

State of Texas

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Court Order

Collin County

§

2021-2004-01-11

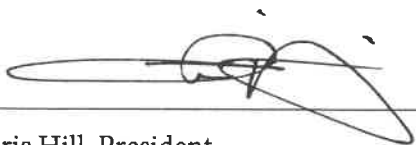
Health Care Foundation

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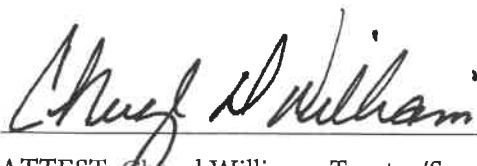
An order of the Collin County Health Care Foundation Board of Trustees approving a lease agreement.

The Collin County Health Care Foundation Board of Trustees hereby approves a lease agreement with the Texoma Council of Governments for property located at 900 E. Park Boulevard, Plano, Texas effective January 15, 2021 through and including January 14, 2022, as detailed in the attached documentation.

A motion was made, seconded, and carried by a majority of the Board members in attendance during a regular session on Monday, January 11, 2021.



Chris Hill, President



ATTEST: Cheryl Williams, Trustee/Secretary

NORTH TEXAS COMMERCIAL ASSOCIATION OF REALTORS®
COMMERCIAL LEASE AGREEMENT

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[Throughout this Lease, complete all blanks and check all boxes that apply. Blanks not completed and boxes not checked do not apply.]

For good and valuable consideration, the parties to this Commercial Lease Agreement (the "**Lease**") agree as follows:

ARTICLE ONE
DEFINED TERMS

As used in this Lease, the terms set forth in this Article One have the following meanings:

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1.01 Effective Date: The last date beneath the signatures of Landlord and Tenant on this Lease.

1.02 Landlord: Collin County Health Care Foundation

Address: Collin County Construction & Projects Department

4600 Community Avenue

McKinney, Texas 75071

Telephone: 972-547-5333 Fax: 972-547-5385

Email: bburke@co.collin.tx.us Bill Burke

Emergency Contact Information Manned 24/7

Collin County Central Plant Control Room

Telephone: 972-547-5339

1.03 Tenant: Texoma Council Of Governments (TCOG)

1117 Gallagher Drive, STE 470

Sherman, Texas 75090

Telephone: (800) 677-8264

Email: ebridges@texoma.cog.tx.us

1.04 Premises [include Suite or Unit No., if applicable]:

A. Building Name: Collin County Health Care Foundation

B. Street address: 900 E. Park Boulevard, Suite 155

Plano, Texas 75074 in Collin County, Texas

C. Legal description: The property on which the Premises are situated is described on the attached **Exhibit "B", SURVEY AND/OR LEGAL DESCRIPTION** (the "**Property**"). The term "**Property**" includes the land described on Exhibit "B", and any improvements on the land (including the Premises).

D. Floor Plan or Site Plan: Being a floor area of approximately 568 square feet and being more particularly shown in outline form on the attached **Exhibit "A", FLOOR PLAN AND/OR SITE PLAN**.

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E. Tenant's Pro Rata Share: 1.5%

1.05 Term: 1 year(s) and 0 months beginning on January 15, 2021 (the "Commencement Date") and ending January 14, 2022 (the "Expiration Date"). Unless the context requires otherwise, references in this Lease to the "Term" include any renewal or extension of this Lease.

1.06 Base Rent: Base Rent for the Term is due and payable in monthly installments per month in advance as described: \$16.00 per square foot or \$415.31 the first month, \$757.33 at the first of each month for ten months, and \$342.02 for the twelfth month in the year. Base Rent and all other sums due or payable by Tenant to Landlord under this Lease are collectively referred to in this Lease as the "Rent."

1.07 Percentage Rental Rate: Not applicable

1.08 Security Deposit: \$757.33. (due upon execution of this Lease). [See Section 3.04]

1.09 Permitted Use: General Office [See Section 6.01]

1.10 Party to whom Tenant is to deliver payments under this Lease is the Landlord, unless one of the following boxes is checked, in which case Tenant shall deliver payments to: ☐ Principal Broker, or ☒ Other [Set forth name and address, if other than Landlord or Principal Broker]:

**Collin County Central Plant
Attn: Construction & Projects: Bill Burke
4600 Community Avenue.
McKinney, Texas 75071**

1.11 Intentionally Omitted.

1.12 Intentionally Omitted.

1.13 Intentionally Omitted.

1.14 Exhibits and Addenda. Any exhibit or addendum attached to this Lease (as indicated by the boxes checked below) is incorporated as a part of this Lease. Any term not specifically defined in an Addendum will have the same meaning given to it in the body of this Lease. If any provisions in the body of this Lease conflict with the provisions of any Addendum, the Addendum will control.

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☒	Exhibit "A"	Floor Plan and/or Site Plan
☒	Exhibit "B"	Survey/Legal Description

☐	Addendum "A"	Expense Reimbursement
☒	Addendum "B"	Renewal Options
☐	Addendum "C"	Right of First Refusal for Additional Space
☐	Addendum "D"	Percentage Rental and Gross Sales Reports
☐	Addendum "E"	Guaranty
☒	Addendum "F"	Construction & Improvements
☒	Addendum "G"	Rules & Regulations
☐	Addendum "H"	Other
☐	Addendum "I"	Information about Brokerage Services
☐	Addendum "J"	Additional Provisions Addendum
☐	Addendum "K"	Other

ARTICLE TWO

LEASE AND TERM

2.01 Lease of Premises for Term. Landlord leases the Premises to Tenant and Tenant leases the Premises from Landlord for the Term stated in Section 1.05. The Commencement Date is the date specified in Section 1.05, unless advanced or delayed under any provision of this Lease.

2.02 Delays in Commencement. Landlord will not be liable to Tenant if Landlord does not deliver possession of the Premises to Tenant on the Effective Date specified in Section 1.01 above. Landlord's non-delivery of possession of the Premises to Tenant on the Effective Date will not affect this Lease or the obligations of Tenant under this Lease. However, the Commencement Date will be delayed, on a day for day basis, until possession of the Premises is delivered to Tenant. The Term will be extended for a period equal to the delay in delivery of possession of the Premises to Tenant, plus the number of days necessary for the Term to expire on the last day of a month. If Landlord does not deliver possession of the Premises to Tenant within sixty (60) days after the Effective Date specified in Section 1.01, Tenant may cancel this Lease by giving a written notice to Landlord within ten (10) days after the sixty (60) day period ends. If Tenant gives such notice, this Lease will be canceled effective as of the date of its execution, and no party will have any rights or obligations under this Lease. If Tenant does not give such notice within the time specified, Tenant will have no right to cancel this Lease, and the Term will commence upon the ninetieth (90th) day after delivery of possession of the Premises to Tenant. If delivery of possession of the

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Premises to Tenant is delayed, Landlord and Tenant shall, upon such delivery, execute an amendment to this Lease setting forth the revised Commencement Date and Expiration Date of the Term.

2.03 Early Occupancy. If Tenant opens the Premises for business ("Use") before the Commencement Date, Tenant's Use of the Premises will be subject to all of the provisions of this Lease. Early Use of the Premises will not advance the Expiration Date. Unless otherwise provided in this Lease, Tenant shall pay Base Rent and all other charges specified in this Lease for the period of Use.

2.04 Holding Over. Tenant shall vacate the Premises immediately upon the expiration of the Term or earlier termination of this Lease. Tenant shall reimburse Landlord for and indemnify Landlord against all damages incurred by Landlord as a result of any delay by Tenant in vacating the Premises. If Tenant does not vacate the Premises upon the expiration of the Term or earlier termination of this Lease, the Base Rent during the holdover period will be increased to an amount that is two (2) times the Base Monthly Rent in effect on the expiration or termination of this Lease, computed on a daily basis for each day of the holdover period, plus all additional sums due under this Lease and will be immediately due and payable daily without notice or demand. This Section will not be construed as Landlord's consent for Tenant to hold over or to extend this Lease.

ARTICLE THREE

RENT AND SECURITY DEPOSIT

3.01 Manner of Payment. The sums payable under this Lease by Tenant shall be paid to Landlord at the address set forth in Section 1.02, unless another person is designated in Section 1.10, or to any other party or address Landlord may designate in any written notice delivered to Tenant. Landlord may designate, in a written notice delivered to Tenant, the party authorized to receive Rent and act on behalf of Landlord to enforce this Lease. Any such authorization will remain in effect until it is revoked by Landlord in a subsequent written notice delivered to Tenant. Any payments made to a third party designated by Landlord will be deemed made to Landlord when received by the designated third party. All sums payable by Tenant under this Lease, whether or not expressly denominated as Rent, will constitute rent for the purposes of Section 502(b)(6) of the Bankruptcy Code and for all other purposes.

