

HEALTH CARE FOUNDATION

HCF RESOLUTION NO. 98-028 -05-11

THE STATE OF TEXAS

MISCELLANEOUS ORDERS: APPROVAL OF
LEASE AGREEMENT FOR OFFICE SPACE
BETWEEN COLLIN COUNTY HEALTH CARE
TRUST FOUNDATION AND WIC PROGRAM
HEALTH CARE SERVICES

COUNTY OF COLLIN


On **May 11, 1998**, the Health Care Foundation Board of Trustees of Collin County, Texas, met in **regular session** with the following members present and participating, to wit:

Ron Harris
Phyllis Cole
Jerry Hoagland
Joe Jaynes
Jack Hatchell

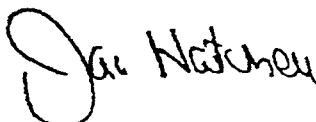
Chairman
Trustee/Vice President
Trustee
Trustee
Trustee/Secretary

During such session the Health Care Foundation Board of Trustees considered a request from Health Care Services for approval of a lease agreement for office space located at the Park Plaza Facility, Suite 110, Plano, Texas, between Collin County Health Care Trust Foundation and WIC Program.

Thereupon, a motion was made, seconded and carried with a majority vote of the Board of Trustees approving the lease agreement between Collin County Health Care Trust Foundation and WIC Program commencing on April 1, 1998 for a period of three (3) years at a monthly rate of \$2,205.00. Same is hereby approved in accordance with the attached documentation.



Ron Harris, President/Chairman



Jack Hatchell, Trustee/Secretary

**COLLIN COUNTY HEALTH CARE TRUST FOUNDATION
OFFICE BUILDING LEASE**

**STATE OF TEXAS
COUNTY OF COLLIN**

THIS LEASE AGREEMENT is made and entered into this 1st day of April, 1998.

by and between

Collin County Health Care Trust Foundation

(hereinafter referred to as "Landlord"), and

WIC Program

(hereinafter referred to as "Tenant").

IN CONSIDERATION OF THE MUTUAL COVENANTS and agreements herein set forth, and other good and valuable consideration, Landlord demises and leases to Tenant and Tenant leases from Landlord, Suite 110, hereinafter referred to as the "leased premises" or "the premises", which is a part of a building known as Park Plaza hereinafter referred to as "Building", which is more particularly described as follows:

900 E. Park Blvd., Plano, Collin County, Texas 75074.

The rentable area in the leased premises has been calculated and is hereby stipulated for all purposes hereof to be 1890 square feet rentable. The total rentable area of the 900 building project known as "Park Plaza" and hereinafter referred to as the "Building" or the "building" or the "project" is hereinafter stipulated for all purposes to be 36,606 square feet.

1. **TERM.** The term of this lease shall be 3 years and 0 months, commencing April 1, 1998, unless sooner terminated as hereinafter provided.

2. **BASIC RENTAL.** Tenant will pay to Landlord without deduction or setoffs, the sum of \$2,205.00 as rent for each month of the entire lease term. One such monthly rental installment together with a security deposit of -0- shall be payable by Tenant to Landlord in advance, without demand, on or before the commencement date of this lease, and a like monthly installment shall be due and payable without demand on or before the 1st day of each succeeding calendar month during the term hereof. Rent for any fractional month at the beginning or end of the lease term shall be pro rated. The security deposit shall be held by Landlord without liability for interest as security for the performance by Tenant of Tenant's covenants and obligations under this lease. Such deposit shall not be considered an advance payment of rent or the full measure of Landlord's damages in case of default by Tenant. Upon the occurrence of any event of default by Tenant, Landlord may, from time to time, without prejudice to any other remedy, use such security deposit to the extent necessary to make good any arrearages of rent or any other damage, injury, expense or liability caused to Landlord by any such event of default. In such case Tenant shall be notified and following any such application of the security deposit, Tenant shall pay to Landlord on demand any amount so applied in order to restore the security deposit to its original amount. If Tenant is not in default hereunder, any remaining balance of such deposit shall be returned to Tenant by Landlord upon termination of this lease. If Landlord transfers its interest in the premises during the lease term, Landlord may assign the security deposit to the transferee and thereafter shall have no further liability for the return of such security deposit. Transferee shall be liable to return the security deposit to the Tenant within 30 days of termination assuming no other conditions herein exist to the contrary.

