entering upon the Premises under express or implied invitation of Tenant, or by the condition of the Premises, with minimum combined single limits for such policy or policies of \$1,000,000 per occurrence and \$3,000,000 annual aggregate for personal injury, death, or property damage, to be written by insurance companies licensed to do business in the State of Arkansas. Such policies or duly executed certificates thereof will be furnished to Landlord upon the effective date of this Lease and all renewal policies or duly executed certificates thereof will be furnished to Landlord at least thirty (30) days prior to the expiration of the respective policy terms.

10.3. Subrogation Waiver. Notwithstanding anything contained herein to the contrary, for this ARTICLE 10 Tenant and Landlord hereby waive any subrogation rights which they may have against the other, or that Tenant may have against other tenants in the Building, or both. Tenant and Landlord further covenant that any insurance maintained by either party shall contain an appropriate provision whereby the insurance company or companies consent to the foregoing mutual release of liability and waive all subrogation rights to the extent of the agreement contained in this paragraph, provided that Landlord's release shall only be operative upon proof of insurance coverage in favor of Tenant acceptable to Landlord and its insurer.

ARTICLE 11. DEFAULT

11.1. Tenant's Default. Subject to the provisions of Section 11.2 below where applicable, the following events shall be deemed to be events of default by Tenant under this Lease:

- 11.1.1. Tenant shall fail to timely pay any sums due to Landlord pursuant to this Lease and such failure shall continue for a period of ten (10) days after Tenant receives written notice from Landlord that the same is past due.
- 11.1.2. Tenant shall become insolvent, or shall make a transfer in fraud of creditors, or shall make an assignment of a substantial portion of all of its assets for the benefit of creditors.
- 11.1.3. Tenant, or any guarantor of Tenant's obligations, shall file a petition under any section or chapter of the United States Bankruptcy Code, as amended, or under any similar law or statute of the United States or any state thereof; or Tenant shall be adjudged bankrupt or insolvent in a proceeding filed against Tenant or any guarantor of Tenant's obligations thereunder and such adjudication shall not be vacated and set aside or stayed within ninety (90) days thereafter.
- 11.1.4. A receiver or trustee shall be appointed for all or substantially all of the assets of Tenant or any guarantor of Tenant's obligations and such receivership shall not be terminated or stayed within ninety (90) days thereafter.
- 11.1.5. Tenant shall abandon, neglect, desert, or vacate any substantial portion of the Premises, for a period exceeding thirty (30) days.
- 11.1.6. Tenant shall fail to comply with any term, provision, or covenant of this Lease (other than the foregoing in this 11.1).

11.2. Notice and Opportunity to Cure. Except for a Tenant default as described in Section 11.1.1, (i) if Tenant suffers an event of default, Landlord shall give Tenant written notice of such default in the manner specified in ARTICLE 15 and Tenant shall have twenty (20) days thereafter to cure such default, or (ii) if the default is of such nature that it cannot reasonably be cured within said twenty (20) day period and Tenant is engaged in a good faith effort to remedy the default and continues to do so, then within sixty (60) days after Landlord has given Tenant written notice specifying such default, or (iii) within one hundred twenty (120) days after Landlord has given Tenant written notice specifying such default if Tenant, upon receipt of such notice, gives Landlord adequate security to assure remedy of the default.

11.3. Landlord's Default. Landlord is in default under this Lease if Landlord fails to comply with Landlord's obligations under the Lease and fails to cure the default (i) within twenty (20) days after written notice (in the manner specified in ARTICLE 15) is delivered to Landlord by Tenant notifying Landlord of the default; or (ii) if the default is of such nature that it cannot reasonably be cured within said twenty (20) day period and Landlord is engaged in a good faith effort to remedy the default and continues to do so, then within sixty (60) days after Tenant has given Landlord written notice specifying such default, or (iii) within one hundred twenty (120) days after Tenant has given Landlord written notice specifying such default if Landlord, upon receipt of such notice, gives Tenant adequate security to assure remedy of the default.

ARTICLE 12. REMEDIES FOR DEFAULT

12.1. Remedies for Tenant's Default. Upon the occurrence of any such events of default described in 11.1 hereof and the failure of Tenant to cure such default pursuant to Section 11.2, Landlord shall have the option to pursue any one or more of the following remedies without any notice or demand whatsoever:

