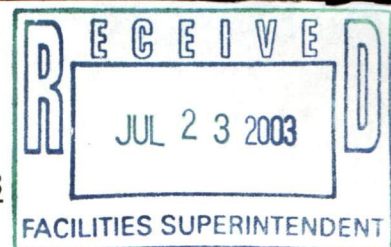


Redbud location elections



COURT ORDER NO. 2003- 502 -07-08

THE STATE OF TEXAS

COUNTY OF COLLIN

MISCELLANEOUS ORDER
RATIFY COUNTY JUDGE'S PRIOR APPROVAL
LEASE AGREEMENT
MCKINNEY NORTH BUSINESS PARK, LP
PUBLIC SERVICES & OPERATIONS

On **July 8, 2003**, the Commissioners Court 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


County Judge, Presiding
Commissioner, Precinct 1
Commissioner, Precinct 2
Commissioner, Precinct 3
Commissioner, Precinct 4

During such session the court considered a request for ratification of the County Judge's prior approval with McKinney North Business Park, LP.


Thereupon, a motion was made, seconded and carried with a majority vote of the court to approve ratification of the County Judge's prior approval of a lease agreement with McKinney North Business Park, LP to lease space at 2010 Redbud Drive, Building A, McKinney, TX for the Elections Department. Same is hereby approved in accordance with the attached documentation.




Ron Harris, County Judge



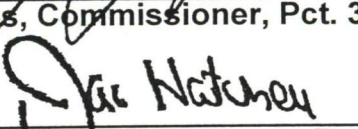
Phyllis Cole, Commissioner, Pct. 1



Jerry Hoagland, Commissioner, Pct. 2



Joe Jaynes, Commissioner, Pct. 3



Jack Hatchell, Commissioner, Pct. 4

ATTEST:

Brenda Taylor, Ex-Officio Clerk
Commissioners' Court
Collin County, T E X A S

THIS LEASE AGREEMENT made and entered into by and between McKinney North Central Business Park, L.P. hereinafter referred to as "Landlord", and Collin County, Texas, a political subdivision of the State of Texas, hereinafter referred to as "Tenant".

WITNESSETH:

1. PREMISES AND TERM.

A. In consideration of the mutual obligations of Landlord and Tenant set forth herein, Landlord leases to Tenant, and Tenant takes from Landlord the 12,312 net rentable square feet more particularly outlined on the floor plan, attached as Exhibit "A-1" (the "Premises"), which Premises are part of that 67,425 net rentable square foot building (the "Building"), which Building and Premises are part of a project consisting of one building with a total square footage of 67,425 net rentable square feet in area in McKinney Central Business Park (the "Project") located on the real property situated within the County of Collin, State of Texas, which real property is more particularly described on EXHIBIT "A" attached hereto and incorporated herein by reference (the "Land"), together with all rights, privileges, easements, appurtenances, and amenities belonging to or in any way pertaining to the Premises, to have and to hold, subject to the terms, covenants and conditions in this Lease. If more than one building is located on the Land, then all referenced herein to "Building" shall be deemed to refer to all such buildings in the Project collectively unless the context otherwise requires Landlord and Tenant agree that the rentable footages for both the Premises, the Building, and the Project shall be deemed to be as set forth above, regardless of any future measurements. For purposes of this Lease, Landlord and Tenant agree that the rentable square footage area of the Premises and the Building shall be deemed to be 12,312 net rentable square feet and 67,425 net rentable square feet, respectively.

B. The term of this Lease shall commence upon the later of either (i) August 15, 2003, or (ii) if Landlord is required to construct improvements in the Premises pursuant to Paragraph 1.C. below, on the date of substantial completion of any such alterations or improvements to the Premises described in Paragraph 1.C. below and issuance of a certificate of occupancy or temporary certificate of occupancy (the "Commencement Date"). The term of this Lease shall end on the last day of the calendar month that is 60 full calendar months after the commencement.

C. If an Exhibit "B" is attached hereto, then Landlord shall construct and install in the Premises those improvements and alterations to be constructed and installed by Landlord pursuant to the plans and specifications described on such Exhibit "B" attached hereto and incorporated herein by reference (the "Plans"). As used herein, the term "substantial completion" or "substantially completed" shall mean that, in the opinion of the architect or space planner that prepared the Plans, such improvements have been completed in accordance with the Plans and the Premises in a good workmanlike manner and are in good and satisfactory condition, subject only to completion of minor punch list items. As soon as such improvements have been substantially completed and a certificate of occupancy or temporary certificate of occupancy has been issued, Landlord shall notify Tenant in writing that the Commencement Date has occurred. Within ten (10) days thereafter, Tenant shall submit to Landlord in writing a punch list of items needing completion or correction. Landlord shall use its best efforts to complete such items within thirty (30) days after the receipt of such notice. In the event Tenant, its employees, agents or contractors cause construction of such improvements to be delayed, the Commencement Date shall be deemed to be the date that, in the opinion of the architect or space planner that prepared the Construction Plans (as defined in Exhibit "B" attached hereto and incorporated by reference herein), substantial completion would have occurred if such delays had not taken place.

2. BASE RENT, SECURITY DEPOSIT AND ESCROW PAYMENTS.

A. Tenant agrees to pay to Landlord Base Rent ("Base Rent") for the Premises, in advance, without demand, deduction or set off, at the rate of Nine Thousand Eight Hundred Twenty Nine and 08/100 Dollars (\$9,829.08) per month during the term hereof. One such monthly installment, plus the other monthly charges set forth in Paragraph 2.C. (b) below, shall be due and payable on the date hereof and a like monthly installment shall be due and payable on or before the first day of each calendar month succeeding the Commencement Date; provided, however, that should this Lease commence on a day other than the first day of a calendar month or terminate on a day other than the last day of a calendar month, the rental for such partial month shall be prorated.

B. In addition, Tenant shall deposit with Landlord on the date hereof the sum of Eleven thousand Three Hundred Sixty-Eight and 08/100 Dollars (\$11,368.08) (the "Security Deposit"), which shall be held by Landlord as security for the performance of Tenant's obligations under this Lease, it being expressly understood and agreed that the Security Deposit is not an advance rental deposit or a measure of Landlord's damages in case of an event of default. Upon each occurrence of an event of default, after the applicable curative period, if any, Landlord may use all or part of the Security Deposit to pay past due rent or other payments due Landlord under this Lease, and the cost of any other damage, injury, expense or liability, chargeable to Tenant hereunder, without prejudice to any other remedy provided herein or provided by law. On demand, Tenant shall pay Landlord the amount that will restore the Security Deposit to its original amount. The Security Deposit shall

Landlord
Tenant

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be deemed the property of Landlord, but any remaining balance of the Security Deposit shall be returned by Landlord within a reasonable time (not to exceed sixty days) after the expiration date of this Lease, or otherwise in compliance with applicable laws, provided that Tenant has fully and timely performed its obligations under this Lease.

C. Tenant agrees to pay, as additional rent, (collectively, "Additional Rent"): (1) its Proportionate Share (as defined in Paragraph 22.B. below) of Taxes (as defined in Paragraph 3A below) and Operating Expenses (as defined below); and (2) the cost of any utilities used in the Building in accordance with Paragraph 8 below that are not separately paid by Tenant or by any other tenant of the Building and charge or assess to all tenants of the Building. "Operating Expenses" shall mean all expenses, costs and amounts (other than Taxes) of every kind and nature that Landlord shall pay during any calendar year, any portion of which occurs during the Term, relating to ownership, management, repair, maintenance, restoration and operation of the Building or the Land, including without limitation, any amounts paid for: the cost of any insurance maintained by Landlord in accordance with Paragraph 9A; repair, maintenance and replacement expenses in accordance with Paragraphs 5 (but excluding those expenses otherwise specifically paid for by Tenant pursuant to the terms hereof or expenses paid separately by other tenants of the Building). During each month of the Term, on the same day that Base Rent is due hereunder, Tenant shall escrow or deposit with Landlord an amount equal to one-twelfth (1/12th) of Landlord's estimate of annual cost of Tenant's Proportionate Share (as defined in Paragraph 22B of this Lease) of such items. Tenant authorizes Landlord to use the funds escrowed or deposited with Landlord under this Paragraph 2.C. to pay such Additional Rent. The initial monthly escrow or deposit payments are based upon Landlord's estimate of Additional Rent for the year in question, and shall be increased or decreased annually to reflect the projected actual cost of all such items. If Tenant's total escrow payments are less than Tenant's actual Proportionate Share of all such items, Tenant shall pay the difference to Landlord within ten (10) days after demand. If the total escrow payments of Tenant are more than Tenant's actual Proportionate Share of all such items, Landlord shall retain such excess and credit it against Tenant's next annual escrow payments or return to Tenant such excess within sixty (60) days after the expiration date of the Lease, provided that Tenant has fully and timely performed its obligations under this Lease. The amount of the monthly rental and the initial monthly escrow payments are as follows:

(a). Base Rent	\$ 9,829.08
(b). Additional Rent (Estimated)	
Proportionate Share of Taxes	\$ 974.70
Proportionate Share of Operating Expenses:	
(\$91.73 insurance + \$472.57 common area maintenance)	\$ 564.30
(c). Total Rent (Estimated)	\$11,368.08

If the Term commences other than on January 1, or ends other than on December 31, tenant's obligations to pay estimated and actual amounts towards Taxes and Operating Expenses for such first or final calendar years shall be prorated on a per diem basis to reflect the portion of such years included in the Term.

D. In calculating Additional Rent, if during any period during the relevant year the Building is less than one hundred percent (100%) occupied, then in computing Additional Rent, Landlord shall "gross-up" the amount of any Operating Expenses which fluctuate with Building occupancy to the amount which, in Landlord's reasonable estimation, such fluctuating expenses would have been if the Building had been ninety percent (90%) occupied for the entire year. Tenant will then pay Tenant's Proportionate Share of such grossed-up amount so that the actual amount paid by Tenant in respect of such fluctuating expenses is not affected by occupancy or non-occupancy of the remainder of the Building.

E. Base Rent, Additional Rent and any other amounts that Tenant is or becomes obligated to pay Landlord under this Lease or other agreement entered into in connection herewith are sometimes herein referred to collectively as "Rent," and all remedies applicable to the non-payment of Rent shall be applicable thereto.

3 TAXES

A. Subject to the provisions of Subsection 3.C. below, Landlord agrees to pay all taxes, assessments and/or governmental charges of any kind and nature (collectively referred to herein as "Taxes") that accrue against the Premises, the Land and/or the Building. If at any time during the term of this Lease, there shall be levied, assessed or imposed on Landlord a capital levy or other tax directly on the rents received hereunder and/or a franchise tax, assessment, levy or charge measured by or based, in whole or in part upon such rents from the Premises, the Land and/or the Building, then all such taxes, assessments, levies or charges, or the part thereof so measured or based, shall be deemed to be included within the term "Taxes" for the purposes hereof. The Landlord shall have the right to employ a tax-consulting firm to attempt to assure a fair tax burden on the Building and the Land within the applicable taxing jurisdiction. Tenant agrees to pay its Proportionate Share of the cost of such consultant and the costs of any tax protests and appeals as "Taxes" in the calendar year in which such costs are actually paid by Landlord.

B. Prior to delinquency, Tenant shall (i) pay (a) all taxes levied or assessed against any personal property or fixtures placed in the Premises by Tenant and (b) any rent tax or sales tax, service tax, transfer tax or value added tax, or any other applicable tax on the Rent or services herein as "Taxes" and (ii) upon the request of Landlord, deliver to Landlord receipts from the applicable taxing authority or other evidence acceptable to Landlord to verify that such taxes upon personal property and fixtures have been paid by Tenant. If any such taxes are levied or assessed against Landlord or Landlord's property and (i) Landlord pays the same or (ii) the assessed value of Landlord's property is increased by inclusion of such

Landlord
Tenant

personal property and fixtures and Landlord pays the increased taxes, then, upon demand Tenant shall pay to Landlord such taxes.