3. **INCREASED OPERATING EXPENSES AND TAXES.**

a. The rent payable during each calendar year or any part thereof during the term of this lease subsequent to the calendar year 1998 (such calendar year being referred to as the "base year") shall be increased by Tenant's pro rata share of the total dollar increase, if any, in operating expenses paid or incurred by Landlord in such year over operating expenses paid or incurred by Landlord in the base year. In no event shall increased operating expenses, excluding taxes and insurance, paid by Tenant exceed 6 % per year. Tenant's pro rata share shall be five (5%) percent. As used herein, "operating expenses" means all costs of management, operation, and maintenance of the Building, including without limitation, real estate taxes levied or assessed against the Building, wages, salaries, janitorial, maintenance and repairs, insurance and depreciation on personal property. Operating expenses shall not include:

- (i) depreciation on the Building, other than depreciation on carpeting in public corridors and common areas;
- (ii) cost of Tenant's improvements;
- (iii) real estate brokers' commissions;
- (iv) interest on capital items.

The determination of such expenses shall be made in accordance with generally accepted accounting principles applied on a consistent basis.

b. During December of each calendar year, or as soon thereafter as practical, Landlord shall give Tenant written notice of its estimate of amounts payable under Paragraph 3a above for the ensuing calendar year. On or before the 1st day of each month during the ensuing calendar year, Tenant shall pay Landlord 1/12th of such estimated amounts, provided that if such notice is not given in December, Tenant shall continue to pay on the basis of the prior year's estimate until the month after such notice is given.

c. Within 90 days after the closing of each calendar year, or as soon thereafter as practical, Landlord shall deliver to Tenant a statement of amounts payable under Paragraphs 3a and 3b above and such statement will be based upon a financial statement certified by a certified public accountant designated by the Landlord, which certified statement shall be final and binding upon the parties. If such statement accompanied by a refund of the excess by landlord to Tenant. If such statement shows an amount owing by Tenant that is more than the estimated payment made by Tenant during the preceding calendar year, Tenant shall pay the deficiency to Landlord within 30 days after delivery of the statement.

d. If this lease terminates on a day other than the last day of the calendar year, payments made by Tenant on the estimated basis aforesaid shall be deemed to be in full satisfaction of Tenant's pro rata share of the increased operating expenses and taxes. Tenant shall not be entitled to any claim for refund, nor shall Landlord be entitled to claim any deficiency.

4. USE OF PREMISES. Tenant will use the leased premises only for office purposes, unless Landlord shall give Tenant prior written consent for different us.

Tenant will not permit any portion of the premises to be occupied or used for any business or purpose other than the permitted use or for any use or purpose which is unlawful or extra hazardous on account of fire. Tenant will not permit anything to be done in the leased premises which will in any way increase the rate of fire insurance on the Building or its contents. In the event that actions of Tenant occasion an increase in the

rate of fire insurance on the Building or its contents, the amount of the increase shall be deemed to be additional rent and shall be promptly paid to Landlord by Tenant.

5. LANDLORD'S OBLIGATIONS.

a. Landlord will furnish to Tenant at Landlord's cost and expense:

- (i) hot, cold and refrigerated water at those points of supply provided for the general use of tenants of the Building;
- (ii) heated and refrigerated air conditioning in season, at such times as Landlord normally furnishes these services to all tenants of the Building, and at such temperatures and in such amounts as reasonably considered by Landlord to be standard (service on Sundays and holidays to be optional on the part of the Landlord);
- (iii) janitorial services to the premises on weekdays other than holidays and such window washing as may, from time to time in Landlord's judgment, be reasonably required;
- (iv) operatorless passenger elevators for ingress and egress to the floor on which the premises are located, in common with other tenants, provided that Landlord may reasonably limit the number of elevators to be in operation on Saturdays, Sundays and holidays;
- (v) replacement of Building standard light fixtures; and
- (vi) electric lighting for all public areas and special service areas of the Building in a manner and to the extent deemed by the Landlord to be reasonable and standard.

b. Landlord shall furnish Tenant all electrical current required by Tenant in its normal office use and occupancy of the premises. All electrical current will be furnished at Landlord's expense.