- 12.1.1. Terminate this Lease, in which event Tenant shall immediately surrender the Premises to Landlord, and if Tenant fails to do so, Landlord may, without prejudice to any other remedy which it may have for possession or arrearages in Rent, enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying such Premises or any part thereof, by force if necessary, without being liable for prosecution or any claim of damages therefore; and Tenant agrees to pay to Landlord on demand the amount of all loss and damage which Landlord may suffer by reason of termination, whether through inability to relet the Premises on satisfactory terms or otherwise.
- 12.1.2. Without terminating this Lease, enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying such Premises or any part thereof, by force if necessary, without being liable for prosecution or any claim for damages therefore, and relet the Premises and receive the rent therefore; make such alterations and repairs as may be necessary in order to relet the Premises, and relet the Premises or any part thereof, for such term and at such rental and upon such other terms and conditions as Landlord in its sole discretion may deem advisable; upon each such reletting all rentals received by Landlord from such reletting shall be applied: first, to the payment of any indebtedness other than Rent due from Tenant to Landlord; second, to the payment of any costs and expenses of such reletting including reasonable brokerage fees and reasonable attorney's fees and costs of alterations and repairs requested by the new tenant; third, to the payment of any Rent due and unpaid hereunder, and the residual, if any, shall be held by Landlord and applied in payment of future Rent as the same may become due and payable hereunder. If such rentals received from such reletting during any month shall be less than the Rent to be paid during that month by Tenant hereunder, Tenant shall pay any such deficiency to Landlord upon demand. No such re-entry or taking possession by Landlord shall be construed as an election on its part to terminate this Lease unless a written notice of such intention shall be given to Tenant and any attempt by Landlord to mitigate its claim for damages against Tenant by reletting the Premises shall not be construed as a waiver of its right to damages under this Section.
- 12.1.3. Enter upon the Premises by force if necessary without being liable for prosecution or any claim for damages therefore, and do whatever Tenant is obligated to do under the terms of this Lease; and Tenant agrees to reimburse Landlord on demand for any expenses which Landlord may incur in thus effecting compliance with Tenant's obligations under this Lease, and Tenant further agrees that Landlord shall not be

liable for any damages resulting to the Tenant from such action, whether caused by the negligence of Landlord or otherwise.

12.1.4. In the event of nonpayment of the Rent or any other sum of money by the Tenant at the time and place specified in this Lease and after notice and the time period outlined in Section 11.1.1, all remaining unpaid Base Rent for the remaining term of the Lease or any extension thereof shall immediately be due and payable. In the event Landlord shall relet the Premises at any time during the remainder of the Term in which such default occurred and after Tenant has paid the sums due and payable under the preceding sentence, all rentals received by Landlord from such reletting shall be applied: first, to the payment of any indebtedness other than Rent due from Tenant to Landlord; second, to the payment of any costs and expenses of such reletting including reasonable brokerage fees and reasonable attorney's fees and costs of alterations and repairs requested by the new tenant; and the residual, if any, shall be collected by Landlord and paid to Tenant.

12.1.5. In the event Tenant does not comply with its obligations under this Lease, Landlord shall also have the right to appropriate injunctive relief.

12.2. Waiver. 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, nor shall pursuit of any remedy herein provided constitute a forfeiture or waiver of any Rent due to Landlord hereunder or of any damages accruing to Landlord by reason of the violation of any of the terms, provisions, and covenants herein contained. No waiver by Landlord of any violation nor breach of any of the terms, provisions, and covenants herein contained shall be deemed or construed to constitute a waiver, or forbearance to enforce, of any other violation or breach of any of the terms, provisions, and covenants herein contained. Landlord's acceptance of the payment of Rent or other payments hereunder after the occurrence of an event of default shall not be construed as a waiver of such default, unless Landlord so notifies Tenant in writing. Forbearance by Landlord to enforce one or more of the remedies herein provided upon an event of default shall not be deemed or construed to constitute a waiver of such default.

12.3. Surrender. No act or thing done by Landlord or its agents during the term hereby granted shall be deemed an acceptance of the surrender of the Premises, and no agreement to accept a surrender of said Premises shall be valid unless in writing signed by Landlord.

12.4. Remedies for Landlord's Default. Upon the occurrence of an event of default described in Section 11.3 hereof, Tenant may elect to cure such default in which event Landlord shall reimburse Tenant for Tenant's reasonable costs incurred in curing such default within ten (10) days after demand therefore by Tenant which demand shall be accompanied by a statement or statements showing such cost. In the event Landlord fails or refuses to reimburse Tenant within ten (10) days after Tenant's demand for such reimbursement, Tenant may deduct said reasonable costs from the next Rent payments in which case such deduction shall not be considered a default by Tenant under provisions hereby relating to Tenant's obligation to pay Rent.

ARTICLE 13. CONDEMNATION

13.1. Substantial Taking. If the whole or any substantial part of the Premises should be taken for any public or quasi-public use under governmental law, ordinance, or regulation, or by right of eminent domain, or by purchase in lieu thereof, this Lease shall terminate and the Rent shall be abated during the unexpired portion of this Lease, effective when the physical taking of said Premises shall occur. For these purposes, a substantial part of the Premises shall be deemed to have been taken if such taking prevents or substantially limits or impairs Tenant in the operation of its business normally conducted in the Premises.