C. Landlord shall timely pay all Taxes defined in Section 3A above before due and delinquent. Under no circumstances shall Tenant have any liability for reimbursement or payment of interest or penalties or legal or accounting fees incurred or paid by Landlord for delinquent Taxes. Additionally, Tenant and Landlord do not intend that a state franchise tax would be included in "Taxes" unless such franchise tax was directly attributable to the rents from the Premises, the Land and/or the Building as set forth in this Paragraph 3 which would be included in "Taxes". A general franchise tax attributable to either gross receipts, capital or income shall not be included in "Taxes".

D. Notwithstanding the foregoing provisions of this Section 3, Tenant contemplates that it may be able to obtain a tax exemption from the local taxing authority and Collin County Appraisal District so that Landlord would be exempt or be granted a partial credit against the Taxes that accrue against Tenant's Proportionate Share of the Premises, Land and Building due to fact that the Tenant is a county and political subdivision of the State of Texas. If Tenant does obtain such tax exemption, then Tenant shall be given a dollar-for-dollar credit against Tenant's Proportionate Share of the Taxes for the Premises, Land and Building so that Tenant's exemption amount shall be deducted from any additional rent regarding Taxes due from Tenant to Landlord pursuant to this Lease. If Tenant's tax exemption or credit, if any, is less than Tenant's actual Proportionate Share of the Taxes for the Premises, Land and Building, then Tenant shall pay the difference to Landlord within ten (10) days after demand. If Tenant's tax exemption or credit, if any, is more than Tenant's actual Proportionate Share of the Taxes for the Premises, Land and Building, then Landlord shall retain such excess and credit it against Tenant's next annual escrow payments or return to Tenant such excess within sixty (60) days after the expiration date of the Lease, provided that Tenant has fully and timely performed its obligations under this Lease.

4. LANDLORD'S REPAIRS

A. Tenant understands and agrees that this Lease is intended to be a "net" lease, and as such, Landlord's maintenance, repair and replacement obligations are limited to those set forth in this Paragraph 4.A. Landlord, at its own cost and expense, shall be responsible for repair and replacement of only the roof, the foundation and the structural members of the exterior walls of the Building. The term's "roof" and "walls" as used herein shall not include skylights, windows, glass or plate glass, doors, special store fronts or office entries. Tenant shall immediately give Landlord written notice of defect or need for repairs, after which Landlord shall have reasonable opportunity to repair same or cure such defect. Landlord's liability with respect to any defects, repairs, replacement or maintenance for which Landlord is responsible hereunder shall be limited to the cost of such repairs or maintenance or the curing of such defect.

B. Landlord reserves the right to perform Tenant's maintenance, repair and replacement obligations and any other items that are otherwise Tenant's obligations under Paragraph 5.B, in which event, Tenant shall pay to Landlord any cost or expense incurred by Landlord in making such repairs within ten (10) days after demand (which costs and expenses shall constitute Rent hereunder).

5. TENANT'S MAINTENANCE AND REPAIR OBLIGATIONS.

A. Tenant, at its own cost and expense, shall maintain all parts of the Premises (except those for which Landlord is expressly responsible hereunder) in good condition, ordinary wear and tear excepted, and promptly make all necessary repairs and replacements to the Premises in a good and workmanlike manner.

B. Landlord shall be responsible for causing the parking areas, driveways, alleys and grounds surrounding the Premises to be maintained in a good, neat, clean and sanitary condition, consistent with the operation of a first class office/warehouse building, which includes, without limitation, prompt maintenance, repairs and replacements (1) of any drill or spur track servicing the Premises and used by Tenant, (2) of the parking area associated with the Building, (3) of all grass, shrubbery and other landscape treatments surrounding the Building, (4) of the exterior of the Building (including painting), (5) of sprinkler systems and sewage lines, and (6) of any other maintenance, repair or replacement items normally associated with the foregoing. Tenant agrees to pay its Proportionate Share of the Operating Expenses (as defined in Paragraph 2.C) items set forth in this Paragraph 5.B. In addition, Tenant shall repair and pay for any damage caused by the negligence or willful misconduct of Tenant, or Tenant's employees, agents or invitees, or caused by Tenant's default hereunder.

C. The amount of Base Rent set forth in Section 2.A. does not include the cost of such items set forth in this Section 5, and Landlord's performance or repair, replacement, maintenance and other items, is not a condition to payment of Base Rent.

D. Tenant agrees to pay as part of its Proportionate Share of Operating Expenses, the cost of (1) operation, maintenance and/or landscaping of any property or facility that is operated, managed, maintained or landscaped by any property owner or community owner association that is named in any restrictive covenants or deed restrictions to which the Premises are subject and which are actually billed to the Building, and (2) operating and maintaining any property, facilities or services provided for the common use of Tenant and other Tenants of the Building, which costs shall include, without limitation, market management fees, maintenance and repair costs, maintenance supplies, equipment and materials, utilities, permits, licenses, sewer, landscaping, trash and security (if furnished by Landlord), wages salaries, employment taxes, and

Landlord
Tenant

other employee compensation and benefits payable to employees of Landlord whose duties are connected with the operation and maintenance of the Building (but prorated as reasonably allocated to the Building for services rendered to the building), amounts paid to contractors or subcontractors for work or services performed in connection with the operation and maintenance of the Building, all service, supplies, repairs, replacements or other expenses for maintaining and operating the Building, and any other facilities or services provided for the common use of Tenant and other Tenants of the Building.

E. Within ten days after the Commencement Date and continuing for the entire term of this Lease, Tenant shall enter into a regularly scheduled preventive maintenance/service contract with a maintenance contractor reasonably acceptable to Landlord for servicing hot water, heating, air conditioning, and/or other systems and equipment within the Premises (collectively, the "HVAC") with a contractor, and Tenant shall be responsible for all costs and expenses required thereunder. Notwithstanding the foregoing sentence, Tenant shall not be required to enter into a regularly scheduled preventive maintenance/service contract with a maintenance contractor regarding the HVAC if Tenant's own licensed employee technicians maintain the HVAC to Landlord's reasonable satisfaction; however, in the event that Tenant's own licensed employee technicians do not maintain the HVAC to Landlord's reasonable satisfaction, then Landlord may, in its sole discretion, give notice at any time to Tenant to terminate such arrangement, and within ten (10) days after the Tenant's receipt of such notice and continuing for the balance of the term of this Lease, Tenant shall enter into a regularly scheduled preventive maintenance/service contract with a maintenance contractor reasonably acceptable to Landlord for servicing the HVAC. If Tenant fails to enter into or maintain any such contract, Landlord shall have the right (but not the obligation) to enter into such a contract on Tenant's behalf, and Tenant shall pay the cost and expenses of such contract as Rent. At least 14 days before the end of the Term, Tenant shall deliver to Landlord a certificate from an engineer or licensed mechanical contractor reasonably acceptable to Landlord certifying that the hot water equipment and the HVAC System are then in good repair and working order.

6. ALTERATIONS. Tenant shall not make any alterations, additions or improvement ("Work") to the Premises without the prior written consent of Landlord which consent will not be unreasonably withheld. However, without Landlord's consent, Tenant, at its own cost and expense, may erect such shelves, bins, machinery and trade fixtures as it desires provided that (a) such items do not alter the basic character of the Premises or the Building; (b) such items do not overload or damage the same; (c) such items may be removed without injury to the Premises; and (d) the construction, erection or installation thereof complies with all applicable governmental laws, ordinances, and regulations (including but not limited to any laws relating to the accessibility of the Premises and the Building to individuals with disabilities) and with Landlord's specifications and requirements. All Work, installations, removals and restoration shall be performed in a good and workmanlike manner using new materials of equal or better quality in the Building or the Premises so as not to damage or alter the primary structure or structural qualities of the Building or the Premises.

7. SIGNS. Tenant shall not place, install or attach any signage, decorations, advertising media, blinds, draperies, window treatments, bars or security installations to the Premises or the Building without Landlord's prior written approval which consent will not be unreasonably withheld. Tenant shall repair, paint, and/or replace any portion of the Premises or the Building damaged or altered as a result of its signage, upon the earlier of vacation of the Premises by Tenant or the removal or alteration of its signage, all of which shall be accomplished at Tenant's sole cost and expense. Tenant shall not, (i) make any changes to the exterior of the Premises or the Building, (ii) install any exterior lights, decorations, balloons, flags, pennants, banners or painting, or (iii) erect or install any signs, windows or door lettering, decals, window and storefront stickers, placards, decorations or advertising media of any type that can be viewed from the exterior of the Premises, without Landlord's prior written consent which consent will not be unreasonably withheld.

8. UTILITIES. Tenant shall obtain and pay for all water, gas, heat, light, power, telephone, sewer, sprinkler charges and other utilities and services used on or at the Premises, together with any taxes, penalties, surcharges or the like pertaining to the Tenant's use of the Premises, and any maintenance charges for utilities. Landlord shall have the right to cause any of said services to be separately metered to Tenant, at Landlord's expense. If any such services are not separately metered to Tenant, Tenant shall pay on demand to Landlord a reasonable proportion, to be reasonably determined by Landlord, of all charges jointly metered with other premises in the Building. Landlord shall not be liable for any interruption or failure of utility service on the Premises. No interruption or failure of utility service to the Premises shall be deemed an eviction or disturbance of Tenant's use and possession of the Premises or any part thereof, or render Landlord liable to Tenant for abatement of Rent, or relieve Tenant from performance of Tenant's obligations under this Lease. Notwithstanding the foregoing, if Tenant is prevented from making reasonable use of the Premises for more than seven (7) consecutive days because of the unavailability of any such utility service, and such unavailability was primarily caused by or continues as a result of Landlord's or its property manager's gross negligence or willful misconduct, then Tenant shall, as its exclusive remedy, be entitled to per diem abatement of Base Rent for each consecutive day after the expiration of such 7-day period that Tenant is so prevented from making reasonable use of the Premises.

9. INSURANCE.

A. Landlord shall maintain insurance during the Term: (1) covering the Building and the Premises in an amount not less than eighty percent (80%) of the "replacement cost" thereof (excluding foundations and footings), or such other amount necessary to prevent Landlord from being co-insured, insuring against, the perils and costs of Fire, Lightning, Extended Coverage, Vandalism and Malicious Mischief; (2) comprehensive (or commercial) general liability insurance, with limits of not less than \$2,000,000 combined single limit for personal injury, bodily injury or death, or property damage or destruction (including loss of use thereof) for any one occurrence; and (3) such other insurance and such other coverage as

Landlord
Tenant

Landlord shall deem appropriate or that may be required by any Mortgagee (as defined in Paragraph 20 below). Landlord's policies shall name Landlord, as well as such entities or firms as Landlord may elect from time to time but specifically excluding Tenant, as insureds or additional insureds.

B. Tenant, at its own expense, shall maintain during the term of this Lease (1) a policy or policies of worker's compensation as allowed by law and employer's liability insurance, both in an amount of not less than Five Hundred Thousand Dollars (\$500,000.00) per occurrence (2) comprehensive general liability insurance (with contractual liability endorsement), including personal injury and property damage in the amount of Two Million Dollars (\$ 2,000,000.00) per occurrence for property damage and per occurrence for personal injuries or deaths of persons occurring in or about the Premises and (3) fire and extended coverage insurance covering the replacement cost of (a) all alterations, additions, partitions and improvements installed or placed on the Premises, (b) all of Tenant's personal property contained within the Premises, and (c) business interruption insurance insuring loss of profits in the event of an insured peril damaging the Premises, and (d) if requested in writing by Landlord based upon its reasonable assessment of the risk of liability arising out of Tenant's activities or proposed activities on or about the Premises, environmental liability insurance covering the cost of investigation, response or remediation related to Hazardous Substances (as defined below) disposed of or released on, under, or about the Building and the Premises by Tenant in the amount of One Million Dollars (\$1,000,000) per occurrence. Tenant's policies shall (i) name Landlord, as well as such entities or firms as Landlord may engage from time to time as property managers and/or asset or investment managers, as additional insureds (until further notice, it is expressly agreed that The Industrial Group Management Services, Inc., TIG Development Company L.L.C. McKinney North Central Business Park, LP, and McKinney Central Business Park GP, LLC. And Hudson Knight properties I, LTD. shall be named as additional insureds), (ii) be issued by an insurance company which is acceptable to Landlord, (iii) provided that such insurance shall not be canceled unless thirty (30) days prior written notice shall have been given to Landlord, (iv) shall be delivered (or certificates evidencing such coverage) to Landlord by Tenant prior to the Commencement Date and at least fifteen (15) days prior to each renewal of Tenant's insurance, and (v) provide primary coverage to Landlord when any policy issued to Landlord is similar or duplicate in coverage, in which case Landlord's policy shall be excess over Tenant's policies.