3.02 Time of Payment. Upon execution of this Lease, Tenant shall pay the installment of Base Rent for the first month of the Lease Term for which Base Rent is due. On or before the first day of the second month of the Term for which Base Rent is due, and on or before the first day of each month thereafter, the installment of Base Rent and other sums due under this Lease will be due and payable, in advance, without off-set, deduction or prior demand. Tenant shall cause payments to be properly mailed or otherwise delivered so as to be actually received (and not merely deposited in the mail) by Landlord (or the party identified in Section 1.10, or any other third party designated

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by Landlord) on or before the due date. If the Term commences or ends on a day other than the first or last day of a calendar month, the rent for any partial calendar month following the Commencement Date or preceding the end of the Term will be prorated. Tenant shall pay any such prorated portion for a partial calendar month at the beginning of the Term on the Commencement Date. Tenant shall pay any such prorated portion for a partial calendar month at the end of the Term on the first day of that calendar month.

3.03 Late Charges. Tenant's failure to promptly pay sums due under this Lease may cause Landlord to incur unanticipated costs. The exact amount of those costs is impractical or extremely difficult to ascertain. The costs may include, but are not limited to, processing and accounting charges and late charges that may be imposed on Landlord by any ground lease or deed of trust encumbering the Premises. Payments due to Landlord under this Lease are not an extension of credit. Therefore, any payment under this Lease that is not received on or before the due date (and not merely deposited in the mail), Landlord may, at Landlord's option and to the extent allowed by applicable law, impose a Late Charge on any late payments in an amount equal to five percent (5%) of the amount of the past due payment (the "Late Charge") after the payment is more than five days past due. A Late Charge may be imposed only once on each past due payment. Any Late Charge will be in addition to Landlord's other remedies for nonpayment of Rent. If any check tendered by Tenant under this Lease is dishonored for any reason, Tenant shall pay to Landlord a dishonored check fee of thirty dollars (\$30.00), plus (at Landlord's option) a Late Charge as provided above until Good Funds (defined below) are received by Landlord. The parties agree that any Late Charge and dishonored check fee represent a fair and reasonable estimate of the costs Landlord will incur by reason of the late payment or dishonored check. Payments received from Tenant shall be applied first to Late Charges, fees or any other charges due and second to Base Rent until past due amount is received in Good Funds by Landlord. Landlord will not impose a Late Charge as to the first late payment in any calendar year, unless Tenant fails to pay the late payment to Landlord within three (3) business days after the delivery of a written notice from Landlord to Tenant demanding the late payment be paid. However, Landlord may impose a Late Charge without advance notice to Tenant on any subsequent late payment in the same calendar year.

3.04 Security Deposit. Upon execution of this Lease, in addition to the installment of Base Rent due under this Section and in addition to any other amounts that are due from Tenant upon the execution of this Lease, Tenant shall deliver to Landlord a Security Deposit in the amount stated in Section 1.08. Landlord may apply all or part of the Security Deposit to any unpaid Rent, damages and charges for which Tenant is legally liable under this Lease, or damages and charges that result from a breach of this Lease, including but not limited to, the cost to cure Tenant's failure to comply with Section 7.05 and any other provision that requires Tenant to leave the Premises in a certain condition upon the expiration or termination of this Lease. If Landlord uses any part of the Security Deposit, Tenant shall restore the Security Deposit to its full amount within ten (10) days after Landlord's written demand. Tenant's failure to restore the full amount of the Security Deposit within the time specified will be a default under this Lease. No interest will be paid on the Security Deposit. Landlord will not be required to keep the Security Deposit separate from its other accounts, and no trust relationship is created with respect to the Security Deposit. Upon any

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termination of this lease not resulting in Tenant's Default or after the expiration of this Lease, Landlord shall refund the unused portion of the Security Deposit, if any, to Tenant within sixty (60) days after the date Tenant surrenders possession of the Premises and provides a written notice to Landlord of Tenant's forwarding address for the purpose of refunding the Security Deposit. The provisions of this Section will survive the expiration or termination of this Lease.

3.05 Good Funds Payments. If any two or more payments by check from Tenant to Landlord for Rent are dishonored and returned unpaid, thereafter Landlord may, at Landlord's option, by the delivery of a written notice to Tenant, require that all future payments of Rent for the remaining Term of this Lease must be made by cash, certified check, cashier's check, official bank check, money order, wire transfer or automatic electronic funds transfer ("Good Funds"), and that the delivery of Tenant's personal or corporate check will no longer constitute payment of Rent under this Lease. Any acceptance by Landlord of a payment for Rent by Tenant's personal or corporate check thereafter will not be construed as a waiver of Landlord's right to insist upon payment by Good Funds as set forth in this Section.

ARTICLE FOUR

TAXES

4.01 Taxes. Unless otherwise agreed by the parties, Landlord will pay all real property ad valorem taxes assessed against the leased premises.

4.02 Improvements by Tenant. If the real estate taxes levied against the Premises for the year in which the Term commences are increased as a result of any additions or improvements made by Tenant, or by Landlord at Tenant's request, Tenant shall pay to Landlord upon demand the amount of the increase and continue to pay the increase during the Term. Landlord shall use reasonable efforts to obtain from the tax assessor a written statement of the amount of the increase due to such additions or improvements.

4.03 Joint Assessment. If the real estate taxes are assessed against the Premises jointly with other property that is not part of the Premises, the real estate taxes applicable to the Premises will be equal to the amount bearing the same proportion to the aggregate assessment that the total square feet of building area in the Premises bears to the total square feet of building area included in the joint assessment. If there are no improvements on the Property, then land area will be used instead of building area.

4.04 Personal Property Taxes. Tenant shall pay all taxes assessed against trade fixtures, furnishings, equipment, inventory, products, or any other personal property belonging to Tenant. Tenant shall use reasonable efforts to have Tenant's property taxed separately from the Premises. If any of Tenant's property is taxed with the Premises, Tenant shall pay the taxes for Tenant's

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property to Landlord within fifteen (15) days after Tenant receives a written statement from Landlord for the property taxes.

4.05 Waiver of Right to Protest Taxes. Unless otherwise provided in this Lease: (i) Landlord retains the right to protest the tax assessment of the Property, and Tenant waives the right to protest; and (ii) Tenant waives Landlord's obligation to provide Tenant with a notice of the tax valuation of the Property.

ARTICLE FIVE

INSURANCE AND INDEMNITY

5.01 Property Insurance. During the Term, Landlord shall maintain insurance policies covering damage to the Premises in an amount not less than one hundred percent (100%) of full replacement cost providing protection against any and all perils generally included within the "all risk" classification. Landlord may, at Landlord's option, obtain insurance coverage for Tenant's fixtures, equipment and improvements in or on the Premises. Promptly after the receipt of a written request from Tenant, Landlord shall provide a certificate of insurance showing the insurance coverage then in effect. Tenant shall, at Tenant's expense, obtain and maintain insurance on Tenant's fixtures, equipment and improvements in or on the Premises as Tenant reasonably deems necessary to protect Tenant's interest. Any property insurance carried by Landlord or Tenant will be for the sole benefit of the party carrying the insurance and under its sole control.

5.02 Increases in Premiums. Tenant shall not conduct or permit any operation or activity, or the storage or use any materials, in or around the Premises that would cause suspension or cancellation of any insurance policy carried by Landlord. If Tenant's use or occupancy of the Premises causes Landlord's insurance premiums to increase, then Tenant shall pay to Landlord, as additional Rent, the amount of the increase within ten (10) days after Landlord delivers written evidence of the increase to Tenant.

5.03 Liability Insurance. During the Term, Tenant shall maintain a commercial general liability insurance policy, at Tenant's expense, insuring Tenant against liability arising out of the use or occupancy of the Premises. The initial amounts of the insurance must be at least \$1,000,000 for Each Occurrence, \$2,000,000 General Aggregate per policy year, \$100,000 Property Damage for the Demised Premises and \$10,000 Medical Expense plus a \$5,000,000 Commercial General Liability umbrella. The amounts of the insurance will not limit Tenant's liability or relieve Tenant of any obligation under this Lease. The policies must contain cross-liability endorsements and must insure Tenant's performance of the indemnity provisions of Section 5.04. The policies must contain a provision that prohibits cancellation or modification of the policy except upon thirty (30) days' prior written notice to Landlord. Tenant shall deliver a copy of the policy or certificate of insurance to Landlord before the Commencement Date and before the expiration of the policy during the Term. If Tenant fails to maintain the policy, Landlord may elect to maintain the

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insurance at Tenant's expense. In addition, Tenant may, at Tenants expense, maintain other liability insurance as Tenant deems necessary to protect itself.

5.04 Indemnity. Landlord will not be liable to Tenant or to Tenant's employees, agents, invitees or visitors, or to any other person, for any injury to persons or damage to property on or about the Premises or any adjacent area owned by Landlord caused by the negligence or misconduct of employees, subtenants, agents, licensees or concessionaires or any other person entering the Premises under express or implied invitation of Tenant, or arising out of the use of the Premises by Tenant and the conduct of Tenant's business, or arising out of any breach or default by Tenant in the performance of Tenant's obligations under this Lease. Tenant hereby agrees to defend, indemnify and hold Landlord harmless from any loss, expense or claims arising out of such damage or injury.