13.2. Partial Taking. If less than a substantial part of the Premises shall be taken for any public or quasi-public use under any governmental law, ordinance, or regulation, or by right of eminent domain, or by purchase in lieu thereof, Landlord or Tenant shall have the right to terminate this Lease at the date of such taking or within six (6) months thereafter by giving the other party not less than ninety (90) days prior notice of the date of such termination.

13.3. Condemnation Awards. In the event of any such taking or purchase in lieu thereof, Landlord and Tenant shall each have the right to claim separate awards consistent with the terms of this Section or in the absence of such separate award, to litigate with the taking authority the matter of appropriation damages or awards. All sums awarded as compensation for the loss of or damages to the Premises shall be awarded to Landlord, and all sums awarded as compensation for loss or detriment to the business of Tenant upon the Premises, for loss of anticipated profits of such business, and as compensation for loss of or damage to Tenant's leasehold estate, including expenses of vacating the Premises, shall be awarded to Tenant.

ARTICLE 14. LIENS

14.1. Mechanic's Lien. Tenant shall have no authority, expressed or implied, to create or place any lien or encumbrance of any kind or nature whatsoever upon, or in any manner to bind, the interest of Landlord in the Premises or to charge the Rent payable hereunder for any claim in favor of any person dealing with Tenant, including those who may furnish materials or perform labor for any construction or repairs, and each such claim shall affect and each such lien shall attach to, if at all, only the leasehold interest granted to Tenant by this instrument. Tenant further covenants and agrees that (i) it will save and hold Landlord harmless from any and all loss, cost, or expense based on or arising out of asserted claims or liens against the leasehold estate or against the rights, titles, and interest of the Landlord in the Premises or under the terms of this Lease occurring as a result of the actions or inactions of the Tenant, and (ii) within thirty (30) days after the filing thereof, will cause such lien to be discharged of record unless Tenant contests said lien in good faith in which case Tenant shall obtain the discharge of such lien within sixty (60) days after the filing thereof by substitution of a bond in accordance with Arkansas Code Annotated §18-44-118.

ARTICLE 15. NOTICE

15.1. Notices. Any notice or document required or permitted to be delivered hereunder shall be deemed to be delivered whether actually received or not when deposited in the United States mail, postage prepaid, certified or registered mail, addressed to the parties hereto at the respective addresses set out opposite their names below, or at such other address as they have theretofore specified by written notice delivered in accordance herewith:

If to Landlord: City of North Little Rock
Attn: Mayor Terry C. Hartwick
300 Main Street
N. Little Rock, AR 72114

With a copy to: Office of the City Attorney
Attn: Amy Beckman Fields
PO Box 5757
N. Little Rock, AR 72119

If to Tenant: Baptist Health
Attn: VP of Real Estate
904 Autumn Road, Suite 500
Little Rock, AR 72211

With a copy to: Baptist Health
Attn: Chief Legal Officer
9601 Baptist Health Drive
Little Rock, AR 72205

15.2. Notice Receipt. If and when included within the term “Landlord” as used in this instrument, there are more than one person, firm, or corporation, all shall jointly arrange among themselves for their joint execution of such a notice specifying some individual at some specific address for the receipt of notices and payments to Landlord; if and when included within the term “Tenant” as used in this instrument, there are more than one person, firm or corporation, all shall jointly arrange among themselves for their joint execution of such a notice specifying some individual at some specific address within the continental United States for the receipt of notices and payments to Tenant. All parties included within the terms “**Landlord**” and “**Tenant**”, respectfully shall be bound by notices given in accordance with the provision of this paragraph to the same effect as if each received such notice.

ARTICLE 16. SUBORDINATION

Tenant accepts this Lease subject and subordinate to any mortgage(s) and/or deed(s) of trust now or at any time hereafter constituting a lien or charge upon the Premises or the Building and to all renewals, extensions, modifications, consolidations, and replacements thereof, and to all advances made or hereafter to be made upon the security of such mortgages or trust deeds. Tenant shall at any time hereafter on demand execute any instruments, releases, or other documents which may be required by any mortgagee for the purpose of subjecting and subordinating this Lease to the lien of any such mortgage, provided the holder thereof agrees not to disturb Tenant’s possession of the Property under the Lease so long as Tenant is not in default hereunder. With respect to any mortgage(s) and/or deed(s) of trust at any time hereafter created which constitute a lien or charge upon the Premises or the Building, Landlord at its sole option

shall have the right to waive the applicability of this paragraph so that this Lease would not be subject and subordinate to such mortgage(s) or the deed(s) of trust.