C. Tenant will not permit the Premises to be used for any purpose or in any manner that would (1) void or cancel the insurance on the Premises, the Building or the Land, (2) increase the insurance risk or the applicable insurance premiums for the Premises, the Building or the Land, or (3) cause the disallowance or reduce the amount of any sprinkler credits.

10. FIRE AND CASUALTY DAMAGE.

A. Tenant promptly shall give written notice to Landlord if the Premises or the Building are damaged or destroyed. If: (1) the Premises or the Building should be totally destroyed by an insured peril, or (2) if the Premises are so damaged by an insured peril that, in Landlord's estimation, rebuilding or repairs cannot be completed within one hundred eighty (180) days after the date of Landlord's actual knowledge of such damage; or (3) if the Premises or the Building shall be damaged by Tenant or its employees or agents or within the last twenty four (24) months of the Lease, in either case to the extent that the cost of the required rebuilding or repairs would exceed twenty five percent (25%) of the replacement value of the Building, then in any such case Landlord may terminate this Lease, and the Rent shall be abated during the unexpired portion of this Lease, effective upon the date of the occurrence of such damage.

B. If the Building or the Premises should be damaged but not totally destroyed by any insured peril, and in Landlord's reasonable estimation, rebuilding or repairs can be substantially completed within one hundred eighty (180) days after the date of Landlord's actual knowledge of such damage, this Lease shall not terminate, and Landlord shall restore the Premises to substantially its previous condition, except that Landlord shall not be required to rebuild, repair or replace any part of the partitions, fixtures, additions and other improvements or personal property required to be covered by Tenant's insurance pursuant to Paragraph 9.B. above and except for modifications required by zoning and building codes and other applicable laws or by any Mortgagee, and except for any other modifications of the common areas deemed desirable by Landlord (provided access to the Premises is not materially impaired. Effective upon the date of the occurrence of such damage and ending upon the date of substantial completion (as defined in Paragraph 1.C. above) of Landlord's repair or restoration work, if the Premises are untenantable in whole or part during such period, then the rent shall be reduced to such extent as may be fair and reasonable under all of the circumstances. If such repairs and rebuilding have not been substantially completed within one hundred eighty (180) days after the date of such damage, Tenant, as Tenant's exclusive remedy, may terminate this Lease, upon delivery of written notice thereof by Tenant to Landlord in which event the rights and obligations hereunder shall cease and terminate, provided, however, that any liabilities of Tenant which accrued prior to termination of this Lease shall survive such termination; and provided further if the repairs and restoration have been substantially completed prior to the thirtieth (30th) day following delivery of Tenant's termination notice, then this Lease shall continue in full force and effect without regard to such termination notice.

C. In connection with any repair or reconstruction to the Premises arising from or necessitated by fire or the casualty which is covered by the insurance provided pursuant to Paragraph 9.A. above, Tenant shall pay Landlord upon demand its Proportionate Share of the amount of any deductible (not to exceed \$10,000.00 per calendar year, unless a higher deductible is approved by Tenant in writing) of such insurance as Rent.

D. Notwithstanding anything herein to the contrary, in the event the Premises are destroyed or substantially damaged by any peril not covered by the insurance required to be carried by Landlord pursuant to Paragraph 9.A. above, or if a

Landlord
Tenant

Mortgagee requires that insurance proceeds be applied to such indebtedness, then Landlord or Tenant shall have the right to terminate this Lease by delivering written notice of termination to the other within fifteen (15) days after such requirement is made known by such Mortgagee, whereupon all rights and obligations hereunder shall cease and terminate, provided, however, that any liabilities of Tenant which accrued prior to termination of this Lease shall survive such termination.

E. Anything in this Lease to the contrary notwithstanding, to the extent of a recovery of loss proceeds under the policies of insurance described in this Lease, Landlord and Tenant hereby waive and release each other and any of their respective related parties and affiliates of and from any and all rights of recovery, claim, action or cause of action, against each other, their agents, officers and employees, for any loss or damage that may occur to the Premises, the Building, or personal property within the Building and/or Premises arising from or caused by fire or other casualty or hazard covered or required to be covered by hazard insurance under this Lease. Upon execution of this Lease, Landlord and Tenant shall notify their respective insurance companies of the mutual waivers contained herein and, if available, shall cause each policy described in this Lease to be so endorsed.

11. **LIABILITY AND INDEMNIFICATION.** With regard to any liability which may arise from the use and/or operation of the Premises, Building, Land or Project, each party expressly agrees that it shall be solely and exclusively liable for the negligence of its own agents, servants, and/or employees and that neither party looks to the other to save or hold it harmless for the consequences of any negligence on the part of one of its own agents, servants and/or employees. Neither party is hereby waiving any rights or protection it presently enjoys by reason of any applicable State or Federal law.

12. **USE.**

A. The Premises shall be used only for the purpose of storing and maintenance of voting machines and equipment, offices, employee breakroom and for such other lawful purposes as may be incidental thereto ("Permitted Use"). Tenant shall not use the Premises for the receipt, storage or handling of any Hazardous Substance, unless such use is approved in writing by Landlord, and is in conformance in all respects with paragraph 24 of this Lease. Outside storage, including without limitation, storage of trucks and other vehicles, is prohibited without Landlord's prior written consent, which consent will not be unreasonably withheld. Tenant shall comply with all federal, state, and local governmental laws, ordinances and regulations applicable to the use of the Premises including, without limit, all licensing and permitting requirements and Environmental Laws, and promptly shall comply with all governmental orders and directives for the correction, prevention and abatement of nuisances and Environmental Conditions (as defined in paragraph 24.A) in or upon, or connected with, the Premises, all at Tenant's sole expense. Tenant shall not permit any objectionable or unpleasant odors, smoke, dust, gas, light, noise or vibrations to emanate from the Premises, nor take any other action that would constitute a nuisance or create an Environmental Condition, or would disturb, unreasonably interfere with, or endanger Landlord or any other Tenants of the Building. Tenant shall comply with all rules and any amendments or supplements thereto that are promulgated by Landlord (and are not expressly inconsistent with this Lease) relating to the Land and Building, or the promotion of safety, care, cleanliness or good order therein.

B. Tenant and its employees, customers and licensees shall have the non-exclusive right to use, in common with others, any parking areas associated with the Premises which Landlord has designated for such use, subject to (1) all reasonable rules and regulations promulgated by Landlord and (2) rights of ingress and egress of other Tenants and their employees, customers, agents and invitees. Landlord shall not be responsible for enforcing Tenant's parking rights against any third parties.

13. **INSPECTION.** After reasonable notice, and subject to security of the information and equipment of Tenant within the Premises, which Tenant agrees shall not be unreasonably withheld, Landlord and Landlord's agents and representatives shall have the right to enter the Premises at any reasonable time during business hours to inspect the Premises and to make such repairs as may be required or permitted pursuant to this Lease. During the period that is twelve (12) months prior to the end of the Lease term, Landlord and Landlord's representatives may enter the Premises during business hours for the purpose of showing the Premises. In addition, during the same twelve (12) month period Landlord shall have the right to erect a suitable sign on the Premises indicating that the Premises are available. Landlord and Landlord's representatives may enter the Premises at reasonable hours at any time during the Term to show the Premises to current and prospective Mortgage lenders, ground lessors, insurers, and prospective purchasers and brokers. Tenant shall notify Landlord in writing at least thirty (30) days prior to vacating the Premises and shall arrange to meet with Landlord for a joint inspection, then Landlord's inspection of the Premises shall be deemed correct for the purposes of determining Tenant's responsibility for repairs and restoration of the Premises.

14. **ASSIGNMENT AND SUBLETTING.**

A. Tenant shall not have the right to sublet all or part of the Premises or to assign, this Lease, or any interest therein, without the prior written consent of Landlord which consent will not be unreasonably withheld. Any attempted assignment, subletting, transfer or encumbrance by Tenant in violation of the terms and covenants of this Paragraph shall be void. No assignment, subletting or other transfer, whether consented to by Landlord or not, or permitted hereunder, shall relieve Tenant of its liability hereunder. If an event of default occurs while the Premises or any part thereof are assigned or sublet, then Landlord, in addition to any other remedies herein provided, or provided by law, may collect directly from such assignee, subtenant or transferee all rents payable to the Tenant and apply such rent against any sums due Landlord hereunder.

Landlord
Tenant

No such collection shall be construed to constitute an ovation or a release of Tenant from the further performance of Tenant's obligations hereunder.

B. If Tenant is a corporation, partnership, or other entity, for purposes of subparagraph A. above, any transfer or series of related transfers of equity ownership interests in Tenant (or any direct or indirect owners of Tenant) that results in the change of the ultimate ownership of more than fifty percent (50%) of the equity ownership of Tenant shall constitute an assignment of this Lease. The foregoing provision shall not apply, however, if at the time of execution of this Lease, Tenant is a corporation the shares of which are listed on a recognized security exchange or in the over-the-counter market.

C. Upon the occurrence of an assignment or subletting, whether consented to by Landlord, or mandated by judicial intervention, Tenant hereby assigns, transfers and conveys all rents or other sums received by Tenant under any such assignment or sublease, including without limitation fifty percent (50%) of those which are in excess of the rents and other sums payable by Tenant under this Lease, and Tenant agrees to pay to Landlord such amounts within ten (10) days after receipt.

D. If This Lease is assigned to any person or entity pursuant to the provision of the Bankruptcy Code, 11 US C. § 101 et. seq. (the "Bankruptcy Code"), any and all monies or other consideration payable or otherwise to be delivered in connection with such assignment shall be paid or delivered to Landlord, shall be and remain the exclusive property of Landlord and shall not constitute property of Tenant or of the estate of Tenant within the meaning of the Bankruptcy Code. Any and all monies or other considerations constituting Landlord's property under the preceding sentence not paid or delivered to Landlord shall be held in trust for the benefit of Landlord and be promptly paid or delivered to Landlord.

E. Any person or entity to which this Lease is assigned pursuant to the provisions of the Bankruptcy Code shall be deemed, without further act or deed, to have assumed all of the obligations arising under this Lease existing on and after the date of such assignment. Any such assignee shall upon demand execute and deliver to Landlord an instrument confirming such assumption.