5.05 Waiver of Subrogation. Each party to this Lease waives any and every claim that arises or may arise in its favor against the other party during the Term of this Lease for any and all loss of, or damage to, any of its property located within or upon, or constituting a part of, the Premises, to the extent the loss or damage is covered by and recoverable under valid and collectible insurance policies. These mutual waivers are 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. Inasmuch as these mutual waivers will preclude the assignment of any such claim by way of subrogation to an insurance company (or any other person), each party agrees to immediately give to each insurance company that has issued an insurance policy to such party written notice of the terms of such mutual waivers, and to cause the policies to be endorsed to prevent the invalidation of the insurance coverage by reason of these waivers.

ARTICLE SIX USE OF PREMISES

6.01 Permitted Use. Tenant may use the Premises only for the Permitted Use stated in Section 1.09. Tenant acknowledges that: (i) the current use of the Premises or the improvements located on the Premises, or both, may not conform to city ordinances or restrictive covenants with respect to the permitted use, zoning, height limitations, setback requirements, minimum parking requirements, coverage ratio of improvements to land area, and other matters that may have a significant impact upon the Tenant's intended use of the Premises; (ii) Tenant has independently investigated and verified to Tenant's satisfaction the extent of any limitations or non-conforming uses of the Premises; and (iii) Tenant is not relying upon any representations of Landlord or the Brokers with respect to any such matters.

6.02 Compliance with Laws. Tenant shall comply with all governmental laws, ordinances and regulations applicable to the use of the Premises, and will promptly comply with all governmental orders and directives for the correction, prevention and abatement of nuisances and other activities

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in or upon, or connected with the Premises, all at Tenant's sole expense, including any expense or cost resulting from the construction or installation of fixtures and improvements or other accommodations for handicapped or disabled persons required for compliance with governmental laws and regulations, including but not limited to the Texas Architectural Barriers laws (Chapter 469 of the Texas Government Code and any successor statute) and the Americans with Disabilities Act (the "ADA"). To the extent any alterations to the Premises are required by the ADA or other applicable laws or regulations, Tenant shall bear the expense of any alterations. To the extent any alterations to areas of the Property outside the Premises are required by Title III of ADA or other applicable laws or regulations (for "path of travel" requirements or otherwise), Landlord shall bear the expense of the alterations.

6.03 Certificate of Occupancy. Tenant shall apply and obtain a Certificate of Occupancy from the municipality in which the Property is located before the Commencement Date and obtain a Certificate of Occupancy before Tenant uses the Premises. If Tenant is unable to obtain a Certificate of Occupancy after making an application and diligently pursuing it, then Tenant may request to terminate this Lease by delivering a written notice to Landlord, unless either Landlord or Tenant is willing and able to cure the defects that prevented the issuance of the Certificate of Occupancy. Either Landlord or Tenant may cure any such defects, at their own expense, including any repairs, replacements, or installations of any items that are not presently existing on the Premises, but neither of them have any obligation to do so (unless another provision of this Lease states otherwise). If Tenant delivers a written termination notice to Landlord under this Section, and then any defects are cured and a Certificate of Occupancy is issued within thirty (30) days after Tenant delivered the notice, this Lease will remain in force for the Term stated in Section 1.05. References in this Lease to a "Certificate of Occupancy" mean a Certificate of Occupancy sufficient to allow the Tenant to occupy the Premises for the Permitted Use stated in Section 1.09 of this Lease

6.04 Signs. Without the prior written consent and approval of Landlord, Tenant may not place any signs, ornaments or other objects on the Premises or the Property, including but not limited to the roof or exterior of the building or other improvements on the Property, or paint or otherwise decorate or deface the exterior of the building or other improvements on the Property. Any signs installed by Tenant must conform to applicable laws, deed restrictions, and other applicable requirements. Tenant must remove all signs, decorations and ornaments at the expiration or termination of this Lease, and must repair any damage and close any holes caused by installation or removal.

6.05 Utility Services. Landlord shall pay all utility cost related to electrical service, water, gas, sewer, storm water disposal, trash removal, exterior window cleaning, and landscaping services used for the Premises. Tenant is responsible for any initial connection expenses and any deposit that may be required by providers.

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Tenant is responsible for telephone, Internet, alarm system, entry access system and any and all other communication or utility services required to run the Premises. Unless otherwise required by law, Landlord is the party that will designate utility service providers which Landlord manages. Tenant will designate the communication, telecommunication and/or utility service providers it manages. If Landlord will be required to provide access to any of Tenant's providers, it must be scheduled in advance with written notice to whom access will be needed with Tenant granting approval.

Tenant may choose service providers for any and all other utilities needed to occupy the Premises and Tenant is responsible for all initial set up charges and/or deposits unless otherwise specified as a Landlord expense. No penetrations shall be made to the exterior of the building, including the roof, for dish receivers or any other type of equipment without prior written consent from the Landlord.

6.06 Landlord's Access. Provided that the exercise of such rights does not unreasonably interfere with Tenant's occupancy of the Premises or Tenant's patients' privacy rights under the Health Insurance Portability and Accountability Act ("HIPAA") and Title XIII of the American Recovery and Reinvestment Act of 2009 ("HITECH"), Landlord and Landlord's agents will have the right to, upon reasonable advance notice (unless it's an emergency) and without unreasonably interfering with Tenant's business, enter the Premises: (a) to inspect the general condition and state of repair of the Premises, (b) to make repairs required or permitted under this Lease, (c) to show the Premises or the Property to any prospective tenant or purchaser, and (d) for any other reasonable purpose.

If Tenant changes the locks on the Premises, Tenant must provide Landlord with a copy of each separate key resulting from the change. If Tenant installs a Card Access Entry System, Tenant, at Tenant's expense, must provide Landlord with a minimum of five (5) card keys. During the last one hundred fifty (150) days of the Term, Landlord and Landlord's agents may erect signs on or about the Premises advertising the Premises for lease or for sale.

6.07 Possession. If Tenant pays the Rent, properly maintains the Premises, and complies with all other terms of this Lease, Tenant may occupy and enjoy the Premises for the full Term, subject to the provisions of this Lease

6.08 Exemptions from Liability. Except for Landlord's and Landlord's agents' negligent or intentional acts or omissions, or Landlord's breach of this Lease, Landlord will not be liable for any damage to the business (including any loss of income), goods, inventory, furnishings, fixtures, equipment, merchandise or other property of Tenant, Tenant's employees, invitees or customers, or for any injury to Tenant or Tenant's employees, invitees, customers or any other person in or about the Premises, whether the damage or injury is caused by or results from: (a) fire, steam, electricity, water, gas or wind; (b) the breakage, leakage, obstruction or other defects of pipes, sprinklers, wires, appliances, plumbing, air conditioning or lighting fixtures or any other cause; (c) conditions arising on or about the Premises or other portions of the Property, or from other sources or places; or (d) any act or omission of any other occupant of the Property. The provisions of this

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Section will not, however, exempt Landlord from liability for Landlord's negligent acts, omissions or willful misconduct.

ARTICLE SEVEN

PROPERTY CONDITION, MAINTENANCE, REPAIRS AND ALTERATIONS

7.01 Property Condition. Except as disclosed in writing by Landlord to Tenant before the execution of this Lease, to the best of Landlord's actual knowledge: (i) the Premises have no known latent structural or construction defects of a material nature; and (ii) none of the improvements to the Premises have been constructed with materials known to be a potential health hazard to occupants of the Premises. Unless otherwise expressly set forth in this Lease, Landlord represents that on the Effective Date (and for a period of thirty (30) days thereafter): (a) the fixtures and equipment serving the Premises are in good operating condition, including the plumbing, electrical and lighting systems, any fire protection sprinkler system, the heating, ventilation and air-conditioning ("HVAC") systems and equipment, the roof, skylights, doors, overhead doors, windows, dock levelers and elevators; and (b) the interior of the Premises is in good condition. Tenant will have a period of thirty (30) days after the Effective Date to inspect the Premises and notify Landlord in writing of any defects and maintenance, repairs or replacements required to the above named fixtures, equipment and interior. Within a reasonable period of time after the timely receipt of any such written notice from Tenant, Landlord shall, at Landlord's expense, correct the defects and perform the maintenance, repairs and replacements.

7.02 Acceptance of Premises. Tenant has inspected, or has had an opportunity to inspect, the Premises, before the execution of this Lease. Tenant has determined that the Premises may be used for the Permitted Use. Subject to the provisions in Section 7.01, and any other express obligations of Landlord in this Lease to construct any improvements, make repairs, or correct defects, Tenant agrees to accept the Premises in "AS IS" condition and with all faults (other than latent defects). To the extent permitted by applicable law, Tenant waives any implied warranties of Landlord as to the quality or condition of the Premises or the Property, or as to the fitness or suitability of the Premises or the Property for any particular use.

7.03 Maintenance and Repairs. Tenant will not be required to perform any maintenance or repairs, or management services, in the Premises, except as otherwise provided in this Lease. Landlord will be fully responsible, at Landlord's expense, for all maintenance and repairs, and management services, other than those that are expressly set forth in this Lease as Tenant's responsibility. Landlord will not be responsible for any communication services, alarm systems and/or card systems in which the Tenant has installed at Tenants expense or is Tenant's responsibility.