The obligation of Landlord to furnish electrical service shall be subject to the rules and regulations of the supplier of such electricity and of any municipal or other governmental authority regulating the business of providing electrical utility service.

c. Landlord will maintain the common area in a clean, and healthful condition. The "common area" is that part of the Building designated by Landlord, from time to time, for common use by all tenants, including facilities, drinking fountains, meeting rooms, public toilets and the like, all of which shall be subject to Landlord's sole management and control, and shall be operated and maintained in such manner as the Landlord shall determine. Damage caused by Tenant, its agents or invitees, shall be repaired at the expense of Tenant.

d. Failure to furnish or any stoppage or interruption of these defined services resulting from any cause beyond Landlord's control shall not render Landlord liable in any respect for damages to either person, property or business, or be construed as an eviction of Tenant or work abatement of rent, or relieve Tenant from fulfillment of any covenant or agreement hereof. Failure to furnish or stoppage or interruption of these defined services resulting from any cause within Landlord's control shall not render Landlord liable for damages to either person, property or business nor be construed as an eviction of Tenant or work an abatement of rent or relieve Tenant from performing its obligations until Tenant has given written notice to Landlord and Landlord has had a reasonable opportunity to restore services or make repairs. Should any equipment or machinery furnished by Landlord break down or for any cause cease to function properly. Landlord shall use reasonable diligence to repair the same promptly. If service is interrupted for a period of 5 consecutive business days rendering the premises untenable, rent shall abate until service is restored. If any service is interrupted for a period of 30 consecutive days making the premises untenable, Tenant may, at its option terminate this lease.

6. IMPROVEMENTS. Landlord agrees to install at Landlord's cost and expense the Building standard improvements described in Exhibit "B" attached hereto in accordance with the provisions of Exhibit "B". All other or additional improvements to the premises shall be installed at the cost and expense of Tenant in accordance with plans and specifications which have been previously submitted to and approved in writing by Landlord. Such work shall be performed only by Landlord or by contractors and subcontractors approved in writing by Landlord, which approval shall not be unreasonably withheld.

7. TENANT'S OBLIGATIONS. Tenant will not in any manner deface or injure the Building and will pay the cost of repairing any damage or injury done to the Building or any part thereof by Tenant or Tenant's agents, employees or invitees. Tenant shall take good care of the premises and keep them free of waste and nuisance. Tenant will keep the premises, including all fixtures installed by Tenant, in good condition and repair. All such repairs will be made by Tenant at Tenant's expense. If Tenant fails to make such repairs within 15 days after the occurrence of damage or injury, Landlord may, at its option, make such repairs and Tenant shall, upon demand, pay Landlord the cost thereof plus interest at the rate of ten (10%) percent per annum from demand until paid. Upon termination of this lease, Tenant shall deliver the premises with all improvements located thereon in good repair and condition, reasonable wear and tear expected, and shall deliver to landlord all keys to the premises. Tenant will not make or allow to be made any alterations or physical additions in or to the premises without prior written consent of Landlord. At the termination of this lease, Tenant shall, if Landlord so elects, remove all alterations, physical additions or improvements directed by Landlord and restore the premises to their original condition; otherwise such improvements shall be delivered to Landlord within the premises. All furniture and movable trade fixtures installed by Tenant may be removed by Tenant at the termination of this lease if Tenant so elects and shall be

removed if required by Landlord. 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. In the event that such removal, restoration, and cleaning is not performed by Tenant, Landlord shall perform such work and bill tenant for the same, and Tenant shall promptly pay such statement upon receipt thereof. All of Tenant's fixtures and personal property, if not promptly removed from the premises at the termination of this lease, shall be presumed to have been abandoned by Tenant, and shall become the property of Landlord.

8. ASSIGNMENT; SUBLEASING. Tenant shall not assign or in any manner transfer this lease, or any estate or interest therein or sublet the premises or any part thereof or grant any license, concession or other right of occupancy of any portion of the premises without the prior written consent of Landlord, which shall not be unreasonably withheld or delayed. Consent by Landlord to any assignment or subletting shall not operate as a waiver of Landlord's rights as to any subsequent assignment or subletting. Notwithstanding any assignment or subletting, Tenant and any guarantor of Tenant's obligations under this lease shall at all times remain fully responsible and liable for the payment of the rent herein specified and for compliance with all of Tenant's obligations under this lease. In the event of a transfer or assignment by landlord of its interest in this lease or its interest in the Building containing the premises, Landlord shall thereby be relieved of any further obligations hereunder and all obligations of Landlord shall be obligations of Landlord's successor in interest. Any security given by Tenant to secure the performance of Tenant's obligations hereunder shall be assigned and transferred by landlord to such successor in interest, and Landlord shall be discarded of any further obligation related thereto. Tenant shall not mortgage, pledge, or otherwise encumber its interest in this lease or in the premises. If Tenant assigns or sublets all or a portion of the premises at a monthly rental in excess of the monthly rental Tenant is obligated to pay under the terms hereof, such increased rent shall become the monthly rent due and payable by Tenant to Landlord for the terms of such assignment or subletting.