15. CONDEMNATION. If thirty-five percent (35%) or less of the interior floor area of the Premises are taken for any public or quasi public use under governmental law, ordinance or regulation, or by right of eminent domain, or by private purchase in lieu thereof, and the taking prevents or materially interferes with the use of the remainder of the Premises for the purpose for which they were leased to Tenant, then: (a) this Lease may, at Landlord's option, terminate and the rent shall be abated during the unexpired portion of this Lease, effective on the date of Landlord's written notice to Tenant; (b) Landlord, at Landlord's sole cost and expense, shall expand Tenant in contiguous space (the "Expansion Premises") of Landlord's choosing of approximately the same dimensions and size within the Building, which other space shall be improved in such a manner so that the Expansion Premises shall be comparable in its interior design and decoration to the Premises; provided, however, that if Landlord exercises Landlord's election to remove and relocate Tenant in the Expansion Premises, which is at that time leasing for a higher rate of Base Rent, then Tenant shall not be required to pay the difference between the Base Rent of the Premises and the higher Base Rent of the Expansion Premises, or (c) Landlord, at Landlord's option and sole cost and expense, relocate Tenant in some other space (the "New Premises") of Landlord's and Tenant's mutual choosing of approximately the same dimensions and size within any other building owned or managed by Landlord in the vicinity of the Building, which other space shall be improved in such a manner so that the New Premises shall be comparable in its interior design and decoration to the Premises; provided, however, that if Landlord exercises Landlord's election to remove and relocate Tenant in the New Premises, which is at that time leasing for a higher rate of Base Rent, then Tenant shall not be required to pay the difference between the Base Rent of the Premises and the higher Base Rent of the New Premises, provided further, that if Tenant is removed and relocated to the New Premises which is then leasing at a Base Rent less than the Base Rent of the Premises at that time, Tenant's Base Rent shall be reduced to the Base Rent then being charged for the New Premises. If Landlord does not terminate this Lease, is unable to relocate Tenant in the Expansion Premises within the Building as set forth in the preceding sentence of this Section 15, or Tenant does not agree to be relocated to the New Premises as set forth in the preceding sentence of this Section 15, Landlord and Tenant agree that then: (aa) the applicable standard shall be if more than twenty percent (20%) of the interior floor area of the Premises are taken for any public or quasi public use under governmental law, ordinance or regulation, or by right of eminent domain, or by private purchase in lieu thereof, and (bb) Tenant may, at Tenant's option, terminate this Lease by providing Landlord with written notice after the ninetieth (90th) day but before the one hundred fiftieth (150th) day after such taking, effective on the date of such written notice to Landlord. All compensation awarded in connection with or as a result of any of the foregoing proceedings shall be the property of Landlord and Tenant hereby assigns any interest in any such award to Landlord; provided, however, Landlord shall have no interest in any award made to Tenant for loss of business or goodwill or for the taking of Tenant's fixtures and improvements, if a separate award for such items is made to Tenant. In the event that this Lease is not terminated by reason of such condemnation, Landlord shall, to the extent of severance damages received by Landlord in connection with such condemnation, repair any damages to the Premises, including providing contiguous parking spaces or areas, caused by any condemnation (including condemnation of the parking spaces or areas of the property) and Tenant shall pay any amount in excess of such severance damages required to complete such repair up to the extent that the Tenant has been reimbursed therefore by the condemning authority. During the period of repairs, Landlord shall use its best efforts to provide reasonable ingress and egress to the Premises.

16. SURRENDER OF PREMISES; HOLDING OVER

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A. At the termination of this Lease, whether caused by lapse of time or otherwise, Tenant shall at once surrender possession of the Premises and deliver them to Landlord in as good repair and condition as existed at the Commencement Date, reasonable wear and tear excepted, and shall deliver to Landlord all keys (or other access control devices) the Premises, and, if such possession is not immediately surrendered, Landlord may forthwith enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying them, or any part thereof, without having any civil or criminal liability therefor. Under no circumstances shall Tenant be required to repaint walls or replace carpet or other floor materials.

B. All alterations, additions or improvements (whether temporary or permanent in character) made to or fixtures installed in or upon the Premises, either by Landlord or Tenant, shall be Landlord's property on termination of this Lease and shall remain on the Premises, all without any compensation. Notwithstanding the foregoing, upon the termination of this Lease Landlord may direct Tenant, at Tenant's expense, to remove all alterations, improvements, and additions installed by Tenant and return the Premises to the condition that existed at the Commencement Date, reasonable wear and tear excepted. Subject to Paragraph 25 hereof and provided that all sums owed by Tenant hereunder have been paid, all movable office furniture and equipment not attached to the Building may be removed by Tenant at the termination of this Lease. All such removals shall be accomplished in a good workmanlike manner so as not to damage the Premises, the Building or any components of the Building, including without limitation, the plumbing, electrical lines or other utilities, and any damage resulting from such removals shall be repaired at Tenant's expense.

C. All alterations, additions, and improvements directed by Landlord to be removed and all movable office furniture and equipment not attached to the Building not promptly removed after such termination shall thereupon be conclusively presumed to have been abandoned by Tenant, and Landlord may, at its option, take over possession of such property and either (a) declare same to be the property of Landlord by written notice thereof to Tenant or (b) at the sole costs and expense of Tenant remove and store the same or any part thereof in any manner that Landlord shall choose without incurring liability to Tenant or any other person (any such removal, storage and disposal costs and expenses being payable by Tenant upon demand as Rent).

D. Should Tenant continue to hold the Premises after the termination of this Lease, whether the termination occurs by lapse of time or otherwise, such holding over shall, unless otherwise agreed by Landlord in writing, constitute and be construed as a tenancy at will at a daily rental equal to one-thirtieth of an amount equal to one hundred fifty percent (150%) (or the highest amount permitted by law, if less) of the amount of the Base Rent payable during the last month prior to the termination of this Lease, plus all Additional Rent and other Rent due and payable in accordance with the terms of this Lease, and upon and subject to all of the other terms, provisions, covenants and agreements set forth herein, except Tenant shall have no right to renew, extend or expand this Lease. No payments of money by Tenant to Landlord after the termination of this Lease shall serve as permission to holdover or shall reinstate, continue or extend the term of this Lease and no extension of this Lease after the termination hereof shall be valid unless and until the same shall be reduced to writing and signed by both Landlord and Tenant. Tenant shall be liable to Landlord for all damage which Landlord shall suffer by reason of any holding over by Tenant and Tenant shall indemnify Landlord against all claims made by any other tenant or prospective tenant against Landlord resulting from delay by Landlord in delivering possession of the Premises to such other tenant or prospective tenant.

17. QUIET ENJOYMENT. Landlord covenants and warrants to Tenant that on or before the Commencement Date Landlord will have good title to the Premises, free and clear of all liens and encumbrances, excepting only the lien for current taxes not yet due, such mortgage or mortgages as are permitted by the terms of this Lease, zoning ordinances and other building and fire ordinances and governmental regulations relating to the use of such property, and easements, restrictions and other conditions of record. If this Lease is a sublease, then Tenant agrees to take the premises subject to the provisions of the prior lease. Landlord represents that it has the authority to enter into this Lease and that so long as Tenant pays all amounts due hereunder and performs all other covenants and agreements herein set forth, Tenant shall peaceably and quietly have, hold and enjoy the Premises for the term hereof without hindrance or molestation from Landlord, subject to the terms and provisions of this Lease.

18. EVENTS OF DEFAULT. The occurrence of any one or more of the following events shall constitute an "Event of Default" on the part of Tenant under this Lease:

A. Tenant shall fail to pay any rental or other payment or reimbursement payable by Tenant hereunder when due, or Tenant shall fail to pay any payment or reimbursement required under any other lease with Landlord when due, and in either case such failure shall continue for a period of ten (10) days from the date such payment was due.

B. Tenant shall fail to pay any amounts owed by Tenant to contractors or subcontractors for work or services performed in connection with the operation, construction, management or maintenance of the Building as provided herein, and such failure shall continue for a period of ten (10) days from the date such payment was due.

C. Tenant or any guarantor of the Tenant's obligations hereunder shall (i) become insolvent; (ii) admit in writing its inability to pay its debts; (iii) make a general assignment for the benefit of creditors; (iv) commence any case, proceeding or other action seeking to have an order for relief entered on its behalf as a debtor or to adjudicate it a bankrupt or insolvent, or seeking reorganizations, 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; or (v) take any action to authorize or in

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contemplation of any of the actions set forth above in this subparagraph C; or (vi) be subject to any attachment, execution or other judicial seizure of substantially all of its assets located on the Premises or of its interest in this Lease.

D. Any case, proceeding or other action against the Tenant or any guarantor of Tenant's obligations hereunder shall be commenced seeking (i) to have an order for relief entered against it as debtor or to adjudicate it a bankrupt or insolvent; (ii) reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors (iii) appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its property, and such case, proceeding or other action (a) results in the entry of an order for relief against it which it is not fully stayed within seven (7) business days after the entry thereof or (b) shall remain undismissed for a period of forth-five (45) days.

E. Tenant shall (i) vacate, abandon or commence to vacate or abandon all or a substantial portion of the Premises or (ii) fail to continuously operate its business at the Premises for the permitted use set forth herein, whether or not Tenant is in default of the rental payments due under this Lease. However, Tenant shall be allowed to cease operations in the Building without causing a default, provided that Tenant 1) delivers to Landlord a certified forwarding address where Landlord can provide required notice under the Lease, 2) maintains its regularly scheduled HVAC maintenance program as required in Section 5.E., 3) enters into janitorial and preventative maintenance agreement with vendors reasonably approved by the Landlord to maintain the interior of the Premises, including the mechanical, electrical, and plumbing systems in a clean and adequate condition, and 4) continues to timely pay all rent when due or any payment or reimbursement required under this Lease.

F. Tenant shall fail to discharge or bond over any lien placed upon the Premises in violation of Paragraph 21. hereof within twenty (20) days after notice to Tenant that any such lien or encumbrance is filed against the Premises.

G. Tenant shall fail to comply with any term, provision or covenant of this Lease (other than those listed in this Paragraph 18.), and shall not cure such failure within thirty (30) days after written notice thereof to Tenant.

19. REMEDIES.

A. Upon each occurrence of an Event of Default, and in addition to and not in limitation of any other remedy permitted by law or equity or by this Lease, Landlord shall have the option to pursue any one or more of the following remedies without any notice or demand:

(1) Terminate this Lease, in which event Tenant shall immediately and peaceably surrender the Premises to Landlord, and if tenant fails to do so, Landlord may, without prejudice to any other remedy which Landlord may have for possession or arrearage in Rent, peaceably enter upon and take possession of the Premises and lock, expel out or remove Tenant and any other person who may be occupying the Premises or any part thereof, and Tenant agrees to pay to Landlord on demand the amount of all loss through inability to relet the Premises on satisfactory terms or otherwise, including possession of the Premises by landlord shall be construed as an election on landlord's part to terminate this Lease unless a written notice of such intention signed by Landlord is given to Tenant.

(2) Enter upon and take possession of the Premises and pursuant to the Texas Property Code, lock out, expel or remove Tenant and any other person who may be occupying the Premises or any part thereof, and if Landlord so elects it may from time to time, without terminating this Lease, make such alterations and repairs as may be necessary in order to relet the Premises and relet the Premises or any part thereof for such term or terms (which may be for a term extending beyond the Term) and at such rental or rentals and upon such other terms and conditions as Landlord in Landlord's sole discretion may deem advisable. Upon such reletting, all rentals received by landlord shall be applied first, to the payment of any indebtedness other than Rent and Additional Rent due hereunder from Tenant to Landlord; second, to the payment of any Default Costs (as defined below); third, to the payment of Rent due and unpaid hereunder; and the residue, if any, shall be held by Landlord and applied in payment of future rent as the same may become due and payable hereunder. If such rental received from such reletting during any month is less than the Rent to be paid during that month by Tenant hereunder, then Tenant shall pay any such deficiency to Landlord. Such deficiency shall be calculated and paid monthly.

(3) Enter upon the Premises and do whatever Tenant is obligated to do under the terms of this Lease; and Tenant shall reimburse Landlord on demand as Rent for any losses or expenses that Landlord may incur in thus effective compliance with Tenant's obligations under this Lease. Tenant further agrees that Landlord shall not be liable for any damages resulting to Tenant from such action.

(4) In the event Landlord elects to peaceably re-enter or take possession of the Premises after Tenant's default, with or without terminating this Lease, Landlord may pursuant to the Texas Property Code change or pick locks or alter security devices and lock out, expel or remove Tenant and any other person who may be occupying all or any part of the Premises without being liable for any claim for damages, Tenant hereby specifically waiving any state or federal law to the contrary.

B. Upon the occurrence of any Event of Default (whether or not Landlord terminates this Lease), Tenant immediately shall surrender the Premises to Landlord, and if Tenant fails so to do, Landlord, without waiving any other remedy it may have, may enter upon and take possession of the Premises and expel or remove Tenant and any other person

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who may be occupying such Premises or any part thereof, without being liable for prosecution or any claim of damages therefor.

C. If Landlord repossesses the Premises with or without terminating the Lease, Tenant, at Landlord's option, shall be liable for and shall pay Landlord on demand all rental and other payments owed to Landlord hereunder accrued to the date of such repossession, plus all amounts required to be paid by Tenant to Landlord until the date of expiration of the term. Actions to collect amounts due by Tenant to Landlord under this subparagraph may be brought from time to time, on one or more occasions, without the necessity of Landlord's waiting until expiration of the Lease term. Landlord may relet the whole or any portion of the Premises for any period, to any tenant and for any use and purpose.