A. Landlord's Obligations.

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(1) Subject to the provisions of Article Eight (Damage or Destruction) and Article Nine (Condemnation) and except for damage caused by any act or omission of Tenant, Landlord shall keep the roof, windows, store front, doors, skylights, foundation, structural components and the structural portions of exterior walls of the Premises in good order, condition and repair. Landlord shall also, at Landlord's expense, furnish pest control, exterior window cleaning, and care of landscaping with regular mowing and edging of the grass. Landlord will not be obligated to make any repairs under this Section until a reasonable time after written notice is received from Tenant to Landlord of the need for repairs. If any repairs are required to be made by Landlord, Tenant shall, at Tenant's sole cost and expense, promptly remove Tenant's furnishings, fixtures, inventory, equipment and other property, to the extent required to enable Landlord to make repairs. Landlord's liability under this Section will be limited to the cost of those repairs or corrections requested by Tenant in writing. Tenant waives the benefit of any present or future law that might give Tenant the right to repair the Premises at Landlord's expense or to terminate this Lease because of the condition. In the event of an urgent repair request, Tenant should call and email the Landlord per Section 1.02.

(2) All repairs, maintenance, management and other services to be performed by Landlord or Landlord's agents involve the exercise of professional judgment by service providers, and Tenant expressly waives any claims against Landlord for breach of warranty arising from the performance of those services.

B. Tenant's Obligations.

(1) Subject to the provisions of Section 7.01, Section 7.03A, Article Eight (Damage or Destruction) and Article Nine (Condemnation), Tenant shall, at all times, keep all other portions of the Premises in good order, condition and repair (except for normal wear and tear). Tenant shall, at Tenant's expense, repair any damage to any portion of the Property, including the roof, skylights, foundation, or structural components and exterior walls of the Premises, caused by Tenant's acts or omissions and Tenant must notify Landlord prior to such repair in writing per Section 1.02. If Tenant fails to maintain and repair the Property as required by this Section, Landlord may, on ten (10) days prior written notice, enter the Premises and perform the maintenance or repair on behalf of Tenant, except that no notice is required in case of emergency, and Tenant shall reimburse Landlord immediately upon demand for all costs incurred in performing the maintenance or repair, plus a reasonable service charge.

(2) **HVAC Service.** For any HVAC system that services only the Premises, Tenant shall, at Tenant's own cost and expense, enter into a regularly scheduled preventative maintenance and service contract for all such HVAC systems and equipment during the Term.

If Tenant places/adds new unit(s) to the Premises or Property, the new unit then becomes a part of the building and Tenant will maintain and service at Tenant's expense, unless otherwise specified in this Lease.

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7.04 Alterations, Additions and Improvements. Tenant may not create any openings in the roof or exterior walls or make any structural alterations, or access electrical or HVAC Services without the prior written consent and approval of Landlord. may erect or install trade fixtures, shelves, bins, machinery, and refrigeration equipment, provided that Tenant complies with all applicable governmental laws, ordinances, codes, regulations as well as any Rules and Regulations provided in Addendum G. At the expiration or termination of this Lease, Tenant shall be subject to the restrictions of Section 7.05 and remove items installed by Tenant, provided Tenant is not in default at the time of the removal and Tenant repairs, in a good and workmanlike manner, any damage caused by the installation or removal. Tenant shall pay for all costs incurred or arising out of alterations, additions or improvements in or to the Premises and will not permit any mechanic's or material man's lien to be filed against the Premises or the Property. Upon request by Landlord, Tenant shall deliver to Landlord proof of payment, reasonably satisfactory to Landlord, of all costs incurred or arising out of any alterations, additions or improvements

7.05 Condition upon Termination. Upon the expiration or termination of this Lease, Tenant shall surrender the Premises to Landlord broom clean and in the same condition as received, except for normal wear and tear and any damage caused by a casualty that Tenant is not otherwise obligated to repair under any provision of this Lease. Tenant will not be obligated to repair any damage that Landlord is required to repair under Article Seven (Property Condition) or Article Eight (Damage or Destruction). Any or all alterations, additions and improvements that Tenant does not remove will become Landlord's property which Tenant shall surrender to Landlord upon the expiration or termination of this Lease. In no event may Tenant remove any of the following items without Landlord's prior written consent: (i) electrical wiring or power panels; (ii) lighting or lighting fixtures; (iii) wall coverings, drapes, blinds or other window coverings; (iv) carpets or other floor coverings; (v) HVAC equipment; (vi) plumbing equipment; (vii) fencing or gates; or (viii) any fixtures, equipment or other items that, if removed, would affect the operation of the building, any other neighboring tenant or the appearance of the Property itself. However, Tenant may remove Tenant's trade fixtures, equipment used in Tenant's business, and personal property. The provision of this Section will survive the expiration or termination of this Lease.

7.06 Failure to Repair. If either party (the "Non-Performing Party") fails to perform its obligations under Article 7, as applicable, the other party (the "Performing Party") may at its option, after thirty (30) days' written notice to the Non-Performing Party (except in the event of an emergency in the reasonable judgment of the Performing Party, in which case no notice shall be required by either party), enter upon or into the Premises or other portions of the Property and put the same in good order, and the cost thereof shall become due and payable by the Non-Performing Party to the Performing Party upon demand; provided, however, if more than thirty (30) days are reasonably necessary in order for the Non-Performing Party to perform its obligations under Article 7, as applicable, the Non-Performing Party shall have such additional time as is reasonably necessary to perform such obligations so long as the Non-Performing Party commences its curative actions within such thirty (30) day period and thereafter diligently prosecutes same to completion. The term "emergency" shall mean only that situation which requires maintenance to be made without notice by either party thereof so as to avoid additional damages which would result if such maintenance were not affected. All emergencies shall be communicated as defined

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in Section 1.02 above. If Tenant is the Performing Party and Landlord fails to reimburse Tenant for expenses incurred by Tenant pursuant to this Section 7.06, then Tenant shall be entitled to offset the same against the next rent due under this Lease.

ARTICLE EIGHT

DAMAGE OR DESTRUCTION

8.01 Notice. If any buildings or other improvements situated on the Property are damaged or destroyed by fire, flood, windstorm, tornado or other casualty, Tenant shall immediately give written notice of the damage or destruction to Landlord.

8.02 Partial Damage. If the Premises are damaged by fire, tornado or other casualty, but not to such an extent that rebuilding or repairs cannot reasonably be completed within one hundred twenty (120) days after the date Landlord receives written notification from Tenant of the occurrence of the damage, then this Lease will not terminate, but Landlord shall proceed with reasonable diligence to rebuild or repair the Premises (other than leasehold improvements made by Tenant or any assignee, subtenant or other occupant of the Premises) to substantially the condition they were in before the damage. To the extent the Premises cannot be occupied (in whole or in part) after the casualty, the Rent payable under this Lease during the period the Premises cannot be occupied will be adjusted equitably. If the casualty occurs during the final eighteen (18) months of the Term, Landlord will not be required to rebuild or repair the damage unless Tenant exercises Tenant's renewal option (if any) within fifteen (15) days after the date Landlord receives written notification of the occurrence of the damage. If Tenant does not exercise Tenant's renewal option, or if there is no renewal option in this Lease, Landlord may, at Landlord's option, terminate this Lease by promptly delivering a written termination notice to Tenant, in which event the Rent will be abated for the unexpired portion of the Term, effective on the date Landlord received written notification of the damage.

8.03 Substantial or Total Destruction. If the Premises are substantially or totally destroyed by fire, tornado, or other casualty, or so damaged that rebuilding or repairs cannot reasonably be completed within one hundred twenty (120) days after the date Landlord receives written notification from Tenant of the occurrence of the damage, either Landlord or Tenant may terminate this Lease by promptly delivering a written termination notice to the other party, in which event the monthly installments of Rent will be abated for the unexpired portion of the Term, effective on the date of the damage or destruction. If neither party promptly terminates this Lease, Landlord shall proceed with reasonable diligence to rebuild and repair the Premises (except that Tenant shall rebuild and repair Tenant's fixtures and improvements in the Premises). To the extent the Premises cannot be occupied (in whole or in part) after the casualty, the Rent payable under this Lease during the period the Premises cannot be occupied will be adjusted equitably.

ARTICLE NINE

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CONDEMNATION

If, during the Term, all or a substantial part of the Premises are taken for any public or quasi-public use under any governmental law, ordinance or regulation or by right of eminent domain, or are conveyed to the condemning authority under threat of condemnation, this Lease will terminate and the monthly installments of Rent will be abated during the unexpired portion of the Term, effective on the date of the taking. Landlord and Tenant will each be entitled to receive and retain such separate awards and portions of lump sum awards as may be allocated to their respective interests in any condemnation proceeding. The termination of this Lease will not affect the rights of the parties to those awards.