9. INDEMNITY. Landlord shall not be liable for and Tenant will indemnify and save Landlord harmless of and from all fines, suits, claims, demands, losses and actions, (including reasonable attorney fees), for any injury to person or damage to or loss of property on or about the premises caused by the negligence or misconduct of Tenant, its employees, invitees, or by any other person entering the premises or the Building under express or implied invitation of Tenant, or arising out of Tenant's use of premises. Landlord shall not be liable or responsible for any loss or any damage to any property, or death or injury of any persons occasioned by theft, fire, act of God, public enemy, injunction, riot, strike, insurrection, war, or any other action of any governmental body or authority, by other tenants of the Building or any other matter beyond the control of the Landlord, or for any injury or damage or inconvenience which may arise through repair or alteration of any part of the Building, or failure to make repairs or from any cause whatever except Landlord's negligence.

10. RULES AND REGULATIONS. Tenant and Tenant's agents, employees and invitees will comply fully with all the requirements and the rules and regulations of the Building and related facilities which are attached hereto as Exhibit "C" and made a part hereof for all purposes. Landlord shall at all times have the right to change such rules and regulations or to promulgate other rules and regulations in such reasonable manner as may be deemed advisable for the safety, care or cleanliness of the Building and related facilities or premises and for preservation of good order therein. All changes and amendments to rules and regulations shall be in writing and forwarded to Tenant by Landlord.

11. MORTGAGES. Tenant accepts this lease subject to any deeds of trust, security interests, or mortgages which might now or hereafter constitute a lien upon the Building or improvements. Tenant shall at any time hereafter, on demand, execute any such instruments, release or other documents that may be required by any mortgagee for the purposes of subjecting and subordinating this lease to any such deed of trust, security interest, or mortgage. So long as Tenant is not in default under the Lease Agreement, Tenant will not be disturbed or evicted by anyone claiming through or under the Landlord including Landlord's mortgagee.

12. ACCESS TO PREMISES. Landlord and its agents and representatives shall have the power to enter into and upon any and all parts of the premises, at all reasonable hours and inspect the same, clean, make repairs or alterations, or show the same to prospective purchasers, deemed to be an actual or, constructive eviction of Tenant from the premises.

13. EMINENT DOMAIN. If the premises shall be taken or condemned in whole or in part for public purposes or sold under threats of condemnation, this lease shall terminate at the option of Landlord or Tenant with 120 days prior written notice. Landlord shall be entitled to receive the entire award of any condemnation proceeding or the proceeds of any sale in lieu thereof, including any award for the value of the unexpired portion of this lease.

14. CASUALTY. In the event the Building should be totally destroyed by fire, tornado, or other casualty or in the event the premises or the Building be so damaged that repairs cannot be completed within 90 days after the date of such damage, either Landlord or Tenant may terminate this lease, in which event the rent shall be abated during the unexpired portion of the lease effective from the date of such damage. In the event the Building or premises should be destroyed by fire, tornado, or other casualty covered by Landlord's insurance, but only to such extent that rebuilding or repairs can be completed within 90 days after the date of such damage, or if the damage should be more serious but neither the Landlord or Tenant elects to terminate this lease, Landlord shall, within 30 days after the date of such damage, commence to rebuild or repair the Building or the

premises and shall proceed with proper diligence to restore the premises to the same condition in which they were immediately prior to the occurrence of the casualty. Landlord shall not be required to rebuild or repair or replace any part of the furniture, equipment, fixtures and other improvements which may have been placed by Tenant or other Tenants in the Building or the premises. Rent will be abated during the time the premises are unfit of occupancy. In the event any mortgagee under a deed of trust, security agreement or mortgage on the Building should require that the insurance proceeds be used to retire the mortgage debt, Landlord shall have no obligation to rebuild and this lease shall terminate upon written notice to Tenant. Any insurance which may be carried by landlord or Tenant against loss or damage to the Building or the premises, shall be for the sole benefit of the party carrying such insurance and under its sole control.

15. WAIVER OF SUBROGATION. Each party hereto waives any and every claim which arises or may arise in its favor against the other party hereto or any tenant of Building during the term of this lease or any renewal or extension thereof for any and all loss of or damage to any of its property located within or upon or constituting a part of the premises hereunder, which loss or damage is covered by valid and collectible fire and extended coverage insurance policies, to the extent that such loss or damage is recoverable under said insurance policies. Said mutual waivers shall be in addition to, and not in limitation or derogation of, any other waiver or release contained in this lease with respect to any loss of or damage to property of the parties hereto. Inasmuch as the above mutual waivers will preclude the assignment of any aforesaid claim by way of subrogation (or otherwise) to an insurance company (or any other person), each party hereto agrees immediately to give to each insurance company which has issued to it policies of fire and extended coverage insurance written notice of the terms of said mutual waivers, and to have said insurance policies properly endorsed, if necessary, to prevent the invalidation of said insurance coverages by reason of said Waivers.