D. Upon an Event of Default, in addition to any sum provided to be paid herein, Tenant also shall be liable for and shall pay to Landlord the following "Default Costs": (1) any brokerage fees incurred by Landlord in connection with the execution of this Lease; (2) brokers' fees incurred by Landlord in connection with any reletting of the whole or any part of the Premises; (3) the costs of removing and storing Tenant's or other occupant's property; (4) the costs of repairing, altering, remodeling or otherwise putting the Premises into condition acceptable to a new tenant or tenants; and (5) all reasonable expenses incurred by Landlord in enforcing or defending Landlord's rights and/or remedies. If either party hereto institutes any action or proceeding to enforce any provision hereof by reason of any alleged breach of any provision of this Lease, the prevailing party shall be entitled to receive from the losing party all reasonable attorney's fees and all court costs in connection with such proceeding. Landlord shall seek to use reasonable efforts to mitigate Landlord's damages which may, depending upon the circumstances, include reletting the Premises, however, Landlord shall not be obligated to relet the Premises or the project or business park of which the Building is a part, before leasing other portions of the Building, and Tenant's obligations hereunder shall not be diminished because of Landlord's failure to relet the Premises or to collect rent due for a reletting. Tenant shall not be entitled to the excess of any consideration obtained by reletting over the Rent due hereunder. Under no circumstances, shall Landlord or Tenant be able to charge claim or recover punitive damages, consequential damages or special damages against the other party.

E. Exercise by Landlord of any one or more remedies hereunder granted or otherwise available, including without limitation, the institution by Landlord, its agents or attorneys of a forcible detainer or ejectment action to re-enter the Premises shall not be construed to be an election to terminate this Lease or relieve Tenant of its obligation to pay rent hereunder and shall not be deemed to be an acceptance of surrender of the Premises by Landlord, whether by agreement or by operation of law, it being understood that such surrender can be effected only by the written agreement of Landlord and Tenant. Tenant and Landlord further agree that forbearance by Landlord to enforce its rights pursuant to the Lease at law or in equity shall not be a waiver of Landlord's right to enforce one or more of its rights in connection with any subsequent default.

F. In the event Tenant fails to make any payment due hereunder when payment is due, to help defray the additional cost to Landlord for processing such late payments, Tenant shall pay to Landlord on demand a late charge in an amount equal to one percent (1%) of such installment pursuant to the Texas Government Code; and the failure to pay such amount within ten (10) days after demand therefore shall be an additional event of default hereunder. The provision for such late charge shall be in addition to all of Landlord's other rights and remedies hereunder or at law and shall not be construed as liquidated damages or as limiting Landlord's remedies in any manner. If under any construction or interpretation of law, the late charge constitutes or is deemed to be an interest payment, then the assessment of this late charge will be reduced, if necessary to comply with any state usury law, to the maximum amount payable under applicable law.

G. If Landlord repossesses the Premises pursuant to the authority herein granted, then Landlord shall have the right to (i) keep in place and use or (ii) remove and store, at Tenant's expense, all of the furniture, fixtures and equipment at the Premises, including that which is owned by or leased to Tenant at all times prior to any foreclosure thereon by Landlord or repossession thereof by any Landlord thereof or third party having a lien thereon. Landlord also shall have the right to relinquish possession of all or any portion of such furniture, fixtures, equipment and other property to any person ("Claimant") who presents to Landlord a copy of any instrument represented by Claimant to have been executed by Tenant (or any predecessor of Tenant) granting Claimant the right under various circumstances to take possession of such furniture, fixtures, equipment or other property, without the necessity on the part of Landlord to inquire into the authenticity or legality of said instrument. Landlord may at its sole option and without prejudice to, or waiver of any rights it may have i) escort Tenant to the Premises to retrieve any personal belongings of Tenant and/or its employees not covered by the Landlord's lien and security interest described in Paragraph 25. hereof, or ii) obtain a list from Tenant of the personal property of Tenant and/or its employees that is not covered by the Landlord's lien and security interest described in Paragraph 25. hereof, and make such property available to Tenant and or Tenant's employees; provided, however, Tenant first shall cure any and all Events of Default and pay in cash all costs and estimated expenses to be incurred in connection with the removal of such property and making it available. Any such property not removed by Tenant within ten (10) days after demand therefor by Landlord shall thereupon be conclusively presumed to have been abandoned by Tenant to Landlord, and Landlord may, at its option, take over possession of such property and declare same to be the property of Landlord by written notice thereof to Tenant. The rights of Landlord herein stated shall be in addition to any and all other rights that Landlord has or may hereafter have at law or in equity, and Tenant stipulates and agrees that the rights herein granted Landlord are commercially reasonable.

H. If Landlord fails to commence to perform any of its obligations hereunder within thirty (30) days after written notice from Tenant specifying such failure, Tenant's exclusive remedy shall be an action for damages. Unless and until Landlord fails to so cure said default after such notice, Tenant shall not have any remedy or cause of action by reason

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thereof. All obligations of Landlord hereunder will be binding upon Landlord only during the period of its possession of the Premises and not thereafter. The term "Landlord" shall mean only the owner, for the time being, of the Premises and not thereafter. The term "Landlord" shall mean only the owner, for the time being, of the Premises, and in the event of the transfer by such owner of its interest in the Premises, such owner shall thereupon be released and discharged from all covenants and obligations of the Landlord thereafter accruing, but such covenants and obligations shall be binding during the Lease term upon each new owner for the duration of such owner's ownership. Notwithstanding any other provision hereof, Landlord shall not have any personal liability hereunder. In the event of any breach or default by Landlord in any term or provision of this Lease, and, as a consequence, if Tenant shall recover a money judgment against Landlord, such judgment shall be satisfied only out of the proceeds received at a judicial sale upon execution and levy against the right, title and interest of Landlord in the Building, and neither Landlord nor Landlord's owners, partners or venturers shall have any personal, partnership, corporate or other liability hereunder.

20. MORTGAGES. Tenant accepts this Lease subject and subordinate to any mortgages and/or deeds of trust now or at any time hereafter constituting a lien or charge upon the Premises, the improvements situated thereon, the Building or the Land, and to any and all increases, renewals, modifications, consolidations, replacements and extensions of such mortgages and deeds of trust (each a "Mortgage," and collectively, "Mortgages"; provided, however, that if the mortgagee, trustee, or holder (each a "Mortgagee") of any such Mortgage elects to have Tenant's interest in this Lease superior to any such instrument, then by notice to Tenant from such Mortgagee this Lease shall be deemed superior to such lien, whether this Lease was executed before or after said Mortgage. The provisions of this Paragraph 20 shall be self-operative, and no further instrument shall be required to effect such subordination of this Lease. Tenant shall however, at any time hereafter, within ten (10) days after written demand, execute any instruments, releases or other documents that may be reasonably required by any mortgagee for the purpose of subjecting and subordinating this Lease to the lien of any such mortgage. If Tenant fails to execute the same within such ten (10) day period, then Tenant's failure to execute any such instruments shall immediately [notwithstanding the terms of Section 18.G.] constitute an Event of Default under Section 18.G; provided, however, that Landlord shall give written notice of such Event of Default to Tenant, with opportunity to cure within a five (5) day period after the date of such notice. Tenant agrees to attorn upon demand to any Mortgagee for the purpose of subjecting and subordinating this Lease to the lien of any such Mortgage. Tenant agrees to attorn upon demand to any Mortgagee or purchaser at a foreclosure sale or trustee's sale as Landlord under this Lease. The agreement of Tenant to attorn upon demand contained in the immediately preceding sentence shall survive any such foreclosure sale or trustee's sale. Tenant shall upon demand at any time or times, before or after any such foreclosure sale or trustee's sale, execute, acknowledge and deliver to any Mortgagee or purchaser at a foreclosure sale or trustee's sale any and all instruments and certificates that in the judgment of such party may be necessary or proper to confirm or evidence such attornment.

21. MECHANIC'S LIENS. Tenant has no authority, express or implied, to create or place any lien or encumbrance of any kind or nature whatsoever upon, or in any manner to bind the interest of Landlord or Tenant in the Premises or to charge the Rent payable hereunder for any claim in favor of any person dealing with Tenant, including those who may furnish materials or perform labor for any construction or repairs. Tenant covenants and agrees that it will keep the Premises, Land and Building lien and encumbrance free and will pay or cause to be paid all sums legally due and payable by it on account of any labor performed or materials furnished in connection with any Work and that it will save and hold Landlord harmless from any and all loss, cost or expense based on or arising out of asserted claims or liens against the leasehold estate or against the right, title and interest of the Landlord in the Premises or under the terms of this Lease. Tenant agrees to give Landlord immediate written notice of the placing of any lien or encumbrance against the Premises. Tenant shall remove any such lien or encumbrance by bond or otherwise within thirty (30) days after the filing of any such lien, such notice to Landlord or after written notice by Landlord, and if Tenant shall fail to do so, Landlord may pay the amount necessary to remove such lien or encumbrance, without being responsible for investigating the validity thereof. The amount so paid shall be deemed Rent under this Lease payable upon demand, without limitation as to other remedies available to Landlord under this Lease.

22. MISCELLANEOUS.

A. Words of any gender used in this Lease shall be held and construed to include any other gender, and works in the singular number shall be held to include the plural, unless the context otherwise requires. The captions inserted in this Lease are for convenience only and in no way define, limit or otherwise describe the scope or intent of this Lease, or any provision hereof, or in any way affect the interpretation of this Lease.

B. In the event the Premises constitute a portion of a multiple occupancy building, Tenant's "Proportionate Share", as used in this Lease, shall mean a fraction, the numerator of which is the space contained in the Premises and the denominator of which is the entire rentable space contained in the Project.

C. The terms, provisions and covenants and conditions contained in this Lease shall run with the land and shall apply to, inure to the benefit of, and be binding upon, the parties hereto and upon their respective heirs, executors, personal representatives, legal representatives, successors and assigns, except as otherwise herein expressly provided. Landlord shall have the right to transfer and assign, in whole or in part, its rights and obligations in the Building and property that are the subject of this Lease. Each party agrees to furnish to the other, promptly upon demand, a corporate resolution, proof of due authorization by partners, or other appropriate documentation evidencing the due authorization of such party to enter into this Lease.

Landlord
Tenant

D. Whenever a period of time is herein prescribed for action to be taken by Landlord or Tenant, the party taking the action shall not be liable or responsible for, and there shall be excluded from the computation of any such period of time, any delays due to strikes, riots, acts of God, shortages of labor or materials, war, governmental actions or inactions or laws, regulations, or restrictions, or any other causes of any kind whatsoever which are beyond the control of such acting party; provided, however, in no event shall the foregoing apply to the financial obligations of Tenant under this Lease, including, without limitation, Tenant's obligation to promptly pay Base Rent, Additional Rent, reimbursements or any other amount payable to Landlord as well as Tenant's obligation to maintain insurance hereunder.

E. Tenant agrees, from time to time, within ten (10) days after request of Landlord, to deliver to Landlord, or Landlord's designee, a copy of the Certificate of Occupancy for the Premises, and an estoppel certificate stating that this Lease is in full force and effect, the date to which rent has been paid, the unexpired term of this lease and such other factual matters pertaining to this Lease as may be requested by Landlord. It is understood and agreed that Tenant's obligation to furnish the above-described items in a timely fashion is a material inducement for Landlord's execution of this Lease. If Tenant fails to execute any such estoppel certificate within such ten (10) day period then Tenant's failure to execute such Estoppel Certificate shall immediately constitute an Event of Default [notwithstanding the terms of Section 18.G]; provided, however, that Landlord shall give written notice of the Event of Default to Tenant, with opportunity to cure within such five (5) day period after the date of such notice.

F. This Lease constitutes the entire understanding and agreement of the Landlord and Tenant with respect to the subject matter of this Lease, and contains all of the covenants and agreement of Landlord and Tenant with respect thereto. Landlord and Tenant each acknowledge that no representations, inducements, promises or agreements, oral or written, have been made by Landlord or Tenant, or anyone acting on behalf of Landlord or Tenant, which are not contained herein, and any prior agreements, promises, negotiations, or representations not expressly set forth in this Lease are of no force or effect. This Lease may not be altered, changed or amended except by an instrument in writing signed by both parties hereto.