ARTICLE TEN ASSIGNMENT AND SUBLETTING

Tenant may not assign this Lease or sublet the Premises or any portion thereof, without the prior written consent of Landlord. Any assignment or subletting will be expressly subject to all terms and provisions, including but not limited to the attached Addendum G of this Lease, and the provisions of Section 6.01 pertaining to the use of the Premises. In the event of any assignment or subletting, Tenant, per Section 1.03, will remain fully liable for the full performance of all Tenant's assignee or subtenant parties obligated under this Lease. Tenant may not assign Tenant's rights under this Lease or sublet the Premises without first obtaining a written agreement from the assignee or subtenant whereby such assignee or subtenant agree to assume the obligations of Tenant under this Lease and to be bound by all terms of this Lease. In writing, Tenant will supply to Landlord any third parties that will regularly use the premises, other than those third parties that are engaged by Tenant in the performance of its Permitted Use of the Premises. If a Default occurs by Tenant while the Premises is assigned or sublet, Landlord may, at Landlord's option, in addition to any other remedies provided in this Lease or by law, collect directly from the assignee or subtenant all monies becoming due under the terms of the assignment or subletting and apply against any sums due to Landlord under this Lease. No direct collection by Landlord from any assignee or subtenant will release Tenant Section 1.03 from any of Tenant's obligations under this Lease. Landlord may, at Landlord's option, reject any prospective assignee or subtenant for any reason that Landlord deems appropriate.

ARTICLE ELEVEN DEFAULT AND REMEDIES

11.01 Default. Each of the following events is a default under this Lease (a "Default"):

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A. Failure of Tenant to pay any installment of the Rent or other sum payable to Landlord under this Lease on the date that it is due, and the continuance of that failure for a period of five (5) days after Landlord delivers written notice of the failure to Tenant. This clause will not be construed to permit or allow a delay in paying Rent beyond the due date and will not affect Landlord's right to impose a Late Charge as permitted in Section 3.03;

B. Failure of Tenant to comply with any term, condition or covenant of this Lease, other than the payment of Rent or other sum of money, and the continuance of that failure for a period of thirty (30) days after Landlord delivers written notice of the failure to Tenant;

C. Failure of Tenant or any guarantor of Tenant's obligations under this Lease to pay its debts as they become due or an admission in writing of inability to pay its debts, or the making of a general assignment for the benefit of creditors;

D. The commencement by Tenant or any guarantor of Tenant's obligations under this Lease of any case, proceeding or other action seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, or seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its property;

E. The commencement of any case, proceeding or other action against Tenant or any guarantor of Tenant's obligations under this Lease seeking to have an order for relief entered against it as debtor, or seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, or seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its property, and Tenant or any guarantor: (i) fails to obtain a dismissal of such case, proceeding, or other action within sixty (60) days of its commencement; or (ii) converts the case from one chapter of the Federal Bankruptcy Code to another chapter; or (iii) is the subject of an order of relief that is not fully stayed within seven (7) business days after the entry thereof; and

F. Vacancy or abandonment by Tenant of any substantial portion of the Premises or cessation of the use of the Premises for the purpose leased.

11.02 Remedies. Upon the occurrence of any Default listed in Section 11.01, Landlord may pursue any one or more of the following remedies without any prior notice or demand:

A. Landlord may terminate this Lease, in which event Tenant shall immediately surrender the Premises to Landlord. If Tenant fails to surrender the Premises, Landlord may, without prejudice to any other remedy that Landlord may have for possession of the Premises or Rent

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in arrears, enter upon and take possession of the Premises and expel Tenant and any other person, including an assignee or subtenant, who may be occupying the Premises or any part thereof, by force if necessary, without being liable for prosecution or any claim for damages due to the termination of this Lease or termination of possession. Tenant shall pay to Landlord on demand the amount of all Rent, losses and damage Landlord may suffer by reason of the termination or inability to relet the Premises up to the date of termination, in addition to any other liabilities that survive the termination of this Lease.

B. Landlord may enter upon and take possession of the Premises, by force if necessary, without terminating this Lease and without being liable for prosecution or any claim for damages due to termination of possession, expel or remove Tenant and any other person, assignee or subtenant who may occupy the Premises or any part thereof. Landlord may relet the Premises and receive rent from the new occupant. Tenant agrees to pay to Landlord monthly, or on demand from time to time, any deficiency that may arise by reason of any such reletting. In determining the amount of the deficiency, professional service fees, reasonable attorneys' fees, court costs, remodeling expenses and other costs of reletting will be subtracted from the amount of rent received from the new occupant.

C. Landlord may enter the Premises, by force if necessary, without terminating this Lease and without being liable for prosecution, for any claim for damages due to such entry, and do whatever Tenant is obligated to do under the terms of this Lease. Tenant agrees to pay Landlord on demand for expenses that Landlord incurs in performing Tenant's obligations under this Lease, together with interest thereon at the rate of twelve percent (12%) per annum from the date spent until paid.

D. Landlord may, at Landlord's option, accelerate and declare the Rent for the entire Term, and all other amounts due under this Lease, at once due and payable and proceed by suit or otherwise to collect all amounts in the same manner as if all such amounts due or to become due during the remaining Term were payable in advance by the terms of this Lease.

Landlord may sue Tenant for damages for breach of this Lease after Tenant's Default and abandonment of the Premises, or after Landlord terminates Tenant's possession and Tenant vacates the Premises, in which case the measure of damages is the sum of: (i) the unpaid Rent up to the date of the abandonment or vacancy, plus (ii) the difference between the Rent for the remainder of the Term after abandonment or vacancy, and the fair market rental value of this Lease for the remainder of the Term after abandonment or vacancy, such difference to be discounted to present value at a rate equal to the rate of interest that is allowed by law in the State of Texas when the parties to a contract have not agreed on any particular rate of interest (or, in the absence of such law, at the rate of six percent (6%) per annum). Neither the enforcement or collection by Landlord of those amounts nor the payment by Tenant of those amounts will constitute a waiver by Landlord of any breach, existing or in the future, of any of

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the terms or provisions of this Lease by Tenant or a waiver of any rights or remedies that the Landlord may have with respect to any breach.

E. In addition to the foregoing remedies, Landlord may change or modify the locks on the Premises if Tenant fails to pay the Rent when due. Landlord will not be obligated to provide another key to Tenant, assignees or subtenants or allow Tenant to regain entry to the Premises unless and until Tenant pays Landlord all Rent & fees due that are delinquent, unless Landlord agrees otherwise. Tenant agrees that Landlord will not be liable for any damages resulting from the lockout. At such time Landlord changes or modifies the locks, Landlord or Landlord's agent shall post a written notice of change in accordance with Section 93.002 of the Texas Property Code, or its successor statute. Tenant may be subject to legal liability if Tenant or Tenant's representative tampers with any lock after the locks have been changed or modified. At such time Landlord may post a notice on the front door stating "Notice of Change of Locks."

F. No re-entry or taking possession of the Premises by Landlord will be construed as an election to terminate this Lease, unless a written notice of that intention is given to Tenant. Notwithstanding any reentry, taking possession or reletting, Landlord may, at any time thereafter, elect to terminate this Lease for a previous Default. Pursuit of any of the foregoing remedies will not preclude pursuit of any other remedies provided by law, nor will pursuit of any remedy provided in this Lease constitute a forfeiture or waiver of any Rent due to Landlord under this Lease or any damages accruing to Landlord by reason of the violation of any terms, provisions and covenants contained in this Lease. Failure of Landlord to declare any Default immediately upon its occurrence, or failure to enforce one or more of Landlord's remedies, or forbearance by Landlord to enforce one or more of Landlord's remedies upon a Default, will not be deemed or construed to constitute a waiver of any Default, any violations or breach of term of this lease or any other of Landlord's remedies for any Default. Pursuit of any one of the remedies will not preclude pursuit by Landlord of any of the other remedies provided in this Lease. The loss or damage that Landlord may suffer by reason of a Default by Tenant under this Lease, or the deficiency from any reletting, will include the expense of taking possession and any repairs or remodeling performed by Landlord after a Default by Tenant. If Landlord terminates this Lease at any time for any Default, in addition to other Landlord's remedies, Landlord may recover from Tenant all damages Landlord may incur by reason of the Default, including the cost of recovering the Premises and the Rent then remaining unpaid.

G. Nothing in this Lease will be construed as imposing any duty upon Landlord to relet the Premises. Landlord will have no duty to mitigate Landlord's damages except as required by applicable law. Any duty imposed by law on Landlord to mitigate damages after a Default by Tenant will be satisfied if Landlord undertakes to lease the Premises to another tenant (a "Substitute Tenant") in accordance with the following criteria:

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(1) Landlord will have no obligation to solicit or entertain negotiations with any other prospective tenant for the Premises until Landlord obtains full possession of the Premises including, without limitation, the final and unappealable legal right to relet the Premises free of any claim of Tenant;

(2) Landlord will not be obligated to lease or show the Premises on a priority basis, or offer the Premises to a prospective tenant when other space in the Property suitable for the prospective tenant's use is (or soon will be) available;

(3) Landlord will not be obligated to lease the Premises to a Substitute Tenant for an amount less than the current fair market rent then prevailing for similar uses in comparable buildings in the same market area as the Property, nor will Landlord be obligated to enter into a new lease under other terms and conditions that are unacceptable to Landlord under Landlord's then current leasing policies for comparable space in the Property;

(4) Landlord will not be obligated to enter into a lease with a Substitute Tenant whose use would:

- (i) violate any restriction, covenant, or requirement contained in the lease of another tenant of the Property;
- (ii) adversely affect the reputation of the Property; or
- (iii) be incompatible with other uses of the Property.