16. HOLDING OVER. Should Tenant or any of its successors in interest hold over the premises or any part hereof after the expiration of the term of this lease, unless otherwise agreed upon in writing, such holding over shall constitute and be construed as a tenancy from month to month at a rental equal to one hundred fifty (150 %) percent of the monthly rental provided for herein. No extension of this lease shall be binding unless in writing and signed by Landlord and Tenant.

17. TAXES ON TENANT'S PROPERTY. Tenant shall be liable for all taxes levied or assessed against personal property, furniture or fixtures placed by Tenant in the premises. If any such taxes for which Tenant is liable are rendered against or assessed against Landlord or Landlord's property, and the same are paid by Landlord, Tenant shall pay to Landlord upon demand the taxes on Tenant's property for which Tenant is primarily liable hereunder.

18. EVENTS OF DEFAULT. The following events shall be deemed to be events of default by Tenant under this lease:

a. Failure of Tenant to pay any installment of rent after such failure has continued for a period of 10 days and continuing for a period of three (3) days after receipt of written notice by Tenant, however in no event shall Landlord be required to provide written notice more than twice in any twelve (12) month period.

b. Failure of Tenant to comply with any term, provision or covenant of this lease, other than the payment of rent and Tenant shall not have cured or commenced to cure such failure within 20 days after written notice thereof to Tenant.

c. Making of an assignment for the benefit of creditors by Tenant or guarantors of Tenant's obligations.

d. The filing by Tenant or a guarantor of Tenant's obligations of a statute petition under any section of chapter of the National Bankruptcy Act as amended or under any similar law or statute of the United States or any State thereof, or the adjudication of Tenant or guarantor, as a bankrupt or insolvent in proceedings filed against Tenant or Guarantor, and such adjudication shall not have been vacated or set aside or stayed within the time permitted by law.

e. The appointment of a receiver or trustee for all or substantially all the assets of Tenant or any guarantor of Tenant's obligations and such receivership shall not have been terminated or stayed within the time permitted by law.

f. Desertion or vacation of substantial portion of the premises by Tenant, and failure to pay rent.

19. REMEDIES. Upon the occurrence of any event of default specified in Paragraph 18 hereof, Landlord shall have the option to pursue any one or more of the following remedies without any notice or demand whatsoever:

a. Terminate this lease, in which event Tenant shall immediately surrender the premises to landlord. If Tenant fails to surrender the premises to Landlord, Landlord may, without prejudice to any other remedy, enter upon and take possession and expel or remove Tenant and any other person who may be occupying said premises or any part thereof, by force if necessary, without being liable for prosecution or any claim for damages. Tenant agrees to pay to Landlord upon demand the amount of all loss and damage which Landlord may suffer by reason of such termination, whether through inability to relet the premises on satisfactory terms or otherwise, including the loss of rental for the remainder of the lease term.

b. If Landlord so elects, Landlord may relet the premises on such terms as Landlord shall deem advisable and receive the rent therefor. Tenant agrees to pay the Landlord upon demand any deficiency of rent that may arise by reason of such reletting for the remainder of the lease term.

c. Enter upon the premises, by force if necessary, without being liable for prosecution or any claim for damages and do whatever Tenant is obligated to do under the terms of this lease. Tenant agrees to reimburse Landlord on demand for any reasonable expenses which Landlord may incur in this effecting compliance with Tenant's obligations under this lease. Tenant further agrees that Landlord shall not be liable for any damages resulting of the Tenant from such action.

Pursuit of any of the foregoing remedies shall not preclude the pursuit of any other remedies herein provided, or any other remedies provided by law, nor shall pursuit of any remedy herein provided constitute a for forfeiture or waiver of any rent due Landlord hereunder, or of any damages suffered by Landlord by reason of violation of any term, provision or covenant herein contained. No waiver by Landlord of any violation or breach of any term, provision or covenant herein contained shall be deemed or construed as a waiver of any violation or breach of any term, provision or covenant herein contained. Forbearance by Landlord to enforce one or more of the remedies herein provided upon the event of default shall not be deemed or construed to be waiver of such default.

20. SURRENDER OF PREMISES. No act or thing done by Landlord or its agents during the term hereby granted shall be deemed as acceptance of surrender of the premises. No agreement to accept surrender of the premises shall be valid unless the same is in writing and signed by the Landlord.