G. All obligations of Tenant hereunder not fully performed as of the expiration or earlier termination of the term of this Lease shall survive the expiration or earlier termination of the term hereof, including without limitation, all payment obligations with respect to taxes and insurance and all obligations concerning the condition and repair of the Premises. Upon the expiration or earlier termination of the term hereof, and prior to Tenant vacating the Premises, Tenant has not fulfilled its obligations under Paragraph 16A, Tenant shall pay as Rent to Landlord any amount reasonably estimated by Landlord as necessary to put the Premises, including without limitation, all heating and air conditioning systems and equipment therein, in good condition and repair, reasonable wear and tear excluded. Tenant shall also, prior to vacating the Premises, pay to Landlord the amount, as estimated by Landlord, of Tenant's obligation hereunder for the portion of Additional Rent related to Taxes and Insurance for the year in which the Lease expires or terminates. All such amounts shall be used and held by Landlord for payment of such obligations of Tenant hereunder, with Tenant being liable for any additional costs therefor upon demand by Landlord, or with any excess to be returned to Tenant after all such obligations have been determined and satisfied as the case may be. Any Security Deposit held by Landlord shall be credited against the amount due by Tenant under this Paragraph 22.G.

H. [Intentionally Deleted].

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

J. All references in this Lease to "the date hereof" or similar references shall be deemed to refer to the last date on which all parties hereto have executed this Lease.

K. Tenant represents and warrants that it has dealt with no broker, agent or other person in connection with this transaction or that no broker, agent or other person brought about this transaction, other than TIG Real Estate Services, Inc. ("Broker"), whose commission shall be paid by Landlord under a separate written agreement executed by Landlord. Tenant agrees to indemnify and hold Landlord harmless from and against any claims by any other broker, agent or other persons claiming a commission or other form of compensation by virtue of having dealt with Tenant with regard to this leasing transaction.

L. **TENANT ACKNOWLEDGES THAT OTHER THAN THE INITIAL IMPROVEMENTS, IF ANY, PERFORMED OR TO BE CONSTRUCTED BY LANDLORD IN ACCORDANCE WITH EXHIBIT B, (1) IT HAS INSPECTED AND ACCEPTS THE PREMISES IN AN "AS IS, WHERE IS" CONDITION, (2) THE BUILDING AND IMPROVEMENTS COMPRISING THE SAME ARE SUITABLE FOR THE PURPOSE FOR WHICH THE PREMISES ARE LEASED AND LANDLORD HAS MADE NO WARRANTY, REPRESENTATION, COVENANT, OR AGREEMENT WITH RESPECT TO, THE MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF THE PREMISES, (3) THE PREMISES ARE IN GOOD AND SATISFACTORY CONDITION, (4) NO REPRESENTATIONS AS TO THE REPAIR OF THE PREMISES, NOR PROMISES TO ALTER, REMODEL OR IMPROVE THE PREMISES HAVE BEEN MADE BY LANDLORD (UNLESS AND EXCEPT AS MAY BE SET**

Landlord
Tenant

FORTH IN EXHIBIT B ATTACHED TO THIS LEASE, IF ONE SHALL BE ATTACHED, OR AS IS OTHERWISE EXPRESSLY SET FORTH IN THIS LEASE), AND (5) THERE ARE NO REPRESENTATIONS OR WARRANTIES, EXPRESSED, IMPLIED OR STATUTORY, THAT EXTEND BEYOND THE DESCRIPTION OF THE PREMISES.

M. Notwithstanding anything in this Lease to the contrary, all amounts payable by Tenant to or on behalf of Landlord under this Lease, whether or not expressly denominated as rent, shall constitute Rent.

N. This is a contract under which applicable law excuses Landlord from accepting performance from (or rendering performance to) any person or entity other than Tenant, except as provided by Section 14 herein regarding an assignee or subtenant which Landlord consents to in writing.

O. No provision of this Lease will be deemed waived by either party unless expressly waived in writing signed by the waiving party. No waiver shall be implied by delay or any other act or omission of either party. No waiver by either party of any provision of this Lease shall be deemed a waiver of such provision with respect to any subsequent matter relating to such provision, and Landlord's consent or approval respecting any action by Tenant shall not constitute a waiver of the requirement for obtaining Landlord's consent or approval respecting any subsequent action. Acceptance of Rent by Landlord shall not constitute a waiver of any breach by Tenant of any term or provision of this Lease. No acceptance of a lesser amount than the Rent herein stipulated shall be deemed a waiver of Landlord's right to receive the full amount due, nor shall any endorsement or statement on any check or payment or any letter accompanying such check or payment be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the full amount due. The acceptance of Rent or of the performance of any other term or provision from any entity or person other than Tenant, including any purported assignee or transferee of this Lease, shall not constitute a waiver of Landlord's right to approve any transfer in accordance with Paragraph 14.

P. Tenant shall (1) lock the doors to the Premises and take other reasonable steps to secure the Premises and the personal property of all Tenant, and Tenant's employees, agents or invitees, and any of Tenant's transferees, contractors or licensees in the Common Areas and parking facilities of the Building and Property, from unlawful intrusion, theft, fire and other hazards; (2) keep and maintain in good working order all security devices installed in the Premises by or for the benefit of Tenant (such as locks, smoke detectors and burglar alarms); and (3) cooperate with Landlord and other tenants in the Building on security matters.

Q. The submission and negotiation of this Lease shall not be deemed an offer to enter into the same by Landlord, but the solicitation of such an offer by Tenant. Tenant agrees that its execution of this Lease constitutes a firm offer to enter into the same that may not be withdrawn for a period of thirty (30) days after delivery to Landlord (or such other period as may be expressly provided in any other agreement signed by the parties). During such period and in reliance on the foregoing, Landlord may, at Landlord's option (and shall, if required by applicable law), deposit any security deposit and Rent, and proceed with any plans, specifications, alterations or improvements, and permit Tenant to enter the Premises, but such acts shall not be deemed an acceptance of Tenant's offer to enter this Lease, and such acceptance shall be evidenced only by Landlord signing and delivering this Lease to Tenant.

23. DELIVERIES AND NOTICES.

A. All Rent and other payments required to be made by Tenant to Landlord hereunder shall be payable to Landlord at the address for Landlord set forth below or at such other address as Landlord may specify from time to time by written notice delivered in accordance herewith. Tenant's obligation to pay Rent and any other amounts to Landlord under the terms of this Lease shall not be deemed satisfied until such Rent and other amounts have been actually received by Landlord.

B. All payments required to be made by Landlord to Tenant hereunder shall be payable to Tenant at the address set forth below, or at such other address within the continental United States as Tenant may specify from time to time by written notice delivered in accordance herewith.

C. Any written notice or document required or permitted to be delivered hereunder shall be deemed to be delivered upon the earlier to occur of (1) tender of delivery (in the case of a hand-delivered notice) or (2) deposit in the United States Mail, postage prepaid, Certified or Registered Mail, addressed to each party hereto at its respective addressee set forth below, or at such other address as they have theretofore specified by written notice delivered in accordance herewith.

24. HAZARDOUS SUBSTANCES.

A. The term "Hazardous Substances" shall mean any chemical, substance, product, merchandise, material, controlled substance, object, condition, waste, living organism or combination thereof that is or may be hazardous to human health or safety or to the environment due to its radioactivity, ignitability, corrosivity, reactivity, explosivity, toxicity, carcinogenicity, mutagenicity, phytotoxicity, infectiousness or other harmful or potentially harmful properties or effects, including, without limitation, petroleum and petroleum products, asbestos, polychlorinated biphenyls (PCBs) and all of those chemicals, substances, products, merchandise, materials, controlled substances, objects, conditions, wastes, living organisms or combinations thereof that are now or hereafter become listed, defined or regulated in any manner by any Environmental Law. The term "Environmental Law" shall mean any applicable federal, state or local law, rule, regulation, ordinance, court

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decision, decree, order, directive, guideline, permit or permit condition relating to pollution or protection of the environment or other health and safety concern and whether now in existence or hereafter enacted. The term "Environmental Condition" shall mean any condition, circumstance, situation, or obligation created by or related to the violation or suspected violation of any Environmental Law or the presence or suspected presence of Hazardous Substances on, about, or under the Building or Premises.

B. Tenant hereby agrees that except as provided below, Tenant shall not transport, use, store, maintain, generate, manufacture, handle, dispose, release or discharge any Hazardous Substances upon or about the Land, the Building or the Premises, nor permit Tenant's employees, agent, contractors, and other occupants of the Premises to engage in such activities upon or about the Land, the Building or the Premises. Tenant further agrees that (i) no activity will be conducted on the Premises that will generate any Hazardous Substance, except for activities that are part of the ordinary course of Tenant's business activities and specifically described in Exhibit D (the "Permitted Activities"); provided said Permitted Activities are conducted in strict compliance with all Environmental Laws and have been approved in advance in writing by Landlord, which approval Landlord may grant or withhold in its sole discretion; (ii) the Premises will not be used in any manner for the storage of any Hazardous Substances except for the temporary storage in strict compliance with all Environmental Laws of such materials as are used in the ordinary course of Tenant's business and described in and stored in the quantities described in Exhibit D (the "Permitted Materials"), provided such Permitted Materials are properly managed, used, transported, disposed of, released, and stored in a manner and location complying with all Environmental Laws and approved in advance in writing by Landlord; (iii) no portion of the Premises will be used as or for a landfill, dump or any other on-site disposal of solid waste or Hazardous Substances; (iv) Tenant will not install any underground tanks of any type on or under the Premises unless such installation is approved in writing in advance by Landlord and Tenant enters into a written agreement with Landlord assuming all responsibility and liability relating thereto; (v) Tenant will not allow any surface or subsurface conditions to exist or come into existence that constitute, or with the passage of time may constitute, a public or private nuisance or a violation of Environmental Law; (vi) Tenant will not permit any Hazardous Substances to be brought onto the Premises, except for the Permitted Materials, and if so brought or found located thereon, the same shall be immediately removed, with proper packaging, labeling, transportation, and disposal, and all required cleanup and remediation procedures shall be diligently undertaken, by Tenant and at Tenant's sole expense pursuant to all Environmental Laws. If Tenant fails to comply with any of the covenants in this provision, or fails to comply with any Environmental Law, Landlord, at Tenant's sole expense, immediately may commence remedial action to restore the property to an environmentally sound position. Tenant shall promptly notify Landlord of (1) any enforcement, cleanup or other regulatory action taken or threatened by any governmental or regulatory authority with respect to the presence of any Hazardous Substances on the Premises or the migration thereof from or to other property, (2) any demands or claims made or threatened by any party against Tenant or the Premises relating to any loss or injury resulting from any Hazardous Substances, (3) any release, discharge or nonroutine, improper or unlawful disposal or transportation of any hazardous Substances on or from the Premises, and (4) any matters where Tenant is required by law to give a notice to any governmental or regulatory authority respecting any Hazardous Substances on the Premises. Landlord shall have the right (but not the obligation) to join and participate, as a party, in any legal proceedings or actions affecting the Premises initiated in connection with any Environmental Law. At such times as Landlord may reasonably request, Tenant shall provide Landlord with a written list identifying any Hazardous Substances then used, stored, or maintained upon the Premises by Tenant, the use and approximate quantity of each such material, a copy of any material safety data sheet ("MSDS") issued by the manufacturer thereof, written information concerning the removal, transportation and disposal of the same, and such other information as Landlord may reasonably require or as may be required by law. Tenant agrees to provide Landlord with a letter of certification, one year from the date of execution hereof and annually thereafter, certifying that Tenant has complied with (i) the provisions of this subparagraph, (ii) all applicable Environmental Laws and (iii) the requirements of all applicable governmental agencies and further certifying that no soil or groundwater contamination has occurred at, under, about or from the Premises. Landlord reserves the right, but not the obligation, and without in any way limiting the obligations of the Tenant, to enter and inspect the Premises and conduct any testing, sampling, borings, and analyses as Landlord, in its sole discretion and at Tenant's sole cost, may deem necessary or desirable. If such inspection or testing discloses the presence of Hazardous Materials or other environmental conditions on the premises caused or permitted by Tenant in violation of this subparagraph, Tenant shall reimburse Landlord for the cost of conducting the inspection and testing. Tenant agrees to cooperate fully with Landlord during the course of Landlord's inspection and testing activities. If any Hazardous Substances are released, discharged or disposed of by Tenant, or its employees, invitees, agents or contractors, on or about the Land or the Building in violation of the foregoing provisions, Tenant shall immediately, properly and in compliance with applicable Environmental Laws, clean up and remove the Hazardous Substances from the Land and Building and any other affected property and clean or replace any affected personal property (whether or not owned by Landlord), at Tenant's expense. Such clean up and removal work shall be subject to Landlord's prior written approval (except in emergencies), and shall include, without limitation, any testing, investigation, and the preparation and implementation of any remedial action plan required by any governmental body having jurisdiction or reasonably required by Landlord. If Tenant shall fail to comply with the provisions of this Paragraph 24 within twenty (20) days after written notice by Landlord, or such shorter time as may be required by law or in order to minimize any hazard to persons or property, Landlord may (but shall not be obligated to) arrange for such compliance directly or as Tenant's agent through contractors or other parties selected by Landlord, at Tenant's expense (without limiting Landlord's other remedies under this Lease or applicable law). Tenant agrees to indemnify, defend (by counsel acceptable to Landlord) and hold Landlord and its partners, directors, officers, employees, shareholders, lenders, agents, contractors and each of their respective successors and assigns harmless from and against any and all claims, demands, actions, liabilities, costs, expenses, damages, penalties and obligations of any nature arising from or as a result, either directly or indirectly, of (x) the breach of any of the covenants contained in this subparagraph, (y) the presence of Hazardous Substances on, under or about the Premises or other properties as the direct or indirect result of Tenant's occupancy of the Premises, or (z) the use of the premises or surrounding area by Tenant, Tenant's agents, or Tenant's assigns.