(5) Landlord will not be obligated to enter into a lease with any Substitute Tenant that does not have, in Landlord's reasonable opinion, sufficient financial resources to pay the Rent under the new lease and operate the Premises in a first class manner; and

(6) Landlord will not be required to spend any amount of money to alter, remodel, or otherwise make the Premises suitable for use by a proposed Substitute Tenant unless:

- (i) Tenant pays any such sum to Landlord in advance of Landlord's execution of a lease with the Substitute Tenant (which payment will not be in lieu of any damages or other sums to which Landlord may be entitled as a result of Tenant's Default under this Lease); or
- (ii) Landlord, in Landlord's reasonable discretion, determines that any such expenditure is financially justified in connection with entering into a lease with the Substitute Tenant.

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H. No right or remedy of Landlord is intended to be exclusive of any other right or remedy, and each and every right and remedy will be cumulative and in addition to any other right or remedy now or hereafter existing under this Lease, at law, in equity or by statute.

11.03 Notice of Default. Tenant shall give written notice of any failure by Landlord to perform any of Landlord's obligations under this Lease to Landlord and to any ground lessor, mortgagee or beneficiary under any deed of trust encumbering the Premises whose name and address have been furnished to Tenant in writing. Landlord will not be in default under this Lease unless Landlord (or the ground lessor, mortgagee or beneficiary) fails to cure the nonperformance within thirty (30) days after receipt of Tenant's notice. However, if the nonperformance reasonably requires more than thirty (30) days to cure, Landlord will not be in default if the cure is commenced within the 30-day period and is thereafter diligently pursued to completion.

11.04 Limitation of Landlord's Liability. As used in this Lease, the term "Landlord" means only the current owner or owners of the fee title to the Premises, or the leasehold estate under a ground lease of the Premises, at the time in question. Each Landlord is obligated to perform the obligations of Landlord under this Lease only during the time such Landlord owns such title or estate. Any Landlord who transfers its title, estate or other interest is relieved of all liability with respect to the obligations of Landlord under this Lease accruing on or after the date of the transfer, and Tenant agrees to recognize the transferee as Landlord under this Lease. However, each Landlord shall deliver to its transferee the Security Deposit held by Landlord, to the extent the Security Deposit has not then been applied under the terms of this Lease.

ARTICLE TWELVE
WAIVER OF LANDLORD'S LIEN
INTENTIONALLY DELETED

ARTICLE THIRTEEN
PROTECTION OF LENDERS

13.01 Subordination and Attornment. Landlord may subordinate this Lease to any future ground Lease, deed of trust or mortgage encumbering the Premises, and advances made on the security thereof and any renewals, modifications, consolidations, replacements or extensions thereof, whenever made or recorded. Landlord's right to subordinate is subject to Landlord providing Tenant with a written Subordination, Nondisturbance and Attornment Agreement from the ground lessor, beneficiary or mortgagee wherein Tenant's right to peaceable possession of the Premises during the Term will not be disturbed if Tenant pays the Rent and performs all of Tenant's obligations under this Lease and is not otherwise in default, in which case Tenant shall attorn to the transferee of or successor to Landlord's interest in the Premises and recognize the transferee or

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successor as Landlord under this Lease. Tenant's rights under this Lease are subordinate to any existing ground lease, deed of trust or mortgage encumbering the Premises. However, if any ground lessor, beneficiary or mortgagee elects to have this Lease be superior to the lien of its ground lease, deed of trust or mortgage and gives Tenant written notice thereof, then this Lease will be deemed superior to the ground lease, deed of trust or mortgage whether this Lease is dated prior or subsequent to the date of the ground lease, deed of trust or mortgage or the date of recording thereof.

13.02 Signing of Documents. Tenant shall sign and deliver any document that may be requested to evidence any attornment or subordination, or any agreement to attorn or subordinate, as long as the document is consistent with the provisions of Section 13.01. If Tenant fails to do so within ten (10) days after a written request, Tenant hereby makes, constitutes and irrevocably appoints Landlord, any transferee or successor of Landlord as Tenant's attorney-in-fact to execute and deliver the attornment, subordination document or agreement

13.03 Estoppel Certificates.

A. Upon Landlord's written request, Tenant shall execute, acknowledge and deliver to Landlord a written statement certifying: (1) whether Tenant is an assignee or subtenant; (2) the Lease has not been cancelled or terminated; (3) the number of renewal options under this Lease and the total period of time covered by the renewal option(s); (4) that none of the terms or provisions of this Lease have been changed since the original execution of this Lease, except as shown on attached amendments or modifications; (5) that no default by Landlord exists under the terms of this Lease (or if Landlord is claimed to be in default, stating why); (6) that Tenant has no claim against Landlord under this Lease and has no defense or right of offset against collection of Rent under this Lease; (7) the amount and date of the last payment of Rent; (8) the amount of any Security Deposit and other deposits, if any; and (9) the identity and address of any guarantor of this Lease. Tenant shall deliver the statement to Landlord within ten (10) days after Landlord's request. Landlord may forward any such statement to any prospective purchaser or lender of the Premises. The purchaser or lender may rely conclusively upon the statement as true and correct.

B. If Tenant does not deliver the written statement to Landlord within the ten (10) day period, Landlord, and any prospective purchaser or lender, may conclusively presume and rely upon the following facts: (1) that the terms and provisions of this Lease have not been changed except as otherwise represented by Landlord; (2) that this Lease has not been terminated except as otherwise represented by Landlord; (3) that not more than one monthly installment of Base Rent and other charges have been paid in advance; (4) there are no claims against Landlord nor any defenses or rights of offset against collection of Rent; and (5) that Landlord is not in default under this Lease. In such event, Tenant will be stopped from denying the truth of the presumed facts.

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13.04 Tenant's Financial Condition. Within ten (10) days after a written request from Landlord, but not more than two (2) times in any calendar year, Tenant shall deliver to Landlord financial statements as are reasonably required by Landlord to verify the net worth of Tenant, or any assignee, subtenant, or guarantor of Tenant. In addition, Tenant shall deliver to any lender designated by Landlord any financial statements required by the lender to facilitate the financing or refinancing of the Premises. Tenant represents and warrants to Landlord that each financial statement is a true, complete, and accurate statement as of the date of the statement. All financial statements will be confidential and will be used only for the purposes set forth in this Lease.

ARTICLE FOURTEEN

ENVIRONMENTAL REPRESENTATIONS AND INDEMNITY

14.01 Tenant's Compliance with Environmental Laws. Tenant, at Tenant's expense, shall comply with all laws, rules, orders, ordinances, directions, regulations and requirements of Federal, State, County and Municipal authorities pertaining to Tenant's use of the Property and with the recorded covenants, conditions and restrictions, regardless of when they become effective, including, without limitation, all applicable Federal, State and local laws, regulations or ordinances pertaining to air and water quality, Hazardous Materials (as defined in Section 14.05), waste disposal, air emissions and other environmental matters, all zoning and other land use matters, and with any direction of any public officer or officers, pursuant to law, which impose any duty upon Landlord or Tenant with respect to the use or occupancy of the Property.

14.02 Tenant's Indemnification. Tenant shall not cause or permit any Hazardous Materials to be brought upon, kept or used in or about the Property by Tenant, or Tenant's agents, employees, contractors or invitees without the prior written consent of Landlord. If the presence of Hazardous Materials on the Property caused or permitted by Tenant results in contamination of the Property or any other property, or if contamination of the Property or any other property by Hazardous Materials otherwise occurs for which Tenant is legally liable to Landlord for damage resulting therefrom, then Tenant shall indemnify, defend and hold Landlord harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses (including, without limitation, diminution in value of the Property, damages for the loss or restriction on use of rentable or unusable space or of any amenity or appurtenance of the Property, damages arising from any adverse impact on marketing of building space or land area, sums paid in settlement of claims, reasonable attorneys' fees, court costs, consultant fees and expert fees) that arise during or after the Term as a result of the contamination. This indemnification of Landlord by Tenant includes, without limitation, costs incurred in connection with any investigation of site conditions or any clean-up, remedial work, removal or restoration work required by any Federal, State or local government agency because of Hazardous Materials present in the soil or ground water on or under the Property. Without limiting the foregoing, if the presence of any Hazardous Materials on the Property (or any other property) caused or permitted by Tenant results in any contamination of the Property, Tenant shall promptly take all actions at Tenant's sole expense as are necessary to return the Property to the condition existing prior to the introduction of any such Hazardous Materials,

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provided that Landlord's approval of such actions is first obtained. The foregoing indemnity shall survive the expiration or termination of this Lease.