21. ATTORNEY FEES. If, on account of any breach or default by any party hereto of the respective obligations under this lease, it shall become necessary for the other to employ an attorney to enforce or defend any of its rights or remedies hereunder, and should such party prevail, it shall be entitled to reasonable attorney fees incurred in such connection.

22. LANDLORD'S LIEN. In addition to the statutory landlord's lien, Tenant hereby grants to Landlord a security interest to secure payment of all rent or other sums of money coming due hereunder from Tenant, and to secure payment of any damages or loss which Landlord may suffer by reason of the breach by Tenant of any covenant, agreement, or condition contained herein, upon all goods, wares, fixtures, furniture, improvements and other personal property of Tenant presently or which may hereafter be situated on the premises, and all proceeds therefrom. Such property shall not be removed from the premises without the consent of the Landlord until all arrearages in rent as well as any other sums of money due to Landlord hereunder shall first have been paid and discharged,

and all the covenants, agreements, and conditions hereof have been fulfilled and performed by Tenant. In addition to any other remedies provided herein, upon an event of default, Landlord may enter the premises and take possession of any and all goods, wares, equipment, fixtures, furniture, improvements and other personal property of Tenant situated upon the premises without liability for trespass or conversion. Landlord may sell the same at a public or private sale, with or without having such property at the sale, after giving Tenant reasonable notice as to the time and place of the sale. At such sale, Landlord or its assigns may purchase the property unless such purchase is otherwise prohibited by law. Unless otherwise provided by law, the requirement of reasonable notice shall be met if such notice is given to Tenant at the address hereafter prescribed at least five (5) days prior to the time of the sale. The proceeds of any such disposition, less all expenses connected with the taking of possessions and sale of the property, including a reasonable attorney fee, shall be applied as a credit against the indebtedness secured by the security interest granted in this paragraph. Any surplus shall be paid to Tenant and Tenant shall pay any deficiencies upon demand. Upon request by Landlord, Tenant will execute and deliver to Landlord a financing statement in a form sufficient to perfect the security interest of Landlord in the aforementioned property and the proceeds thereof under the provisions of the Uniform Commercial Code in force in the State of Texas. The statutory lien for rent is not waived; the security interest herein granted is in addition and supplementary thereto. Notwithstanding anything to the contrary, Landlord shall subrogate its Lien to any other existing or contemplated equipment lien or security arrangement to a lending institution by Tenant.

23. MECHANICS LIENS. Tenant will not permit any mechanic's or materialman's lien to be placed upon the premises or the Building or the improvements thereon during the term of this lease as a result of any work performed, materials furnished, or obligation incurred by or at the request of Tenant. In the case of the filing of any such lien, Tenant shall promptly pay the same. If default in the payment thereof shall continue for 20 days after written notice thereof from Landlord to Tenant, Landlord shall have the right and privilege to pay the same or any portion thereof without inquiry as to the validity thereof, and any amount so paid, including expenses and interest, shall be an obligation of Tenant which Tenant shall pay to Landlord upon demand, together with interest at the rate of ten (10%) percent per annum until repaid.

24. NOTICES. Any notice or document required to be delivered thereunder shall be deemed to be delivered whether or not actually received, when deposited in the United States mail, postage prepaid, certified or registered mail, addressed to the parties hereto at their respective addresses set forth below:

LANDLORD: COLLIN COUNTY HEALTHCARE TRUST FOUNDATION
Attention: BOB LINDBERG
210 SOUTH MCDONALD STREET, SUITE 612
MCKINNEY, Texas 75069

TENANT: - _____

25. **FORCE MAJEURE.** Whenever a period of time is prescribed for action to be taken by Landlord, Landlord shall not be liable or responsible for, and there shall be excluded from the computation for any such period of time any delays due to strikes, riots, acts of God, shortages of labor or materials, war, governmental laws, regulations, or restrictions, or any other causes of any kind whatsoever, which are beyond the control of Landlord.

26. **JOINT AND SEVERAL LIABILITIES.** If there is more than one tenant, the obligations hereunder imposed on Tenant shall be joint and several. If there is a guarantor of Tenant's obligations hereunder, the obligations hereunder imposed on Tenant shall be joint and several obligations of Tenant and guarantor. Landlord need not first proceed against the Tenant hereunder before proceeding against guarantor. Nor shall any such guarantor be released from the guaranty for any reason whatsoever because of any amendments hereto, waivers of default of Tenant hereunder, or failure to give guarantor any notices to be given to Tenant hereunder.