Landlord
Tenant

The foregoing indemnification shall survive the termination or expiration of this Lease. Any costs or expenses incurred by Landlord for which Tenant is responsible under this provision shall be deemed Additional Rent that is due and payable on notice from Landlord to Tenant.

Unless expressly identified on Exhibit D to this Lease, as of the date hereof there are no "Permitted Activities" and/or "Permitted Materials" for purposes of the foregoing provision and none shall exist unless and until approved in writing by Landlord, which approval may be granted or withheld in Landlord's sole discretion.

Pre-Existing Contamination: Tenant shall not be liable for any claims, demands, actions, liabilities, costs, expenses, damages and/or obligations of any nature arising from contamination pre-existing in the Premises prior to the earlier of either (a) Tenant's occupancy of the Premises, or (b) the Commencement Date. Tenant hereby assigns to Landlord any interest it may have in any such claims, demands, actions, liabilities, costs, expenses, damages and obligations of any nature arising from contamination pre-existing in the Premises prior to Tenant's possession and access to the Premises.

25. LANDLORD'S LIEN. [Intentionally Deleted]. Landlord waives any security agreement now in effect or hereafter executed by the Landlord, pursuant to either any contractual lien by virtue of the Lease or statutory lien it might have under the laws of the State of Texas.

26. RENEWAL OPTION. Provided that Tenant is not in default of any of the terms, covenants and conditions hereof, and this Lease has not been assigned or the Premises (or a part thereof) sublet, Tenant shall have the right and option to extend the original term of this Lease for two (2) further terms of thirty sixty (60) months each, and lease the Premises in its then-current, "AS IS, WHERE IS" condition. Such extension of the original term shall be on the same terms, covenants and conditions as provided for in the original term, except for this paragraph, and except that the rental during the extended term shall be at the fair market rental then in effect on equivalent properties, of equivalent size, in equivalent areas (but in no event less than the rental rate specified in Paragraph 2.A. of this Lease). Tenant shall deliver written notice to Landlord of Tenant's intent to exercise the renewal option granted herein not more than one hundred and eighty (180) days nor less than one hundred fifty days (150) days prior to the expiration of the original term of this Lease or expiration of the first renewal term (if applicable). In the event Tenant fails to deliver such written notice within the time period set forth above then Tenant's right to extend the term hereof shall expire and be of no further force and effect. In the event Landlord and Tenant fail to agree in writing upon the fair market rental within thirty (30) days after exercise by Tenant of this renewal option, Tenant's right hereunder to extend the term under this Paragraph 26. shall become null and void.

27. Diebold Election Systems, Inc. has recommended that Collin County obtain the lease of warehouse and office space, requested in the RFP No. 11036-03, Direct Record Electronic Voting Equipment and Optical Scan Equipment, from an entity known as the Landlord, McKinney North Central Business Park, LP, and leased and managed by TIG Real Estate Services, Inc.

EXECUTED BY LANDLORD, this 7th day of July, 2003.

LANDLORD: McKinney North Central Business Park, LP

BY: McKinney Central Business Park G.P., L.L.C.

BY: [Signature]

Printed Name: Kimberly Jones

Title: Agent

BY: _____

Printed Name: _____

Title: _____

ADDRESS:

C/O The Industrial Group
P. O. Box 802047
Dallas, TX 75380-2047

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EXECUTED BY TENANT, this 1st day of July, 2003.

TENANT: Collin County, Texas

BY: Freddie Ybarbo

Printed Name: Frank Ybarbo

Title: Purchasing Agent

ADDRESS:
Building A, 2010 Redbud Drive
Suite _____
McKinney, Texas 75069

Landlord
Tenant

EXHIBIT A

LEGAL DESCRIPTION

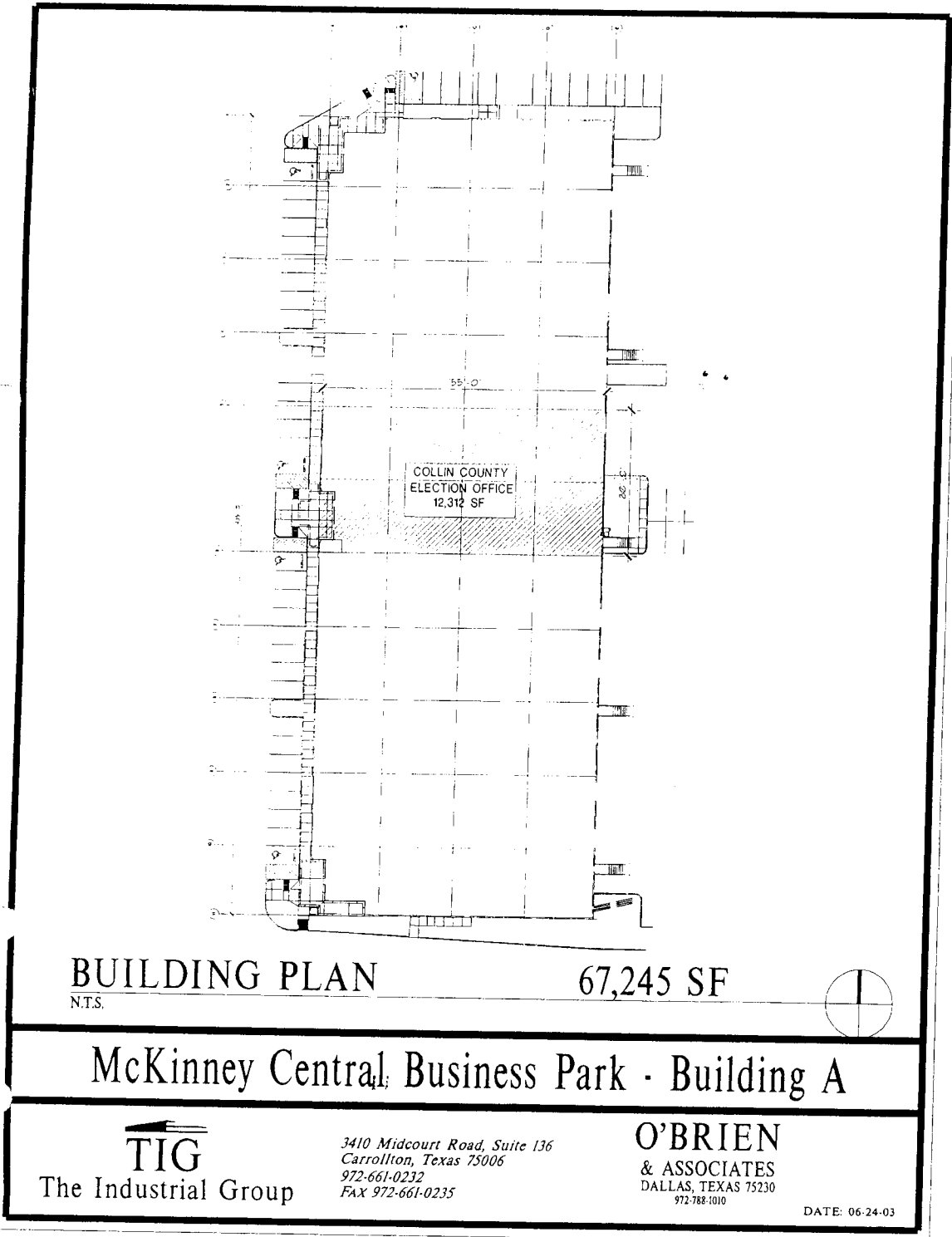
Being an approximate 12,312 square foot lease space (the "Premises") located at **2010 Redbud Drive**, McKinney, Collin County, Texas, in an approximate 67,425 square foot building as part of a two building project known as McKinney Central Business Park located on a tract being further described as:

Being Lot 2RB, Block E of Bray Central II, an addition to the City of McKinney, Collin County, Texas

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EXHIBIT A-1

A SITE PLAN OF THE TOTAL PROJECT WITH A CROSSHATCHED IN RED LOCATION OF THE DEMISED PREMISES SHOULD BE INSERTED HERE PRIOR TO FINAL EXECUTION.



Landlord
Tenant

EXHIBIT B

WORK LETTER WITH AGREED UPON PLANS ATTACHED

Improvement Allowance

Landlord agrees to construct Initial Improvements (as defined below), and Tenant agrees to pay Landlord all Permitted Costs (as defined below), provided however, Landlord shall provide Tenant with an improvement allowance ("**Improvement Allowance**") up to a maximum of \$20.75 per square foot (\$255,500.00) of the Premises as a credit against Permitted Costs (as defined below). The cost ("**Permitted Costs**") to construct the Initial Improvements shall include, without limitation, all permits, inspection fees, fees of space planners, architects, engineers, and contractors, utility connections, the cost of all labor and materials, bonds, insurance, and any structural or mechanical work, additional HVAC equipment or sprinkler heads, or modifications to any building mechanical, electrical, plumbing or other systems and equipment or relocation of any existing sprinkler heads, either within or outside the Premises required as a result of the layout, design, or construction of the Initial Improvements, plus a construction management fee of five percent (5%) of all Permitted Costs.

Construction Plans

Within 15 days following lease execution, Landlord's architect, space planner or engineer ("**Space Planner**"), at Tenant's expense, will prepare final working drawings and construction plans (such construction drawings and plans, when approved, and all changes and amendments thereto agreed to by Landlord and Tenant in writing, are herein called the "**Construction Plans**") of all of the improvements requested by Tenant (all improvements required by the Construction Plans are herein called "**Initial Improvements**"), pursuant to the detailed floor plans approved by Landlord and Tenant and attached to this Exhibit B (such plans, the "**Space Plan**"), including complete detail and finish drawings for partitions, doors, reflected ceiling, telephone outlets, electrical switches and outlets, and building standard heating, ventilation and air conditioning equipment and controls. Within five (5) days after Construction Plans are delivered to Tenant, Tenant shall approve (which approval shall not be unreasonably withheld) or disapprove same in writing, and if disapproved, Tenant shall provide Landlord and Landlord's Space Planner specific reasons for disapproval. The foregoing preparation, review and approval process shall continue until the Construction Plans are approved by Tenant; provided that if Tenant fails to respond in any five (5) day period, Tenant shall be deemed to have approved, the last submitted Construction Plans. If the Construction Plans are not approved or deemed approved by both Tenant and Landlord within 30 days of lease execution for any reason whatsoever, Landlord may, at its sole option, terminate the Lease and this Agreement, whereupon Landlord shall have no further liability or obligation thereunder or hereunder. If Landlord does not elect to so terminate, then each day after that the Construction Plans are not approved by Tenant shall constitute one (1) day of Tenant Delay (defined below).