14.03 Landlord's Representations and Warranties. Landlord represents and warrants, to the best of Landlord's actual knowledge, that: (i) any handling, transportation, storage, treatment or usage of Hazardous Materials that has occurred on the Property to date has been in compliance with all applicable Federal, State, and local laws, regulations and ordinances; and (ii) no leak, spill, release, discharge, emission or disposal of Hazardous Materials has occurred on the Property to date and that the soil or groundwater on or under the Property is free of Hazardous Materials as of the Commencement Date, unless expressly disclosed by Landlord to Tenant in writing.

14.04 Landlord's Indemnification. Landlord hereby indemnifies, defends and holds Tenant harmless from any claims, judgments, damages, penalties, fines, costs, liabilities, (including sums paid in settlements of claims) or loss, including, without limitation, attorneys' fees, court costs, consultant fees, and expert fees, which arise during or after the Term of this Lease from or in connection with the presence or suspected presence of Hazardous Materials in the soil or groundwater on or under the Property, unless the Hazardous Material is released by Tenant or is present as a result of the negligence or willful conduct of Tenant. Without limiting the generality of the foregoing, the indemnification provided by this Section will specifically cover costs incurred in connection with any investigation of site conditions or any clean-up, remedial work, removal or restoration work required by any Federal, State or local governmental authority.

14.05 Definition. For purposes of this Lease, the term "Hazardous Materials" means any one or more pollutant, toxic substance, hazardous waste, hazardous material, hazardous substance, solvent or oil as defined in or pursuant to the Resource Conservation & Recovery Act, as amended, the Comprehensive Environmental Response, Compensation and Liability Act, as amended, the Clean Water Act, as amended, the Water Pollution Control Act, as amended, the Solid Waste Disposal Act, as amended, or any other Federal, State or local environmental law, regulation, ordinance, or rule, whether existing as of the date of this Lease or subsequently enacted.

14.06 Survival. The representations and indemnities contained in this Article Fourteen will survive the expiration or termination of this Lease.

ARTICLE FIFTEEN
INTENTIONALLY DELETED

ARTICLE SIXTEEN
MISCELLANEOUS AND ADDITIONAL PROVISIONS

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16.01 Intentionally Deleted.

16.02 Force Majeure. If performance by either Party of any term, condition or covenant in this Lease is delayed or prevented by any Act of God, strike, lockout, shortage of material or labor, restriction by any governmental authority, civil riot, flood, or any other cause not within the control of Landlord, the period for performance of the term, condition or covenant will be extended for a period equal to the period Landlord is so delayed or prevented, provided, however, the foregoing shall not cause Tenant from paying rent at the time the same is due and payable.

16.03 Interpretation. The captions of the Articles or Sections of this Lease are to assist the parties in reading this Lease and are not part of the terms or provisions of this Lease. Whenever required by the context of this Lease, the singular will include the plural and the plural will include the singular, and the masculine, feminine and neuter genders will each include the other.

16.04 Waivers. Any waivers of any provisions of this Lease must be in writing and signed by the waiving party. Landlord's delay or failure to enforce any provisions of this Lease or Landlord's acceptance of late installments of Rent will not be a waiver and will not prevent Landlord from enforcing that provision or any other provision of this Lease in the future. No statement on a check from Tenant or in a letter accompanying a check will be binding on Landlord. Landlord may, with or without notice to Tenant, negotiate, cash, or endorse the check without being bound to the conditions of any such statement.

16.05 Severability. A determination by a court of competent jurisdiction that any provision of this Lease is invalid or unenforceable will not cancel or invalidate the remainder of that provision or any other provision of this Lease, which will remain in full force and effect.

16.06 Joint and Several Liability. Tenant will be responsible for the conduct, acts and omissions of Tenant's agents, employees, customers, contractors, invitees, agents, successors or others using the Premises with Tenant's express or implied permission.

16.07 Amendments or Modifications. This Lease is the only agreement between the parties pertaining to the lease of the Premises and no other agreements are effective unless made a part of this Lease. All amendments to this Lease must be in writing and signed by all parties. Any other attempted amendment shall be void.

16.08 Notices. All notices and other communications required or permitted under this Lease must be in writing and will be deemed delivered, whether actually received or not, on the earlier of: (i) actual receipt if delivered in person or by messenger with evidence of delivery; or (ii) receipt of an electronic facsimile transmission ("Fax") with confirmation of delivery; or (iii) upon deposit in the United States Mail as required below. Notices may be transmitted by Fax to the Fax telephone

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numbers specified in Article One of this Lease, if any. Notices delivered by mail must be deposited in the U.S. Postal Service, certified mail, return receipt requested, postage prepaid, and properly addressed to the intended recipient as set forth in Article One. Notices sent by any other means will be deemed delivered when actually received, with proof of delivery. After possession of the Premises by Tenant, Tenant's address for notice purposes will be the address of the Premises unless Tenant notifies Landlord in writing of a different address to be used for that purpose. Any party may change its address for notice by delivering written notice of its new address to all other parties in the manner set forth above. Copies of all notices should also be delivered to the Brokers, but failure to notify the Brokers will not cause an otherwise properly delivered notice to be ineffective. Also, copies of all notices must also be delivered to the following persons [if the blanks have been completed]:

Copies of notices to Landlord are to be delivered to:

Collin County, Central Plant
Attn: Construction Projects: Bill Burke
Address: 4600 Community Ave.
McKinney, Texas 75071
Telephone: 972-547-5333 Fax: 972-547-5498
Email: bburke@co.collin.tx.us

Copies of notices to Tenant are to be delivered to:

Texoma Council of Governments
Attn: Director of Energy Services: Judy Fullylove
Address: 1117 Gallagher Drive, STE 200
Sherman, TX 75090
Telephone: 903-813-3537
Fax:
Email: jfullylove@texoma.cog.tx.us

16.09 Intentionally Deleted.

16.10 Venue. All obligations under this Lease, including, but not limited to, the payment of Fees to the Brokers, will be performed and payable in the county in which the Property is located. The laws of the State of Texas will govern this Lease.

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16.11 Survival. All obligations of any party to this Lease that are not fulfilled at the expiration or the termination of this Lease will survive such expiration or termination as continuing obligations of the party.

16.12 Binding Effect. This Lease will inure to the benefit of, and be binding upon, each of the parties to this Lease and their respective heirs, representatives, successors and assigns. However, Landlord will not have any obligation to Tenant's successors or assigns unless the rights or interests of the successors or assigns are acquired in accordance with the terms of this Lease.

16.13 Intentionally Deleted.

16.14 Patriot Act Representation. Landlord and Tenant each represent to the other that: (1) its property interests are not blocked by Executive Order No. 13224, 66 Fed. Reg. 49079; (2) it is not a person listed on the Specially Designated Nationals and Blocked Persons list of the Office of Foreign Assets Control of the United States Department of the Treasury; and (3) it is not acting for or on behalf of any person on that list.

16.15 Offer. The execution of this Lease by the first party to do so constitutes an offer to lease the Premises. Unless this Lease is signed by the other party and a fully executed copy is delivered to the first party within ten (10) days after the date of execution by the first party, such offer to lease will be deemed automatically withdrawn. Any acceptance of an offer that has been withdrawn will only be effective if the party that withdrew the offer subsequently agrees to the acceptance either in writing or by course of conduct.

16.16 Expenses for Enforcement. In the event either Party hereto is required to employ an attorney to enforce the provisions of this Agreement or is required to commence legal proceedings to enforce the provisions hereof, the prevailing Party shall be entitled to recover from the other, reasonable attorney's fees and court costs incurred in connection with such enforcement, including collection. *EMB* 12/28/20

16.17 Consult an Attorney. This Lease is an enforceable, legally binding agreement. Read it carefully. By executing this Lease, Landlord and Tenant each agree to the provisions contained in this Lease.

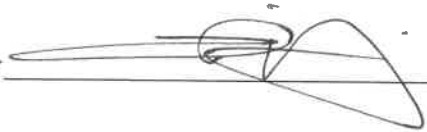
16.18 Improvements. Improvements will be made by Tenant with prior written approval from Landlord. Tenant will supply Landlord with a copy of Construction Documents of the approved build-out. Improvements will be made at Tenant's expense. Tenant shall supply Landlord with proof of payment in full of alterations once complete. In addition, if a permit is required, Tenant or Tenant's representative is to supply Landlord with a copy of the City of Plano Certification of Occupancy when received.