27. **CERTIFICATE OF OCCUPANCY.** Tenant may, prior to the commencement of the term of this lease, apply for a certificate of occupancy to be issued by the municipality to which the premises are located, but this lease shall not be contingent upon the issuance thereof. Nothing herein contained shall obligate the Landlord to install any additional electrical wiring or plumbing or plumbing fixtures which are not presently existing in the premises, or which have not been expressly agreed upon by Landlord in writing.

28. **GOVERNMENTAL REGULATIONS.** Tenant will comply with all laws, ordinances, orders, rules and regulations of all governmental agencies having jurisdiction of the premises with reference to the use, construction, condition or occupancy of the premises. Tenant will not, without prior written consent of Landlord, paint, install lighting or decorations, or install any signs, window or door lettering or advertising media of any type on or about the premises or any part thereof.

29. **SEVERABILITY.** If any clause or provision of this lease is held to be illegal, invalid or unenforceable under present or future law effective during the term of this lease, the remainder of this lease shall not be affected thereby. In lieu of any clause or provision of this lease held to be illegal, invalid or unenforceable, there may 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 which is legal, valid or enforceable.

30. **AMENDMENT.** This lease embodies the full and final agreement between the parties and may not be altered, changed or amended except by instruments in writing signed by all parties hereto.

31. **BINDING EFFECT.** The terms, provisions, covenants and conditions contained herein shall apply to and insure to the benefit of and be binding upon the parties hereto, and upon their respective successors in interest and legal representatives.

32. **GENDER.** Words of any gender used in this lease may be construed to include any other gender and words in the singular numbers may include the plural unless the context requires otherwise.

33. **CAPTIONS.** Captions contained herein are for convenience of reference only and in no way limit or enlarge the terms or conditions of the lease.

34. **SPECIAL PROVISIONS.**

a. **EXPANSION OPTION/RIGHT OF FIRST REFUSAL**

So long as there exists no uncured event of default under this Lease, Tenant shall have an expansion option and continuing right of first refusal, commencing on the date hereof and continuing throughout the Lease Term (the "Expansion and/or First Refusal Space"), to which a Lease, or prior option or right of first refusal to another tenant does not exist or has been waived on any contiguous space located on the second (2nd) floor of the Building. Landlord shall notify Tenant in writing of a vacancy or prospective vacancy in connection with potentially leasing all or any part of the First Refusal Space. Tenant may elect either (i) to lease the entire offered space, or (ii) to refuse to exercise its right of first refusal. Tenant shall have five (5) business days from the receipt of landlord's notice in which to elect in writing either to lease the applicable space or refuse to lease the applicable space. Tenant's failure to notify Landlord of its election in writing within such five (5) days period shall be deemed a refusal to lease the applicable space. If Tenant refuses to lease any space so offered by Landlord, and, the space subsequently once again

becomes vacant, Tenant's right of first refusal to lease the entire applicable space shall continue in full force and effect.

Tenant shall have the right to expand into the contiguous space (the "Expansion Space") if it becomes available, by notifying Landlord in writing, its intent to lease the Expansion Space, and may do so at the fair market rental rate per annum for comparable space available in buildings of similar quality within reasonable proximity thereto at such time (the "Fair market Rental Rate"). Any renewal option under this Lease shall also apply to any First Refusal Space leased by Tenant.

At the time any Expansion/First Refusal Space is added to the Premises, the term "Premises" shall mean the then existing Premises together with the portion of the Expansion/First Refusal Space then being subjected to this Lease, Tenants proportionate share shall be recomputed based on the then number of square feet of floor space in the Building Premises, respectively, and except as otherwise set forth in this Rider or elsewhere in this Lease, Tenant's leasing of the Expansion/First Refusal Space shall be subject to the provisions of this Lease, including, without limitation, the obligation of Tenant to pay Additional Rent and any other costs or amounts payable by Tenant to Landlord in addition to Basic Annual Rental.

b. OPTION TO RENEW.

Tenant shall have, and is hereby granted, the option to renew and to extend the term of this Lease for a period of 36 months (the "Renewal Term"), such option to follow upon the expiration of the initial Lease Term, provided that at the time such option to renew is exercised, this Lease shall be in full force and effect and tenant shall not be in default hereunder. This option shall be exercised by Tenant giving written notice of its intention to renew and extend the term of this Lease to Landlord at least ninety (90) days before the Expiration Date of this Lease. Any assignment or subletting by Tenant shall terminate all rights of renewal and extension set forth herein. The Renewal Term, if elected by Tenant, shall be under all of the terms and conditions of this Lease except Basic Annual Rental (below provided) will be in an amount corresponding to the new Basic Annual Rental, and except that no further renewal option shall exist after the First Renewal Term.