Delays

If delays of the construction of Initial Improvements or of the sufficient completion of the Initial Improvements (in the opinion of the Space Planner that prepared the Construction Plans) in accordance with the Construction Plans so that Tenant can occupy the Premises for the Permitted Use, subject to the completion of minor punch list items (such completion, "Substantial Completion") occur because of: (i) by reason of casualty, strike, condemnation, act of God, laws or governmental requirement, or any other reason beyond Landlord's reasonable control; (ii) any specification by Tenant of materials or installations in addition to or other than Landlord's standard finish-out materials; (iii) delays in obtaining a certificate of occupancy, if required by the applicable governmental authority, and if caused by the applicable governmental authority, Tenant or Tenant's Contractors, including, without limitation, changes to approved Construction Plans (all of which delays are collectively referred to in this Lease as "**Excused Delays**"); or (iv) by reason of acts or omissions on the part of Tenant or those acting for or under the direction of Tenant including but not limited to any change by Tenant to the Construction Plans and any Change Orders (as defined herein) or if Tenant otherwise delays completion of the Initial Improvements (such reasons collectively referred to in this Lease as "**Tenant Delays**" and all delays other than Excused Delays and Tenant Delays are defined as "**Landlord Delays**"), then, the date established above for the Commencement Date will be adjusted in accordance with this paragraph. If to the extent that Substantial Completion has not been achieved by the Commencement Date due to Excused Delays, then the Commencement Date shall be adjusted to be the Adjusted Commencement Date (hereinafter defined), and the expiration of the Term shall be adjusted forward by the same number of days as is the Commencement Date, so that the length of the term will be unchanged.

Payment

Tenant shall pay to Landlord the total amount of Permitted Costs, to the extent that they exceed the Improvement Allowance, upon execution of the Lease and, if applicable, upon execution of each Change order. Such Permitted Costs due Landlord hereunder shall constitute Additional Rent under the terms of the Lease, and nonpayment shall constitute an Event of Default under this Lease and entitle Landlord to any and all remedies specified in this Lease.

Landlord
Tenant

Change Orders

Tenant may request changes in the final Construction Plans consisting of additions, deletions, value engineering items or other revisions to the Initial Improvements and extensions of the progress schedule. The parties will evidence agreement of such changes by signing change orders ("**Change Orders**"), and, upon the signing of a Change Order, Landlord shall prosecute the changes in accordance with the requirements of those Change Orders. Landlord and Tenant shall not unreasonably delay or refuse to sign Change Orders reflecting changes requested by Tenant. For the purposes of this Agreement, the term "**Change Order Costs**" for additions, deletions or other revisions means the amount by which the aggregate cost Landlord will necessarily incur in connection with the construction of the Initial Improvements, including, without limitations, the costs of labor and material, design fees, the expense of any such re-drawing or re-drafting of either the space plan or the Construction Plans required in connection herewith and the expense of any work and improvements necessitated by such re-drawing or re-drafting, a TI Construction Management Fee of five PERCENT (5%) of the Change Order Costs, commissions, interest and other carrying costs, and sales or other excise taxes Landlord must pay in connection with the purchase of materials and services will increase or decrease the Permitted Costs. Tenant shall pay Landlord all Change Order Costs, if any, to the extent that Permitted Costs (including the Change Order Costs) exceeds the Improvement Allowance, which are in excess of the Finish Allowance, within five (5) days prior to commencement of construction of such Change Order by Landlord. Failure by Tenant to timely tender to Landlord the full Change Order Costs shall permit Landlord to not commence any work until payment of all Change Order Costs have been received. Such Change Order Costs due Landlord hereunder shall constitute Additional Rent under the terms of the Lease, and nonpayment shall constitute an Event of Default under this lease and entitle Landlord to any and all remedies specified in this Lease. Any delay attributable to Change Orders shall constitute Tenant Delays.

Liability

The parties acknowledge that Landlord is not an architect or engineer, and the Initial Improvements will be designed and performed by independent architects, space planners, engineers and contractors. Accordingly, Landlord does not guarantee or warrant that the Construction Plans will be free from errors or omission, nor that the Initial Improvements will be free from defects, and Landlord shall have no liability therefor, provided that such architects, engineers and contractors selected by Landlord are licensed and reputable.

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Landlord
Tenant

EXHIBIT C

SIGN CRITERIA FOR MCKINNEY CENTRAL BUSINESS PARK

A. Type of Sign

Individual dimensional letters. No internally lit or backlit letters allowed. Corporate logos when specifically approved in writing by the landlord shall be allowed and considered a sign subject to all sign specifications below.

B. Size of Sign

Sign Height: Maximum letter and logo height is 30" maximum letter and logo height is 12". Multiple row signs are not to exceed 28" total height including space.

Letter Depth: Depth of letters to be 4".

Overall Size: Overall size of sign cannot exceed 300 square feet. Area of sign is defined by the rectangle formed by the height and width of any and all letters and logos.

Municipal Requirements: Size must conform to city requirements.

C. Style, Colors and Materials of Sign

Letter (Font) Style: Match building address signs

Letter Materials: Fabricated reverse channel aluminum letters, .080 thick faces and 0.63 thick returns. Letters shall be finished with baked enamel paint in color indicated below.

Letter Color: Match building address signs

Letter style and letter color may be modified solely and exclusively at Landlord's discretion.

D. Placement and Installation

Sign shall be centered on upper fascia of building as shown on attachment.

Letters shall be mounted to a 6-inch high by 2 1/2-inch deep by .170-inch thick aluminum channel with sign manufacturer supplied clips. Channel shall not extend beyond individual beginning or ending letters, nor shall it be wider than the sign at any point. Channel shall be welded end caps. Aluminum channel shall be painted to match the wall color. Channel shall be directly bolted to the concrete wall in the 2 3/4-inch high reveal indicated. Sign manufacturer and installer shall be responsible for all installation engineering. Anchor embedment shall not exceed 4 inches into concrete.

E. Number of Signs and Logos

If lease space fronts on more than one street facing elevation, a sign may be allowed on each street elevation, and each sign shall be sized individually subject to criteria above.

Number of signs and logos subject to Landlord's written approval.

F. Submittals

Sign drawings must be submitted for Landlord's written approval, prior to fabrication. After Landlord's approval, sign drawings shall become part of lease agreement.

G. Purpose

Our purpose in providing the tenants with these requirements is to create a good business image and give the impression of quality and professionalism.

(2 Sign Criteria Inserts to be attached)

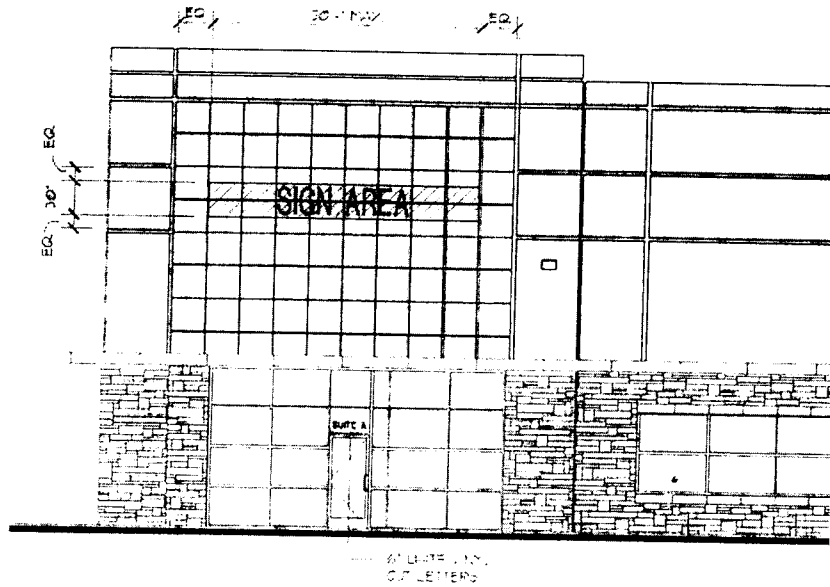
Landlord
Tenant

McKinney Central Business Park

GENERAL SIGN LOCATION

VERIFY LOCATION PER SHEET P.D. ELEVATION

Sign Criteria SINGLE ENTRY



TYPE OF SIGN

Individual plastic molded letters.

SIZE OF SIGN

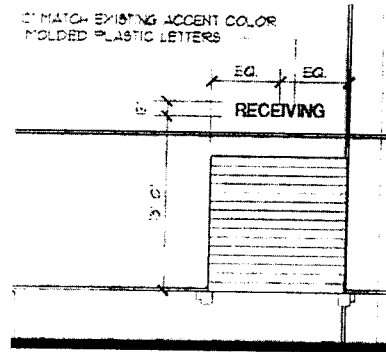
Maximum copy height: 2'-6"
Minimum copy height: 1'-2"
Maximum copy length: 20'-0"

TYPEFACE AND COLORS

Typefaces and color to match building address.

DOCK SIGNS

DO NOT MATCH EXISTING ACCENT COLOR
MOLDED PLASTIC LETTERS



Landlord
Tenant

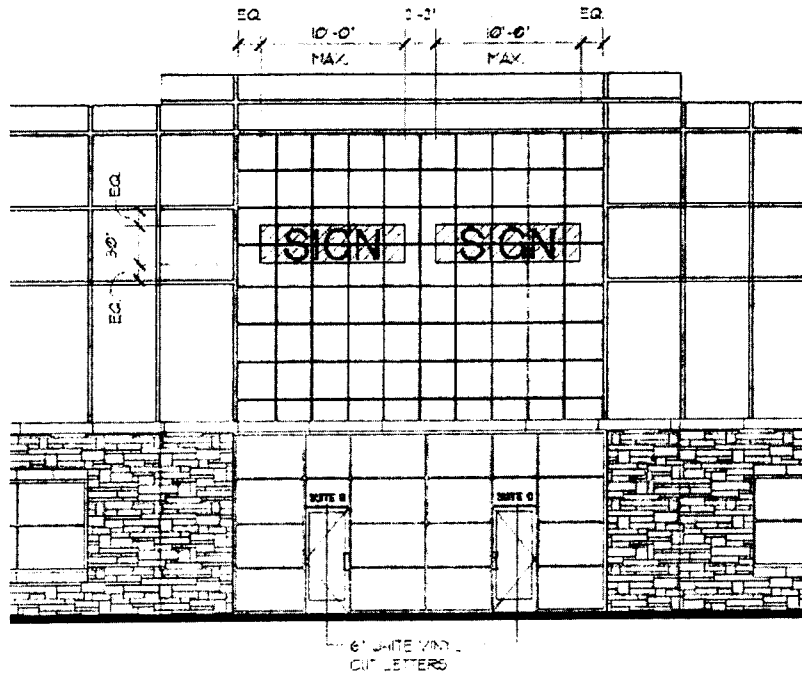
McKinney Central Business Park

Sign Criteria

DOUBLE ENTRY

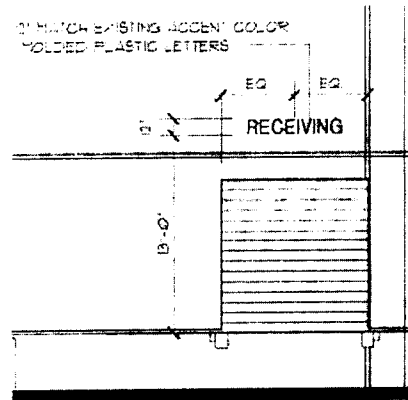
GENERAL SIGN LOCATION

10'-0" MAX. 1'-2" 10'-0" MAX. EQ. EQ.



DOCK SIGNS

2" MATCH EXISTING ACCENT COLOR
MOLDED PLASTIC LETTERS



TYPE OF SIGN

Individual plastic molded letters.

SIZE OF SIGN

Maximum copy height: 2'-6"
Minimum copy height: 1'-2"
Maximum copy length: 10'-0"

TYPEFACE AND COLORS

Typefaces and color to match building address.