16.19 Intentionally Deleted.

This Lease has been executed as of the Effective Date. LANDLORD'S INITIALS _____ TENANT'S INITIALS *EMB*

LANDLORD:

Collin County Health Care Foundation

By [Signature]: 

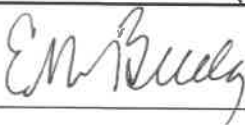
Name: CHRIS HILL

Title: BOARD PRESIDENT

Date of Execution: 1/13/2021

TENANT:

Texoma Council of Governments (TCOG)

By [Signature]: 

Name: Eric M. Bridges

Title: Executive Director

Date of Execution: 12/20/20

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Exhibit A – Layout (Attached)

Exhibit B – Survey/Legal Description (Attached)

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ADDENDUM "B" TO LEASE
RENEWAL OPTIONS

Tenant shall have the right to renew the term of this Lease for two (2) five (5)-year terms upon prior written notice ("Tenant's Election Notice") to Landlord given not sooner than nine (9) months nor later than three (3) months prior to the expiration of the then-current term of this Lease; provided that at the time Tenant gives such notice to Landlord and for the remainder of the then-current term of this Lease (i) this Lease has not been assigned and no sublease of the Premises has occurred, even if such assignment or subletting has been consented to by Landlord and (ii) Tenant is not in default hereunder. During the renewal term, the provisions of this Lease, as it may be amended in writing prior to the date of the commencement of such renewal term, shall continue in effect except that Tenant shall occupy the Premises in its then "as is" condition and there shall be no abatement of rent, nor shall there be credit or allowances given to Tenant for improvements to the Premises. If Tenant timely elects to extend the Lease, the Base Rent during such extension term shall be at a rate ("Fair Market Rate") representing the price that a ready and willing tenant would pay as of the commencement of the extension as monthly rent to a ready and willing landlord of premises comparable to the Premises if the property were offered for lease on the open market for a reasonable period of time, and taking into account the term of the extension, the amount of improvements made by Tenant at its expense, the creditworthiness of the Tenant, and all of the purposes for which the property may be used and not just the use proposed to be made of the Premises by Tenant. Not more than sixty (60) days prior to Tenant's timely delivery of the applicable Tenant's Election Notice, Tenant may request in writing Landlord's proposed Fair Market Rate for the extension term in question and Landlord shall provide Landlord's proposed Fair Market Rate within fifteen (15) days after receiving such request. If Tenant fails to make such a request to Landlord, then Landlord shall provide Landlord's proposed Fair Market Rate within fifteen (15) days after Landlord's receipt of Tenant's Election Notice. Landlord and Tenant shall negotiate in good faith to agree upon the final Fair Market Rate, which shall be the Base Rent for the extension term in question (and in no event shall be less than the Base Rent in effect at the end of the term immediately preceding the extension term in question), but Tenant's deadline for delivering Tenant's Election Notice shall not be extended on account of any such negotiations.

If Landlord and Tenant have not been able to agree on the Fair Market Rate amount within thirty (30) days following Tenant's delivery of Tenant's Election Notice, the Fair Market Rate for the extension term will be determined by the following appraisal process. Landlord and Tenant shall endeavor in good faith to select a single Appraiser. The term "Appraiser" means a third party Texas licensed commercial real estate broker with a minimum of 5 years of recent commercial real estate experience in the Plano market. If Landlord and Tenant are able to agree upon and

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select a single Appraiser, that Appraiser will determine the Fair Market Rate for the extension term.

If Landlord and Tenant are unable to agree upon a single Appraiser within ten (10) days after the end of the thirty (30) day period, each will then appoint one Appraiser by written notice to the other within seven (7) days after the end of the thirty (30) day period. Within five (5) business days after the two Appraisers are appointed, the two Appraisers will appoint a third Appraiser. If either Landlord or Tenant fails to appoint its Appraiser within the prescribed time period, the single Appraiser appointed will determine the Fair Market Rate. Each party will bear the cost of the Appraiser appointed by it and the parties will share equally the cost of the third Appraiser. The Fair Market Rate of the Premises will be the average of the two appraisals that are closest to each other in amount, with the third appraisal disregarded. Regardless of the method of determining the Fair Market Rate, in no event shall the Fair Market Rate for the extension term in question be less than the Base Rent in effect at the end of the term immediately preceding such extension term.

If the Fair Market Rate is not determined before the commencement of the renewal term, then Tenant shall continue to pay to Landlord the Base Rent applicable to the Premises immediately before the extension term until the Fair Market Rate amount is determined, and when it is determined, Tenant shall pay to the other the difference between the Base Rent actually paid by Tenant and the new Base Rent established for the renewal term.

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ADDENDUM "F" TO LEASE
CONSTRUCTION OF IMPROVEMENTS
ARTICLE I

TENANT'S OBLIGATIONS

Tenant hereby accepts the Premises "As-Is" and "turned over to Tenant for finish-out". Prior to the commencement of any construction, Tenant shall adhere to the following:

A. PRE-CONSTRUCTION OBLIGATIONS

- (1) Plans, diagrams, schedules and other data relating to work to be performed by Tenant must be furnished by Tenant to Landlord complete, sufficient to comply with all applicable laws, building codes and sufficient to obtain a building permit if required, and ready for Landlord's consideration and final approval. Without limiting the generality of the immediately preceding sentence, Tenant's submissions must (a) comply with the requirements of any interior design specifications which may be attached hereto as Addendum F and (b) include a site plan, a floor plan, a reflected ceiling plan, a plumbing, electrical and HVAC design plan, elevations of walls and a fixture plan. All drawings shall be at scale of either 1/8" or 1/4". Tenant shall reimburse Landlord for any loss or extra cost which may result to Landlord by reason of failure on the part of Tenant to submit any such plans, diagrams, schedules, specifications and/or other data within said period of time.
- (2) Tenant shall secure Landlord's written approval of all designs, plans, specifications, materials, contractors and contracts for work to be performed by Tenant before beginning the work (including following whatever "work letter" instructions, if any, which Landlord may deliver to Tenant in connection with the work) ("Design Submission"), and shall secure all necessary licenses and permits to be used in performing the work. Within ten (10) days of Landlord's receipt of the Design Submission, Landlord shall respond to Tenant, in writing, with all reasonable requested changes. If Tenant has not received comments by such date, or if Landlord responds with no requested changes, the Design Submission shall be deemed approved ("Approved Design Submission"). Any objections made by Landlord must be reasonable and shall be made with reasonable specificity. If Landlord makes timely objections to the Design Submission, Tenant shall thereafter make such revisions in order to incorporate Landlord's reasonable objections and comments and shall resubmit same to Landlord who shall again, within ten (10) days after receipt of such resubmitted Design Submissions, either approve same in writing or give further reasonable objections thereto. The foregoing process shall continue until the Design Submission has been approved by Landlord and Tenant in writing. Tenant's finished work shall be in accordance with the Approved Design Submission, and shall be subject to Landlord's

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approval and acceptance. If required by the applicable municipality, Tenant shall, at Tenant's expense, obtain an asbestos survey of the Premises from a person or company which is properly licensed to prepare such a survey. Tenant shall provide a copy of the asbestos survey to Landlord within ten (10) days following the completion of the survey.

- (3) The Tenant's insurance requirements under Section 5.03 of this Lease and the waiver requirements under Section 5.05 of this Lease shall apply during the construction contemplated in this exhibit, and Tenant shall provide evidence of appropriate insurance coverage (including, unless waived by Landlord, what is commonly referred to as "builder's all-risk" insurance) prior to beginning any of Tenant's work. Tenant shall also provide Landlord with evidence of insurance covering both Tenant and Tenant's contractor against damage to their personal property, as well as against third-party liability and worker's compensation claims arising out of all construction and associated activities. All policies of insurance shall be subject to Landlord's prior approval and shall be endorsed showing Landlord and Landlord's property manager as additional named insureds (or if permitted by Landlord, may provide a waiver of subrogation against Landlord and Landlord's property manager).

B. DESCRIPTION OF TENANT'S WORK

- (1) Signs: Tenant shall pay for all signs and the installation thereof, including the electrical hook-up, subject to the provisions of Section 6.04 of this Lease.
- (2) Utilities: Except for electric and water, all meters or other measuring devices in connection with utility services shall be provided by Tenant. All service deposits shall be made by Tenant at Tenant's expense.
- (3) All work undertaken by Tenant shall be at Tenant's expense. Any roof penetration shall be performed by Landlord's roofer, or, at Landlord's option, by a bonded roofer approved in advance by Landlord. The work shall be begun only after Landlord has given consent, which consent shall in part be conditioned upon Tenant's plans to include materials acceptable to Landlord in order to prevent injury to the roof and to spread the weight of the equipment being installed. Tenant shall also be responsible for obtaining, and paying for, professional inspections of any structural work (including, without limitation, any roof work or concrete work).
- (4) All work undertaken by Tenant shall be awarded to Landlord's contractor unless, before any construction begins, Tenant chooses and receives Landlord's written approval for another contractor to complete Tenant's work.

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- (5) Upon completion of Tenant's work, Tenant shall (i) notify Landlord that the work is complete and ready for Landlord's review, (ii) deliver to Landlord a true copy of Tenant's certificate of occupancy (or similar governmental permit), (iii) supply Landlord with a copy of any inspection tags or professional reports, and (iii) provide documentation acceptable to Landlord that all bills have been paid to Tenant's contractors, subcontractors and professionals.
- (6) All work that may disrupt other Tenants shall be done after hours or on weekends unless otherwise approved by Landlord which includes any utility shut off unless it can be contained in Tenant's suite.

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Addendum G – Rules and Regulations

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