Commencing with the first (1st) day of the first (1st) calendar month for the Renewal Term, the applicable annual Basic Annual Rental for each calendar month for the First Renewal Term shall be adjusted to the prevailing market rate per annum for comparable space available in buildings of a quality similar to the Building within reasonable proximity thereto at such time (the "Fair Market Rental Rate"). Landlord and Tenant shall, after reviewing market conditions reasonably determine the Fair Market Rental Rate and the Basic Annual Rental to be charged for the Renewal Term.

Executed as of the date first above written.

LANDLORD: **COLLIN COUNTY HEALTH CARE TRUST FOUNDATION**

By: *[Signature]*

Title: *President*

Executed by Landlord on *May 11*, 1998

TENANT:

By: *[Signature]*

Title: *Asst. Sec. Dir.*

By: _____

Title: _____

Executed by Tenant on _____, 1998

EXHIBIT "C"

RULES AND REGULATIONS

1. Sidewalks, doorways, vestibules, halls, stairways and similar areas shall not be obstructed by tenants or their officers, agents, servants, and employees, or used for any purpose other than ingress and egress to and from the leased premises and for going from one part of the Building to another part of the Building.

2. Plumbing fixtures and appliances shall be used only for the purposes for which constructed, and no sweepings, rubbish, rags or other unsuitable materials shall be thrown or placed therein. Any stoppage or damage resulting to any such fixtures of appliances from misuse on the part of a tenant or such tenant's officers, agents, servants, and employees shall be paid by such tenant.

3. No signs, posters, advertisements, or notices shall be painted or affixed on any of the windows or doors, or other part of the Building, except of such color, size and style and in such places, as shall be first approved in writing by the Landlord. No nails, hooks or screws shall be driven in to or inserted in any part of the Building (except to hang artwork and office related items on the interior walls of the Premises), except by building maintenance personnel or as directed by the Landlord.

4. Directories will be placed by the Landlord, at Landlord's own expense, in conspicuous places in the Building. No other directories shall be permitted.

5. Tenants shall not do anything, or permit anything to be done, in or about the Building, or bring or keep anything therein, that will in any way increase the possibility of fire or other casualty or obstruct or interfere with the rights of, or otherwise injure or annoy, other tenants, or do anything in conflict with the valid pertinent laws, rules and regulations of any governmental authority.

6. Landlord shall have the power to prescribe the weight and position of safes or other heavy equipment, which may over stress any portion of the floor. AU damage done to the Building by the improper placing of heavy items which over stress the floor will be repaired at the sole expense of the tenant.

7. A tenant shall notify the Landlord when safes or other equipment are to be taken into or out of the Building. Moving of such items shall be done under the supervision of the Landlord after receiving written permission from him

8. Each tenant shall cooperate with Building employees in keeping premises neat and clean.

9. No birds, animals or reptiles, or any other creatures, shall be brought into or kept in or about the building.

10. No access to Roof. Tenant shall have no right of access to the roof of the Premises or the Building and shall not install, repair, place or replace any aerial, fan, air conditioner or other device on the roof of the Premises or the Building without the prior written consent of Landlord. Any aerial, fan, air conditioner or device installed without such written consent shall be subject to removal, at Tenant's expense, without notice, at any time

11. Tenants shall not make or permit any improper noises in the Building, or otherwise interfere in any way with other tenants, or persons having business with them.

12. No equipment of any kind shall be operated on the leased premises that could in any way annoy any other tenant in the Building without written consent of the Landlord.

13. Tenants shall not use or keep in the Building any inflammable or explosive fluid or substance, or any illuminating material, unless it is battery power, UL approved.

14. The Landlord has the right to evacuate the Building in event of emergency or catastrophe.

15. The Landlord reserves the right to rescind any of these Rules and make such other and further Rules and Regulations as in the judgment of Landlord shall from time to time be needed for the safety, protection, care and cleanliness of the Building, the operation thereof, the preservation of good order therein, and the protection and comfort of its tenants, their agents, employees and invites, which rules when made and notice thereof given to a tenant shall be binding upon him in like manner as if originally herein prescribed. In the event of any conflict, inconsistency, or other differences between the terms and provisions of these Rules and Regulations, as now or hereafter in effect and the terms and provisions of any lease now or hereafter in effect between Landlord and any tenant in the Building, Landlord shall have the right to rely on the term or provision in either such lease or such Rules and Regulations which is most restrictive on such tenant and most favorable to Landlord.