ARTICLE 17. MISCELLANEOUS

17.1. Inspection. Landlord and Landlord's agents and representatives shall have the right to enter and inspect the Premises at any time during reasonable business hours, with prior approval from Tenant and under the supervision of Tenant, for the purpose of ascertaining the condition of the Premises or in order to make such repairs as may be required to be made by Landlord under the terms of this lease. During the period that is three (3) months prior to the end of the term of this Lease, Landlord and Landlord's agents and representatives shall have the right to enter the Premises and shall have the right to erect on the Premises a suitable sign indicating availability of the Premises

17.2. Successors. The terms, provisions, and covenants and conditions contained in this Lease shall apply to, inure to the benefit of, and be binding upon, the parties hereto and upon their respective heirs, legal representatives, successors, and permitted assigns, except as otherwise herein expressly provided.

17.3. Captions. The captions are inserted in this Lease for convenience only and in no way define, limit, or describe the scope or intent of this Lease, or any provision hereof, nor in any way affect the interpretation of this Lease.

17.4. Incorporation of Exhibits and Schedules. All Exhibits and Schedules attached hereto are by this reference incorporated herein and made a part hereof for all purposes as if fully set forth herein.

17.5. Estoppel Certificates. Each party agrees, within ten (10) days after any request from time to time of the other, to deliver to such other party, or its designee, an estoppel certificate stating that this Lease is in full force and effect, the date to which Rent has been paid, the unexpired Term of this Lease and such other matters pertaining to this Lease as may be reasonably requested by such other party.

17.6. Amendment. This Lease may not be altered, changed, or amended except by an instrument in writing signed by Landlord and Tenant.

17.7. Survival. All of the terms, conditions, covenants, agreements, warranties, and representations contained in this Lease shall survive, in accordance with their terms, termination of this Lease.

17.8. Third Parties. Notwithstanding anything contained in this Lease to the contrary, nothing in this Lease, expressed or implied, is intended to confer on any person other than the parties hereto or their respective heirs, successors, executors, administrators and assigns any rights, remedies, obligations or liabilities under or by reason of this Lease.

17.9. Severability. Each paragraph of this Lease is severable from all other paragraphs. In the event any court of competent jurisdiction determines that any paragraph or subparagraph is invalid or unenforceable for any reason, all remaining paragraphs and subparagraphs will remain in full force and effect.

17.10. Jurisdiction. This Lease shall be interpreted according to and enforced under the laws of the State of Arkansas.

17.11. Entire Agreement. This Lease contains the entire agreement of both parties hereto, and no other oral or written agreement shall be binding on the parties hereto. This Lease supersedes all prior agreements, contracts, and understanding, whether written or otherwise, between the parties relating to the subject matter hereof. This agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

17.12. Broker's Commission. Each of the parties represents and warrants that there are no unsatisfied claims for brokerage commissions or finder's fees in connection with the execution of this Lease.

17.13. Memorandum of Lease. Landlord and Tenant shall execute a memorandum of this Lease, which memorandum shall be recorded in the place or places required under Arkansas law to publish notice of the contents of this Lease.

17.14. Construction. Words of any gender used in this Lease shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires.

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SIGNATURES

IN WITNESS WHEREOF, an authorized representative of Landlord and Tenant (each being evidence by appropriate corporation resolution) have executed this Lease Agreement as of the date and year set forth above.

LANDLORD:

TENANT:

CITY OF NORTH LITTLE ROCK

BAPTIST HEALTH

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

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ACKNOWLEDGMENT

STATE OF ARKANSAS §

§

COUNTY OF PULASKI §

ON THIS DAY before me, the undersigned authority, in and for said county and state, personally appeared _____, _____ of City of North Little Rock, and stated and acknowledged that he/she was duly authorized to execute the foregoing instrument for and in the name and behalf of said City of North Little Rock, and that he/she had signed, executed and delivered the foregoing instrument, in his aforesaid capacity, for the consideration, uses and purposes therein mentioned and set forth.

WITNESS my hand and seal on this ____ day of _____, 2024.

Notary Public:

My Commission Expires:

ACKNOWLEDGMENT

STATE OF ARKANSAS §

§

COUNTY OF PULASKI §

ON THIS DAY before me, the undersigned authority, in and for said county and state, personally appeared _____, _____ of Baptist Health, an Arkansas nonprofit corporation , and stated and acknowledged that he/she was duly authorized to execute the foregoing instrument for and in the name and behalf of said Baptist Health, and that he/she had signed, executed and delivered the foregoing instrument, in his aforesaid capacity, for the consideration, uses and purposes therein mentioned and set forth.

WITNESS my hand and seal on this ____ day of _____, 2024.

Notary Public:

My Commission Expires:

EXHIBIT "A"

Description of Property:

4200 East Washington Avenue, North Little Rock, AR 72117

Diagram of Premises attached hereto.