

MARY ALDOUS  
First Assistant  
  
BILL REED  
Criminal Division Chief



MARY SHINE  
Chief - Civil Division  
  
JAMES WOLFE  
Chief Investigator

**TOM SELLECK**  
**CRIMINAL DISTRICT ATTORNEY**  
**BRAZORIA COUNTY**

September 15, 2025

*Via email [Mle@silvestriusa.com](mailto:Mle@silvestriusa.com)*  
Michael Le  
Commercial Real Estate Advisor  
Silvestri Investments  
1215 Gessner Dr.  
Houston, Texas 77055

**Re: Extension of Lease Term**  
**Alvin Shopping Center Lease Agreement between Brazoria County, Texas and**  
**Festival Properties, Inc.**  
**1228 FM 1462, Alvin, Texas**

Dear Mr. Le:

On June 30, 2022, Brazoria County, Texas (the "County") entered into a Lease Agreement with Festival Properties, Inc. for property located in the Alvin Shopping Center, located at 1228 FM 1462, Alvin, Texas. On May 28, 2024, the Parties entered into a Lease Extension Agreement for this location with the lease term ending November 30, 2025. The Lease Agreement and Lease Extension Agreement are attached hereto as "Attachment 1" and incorporated into this letter agreement.

This letter agreement serves as an agreement between the County and Landlord to extend the Lease Term of the Lease Agreement and Lease Extension Agreement effective December 1, 2025. Said Term will become a month-to-month lease at the rate of \$5,662.80 as set forth on "Attachment 2". The County and Landlord further agree that all terms and covenants of the Lease Agreement and Lease Extension shall apply to the month-to-month Lease Term.

The County's new facility is under construction and should be completed in April or May 2026. When the building is complete and the County has a set move date, the County will provide to Landlord 30-days written notice of termination of the month-to-month agreement.

If this agreement is satisfactory to Landlord, please indicate your acceptance thereof by signing and emailing this letter to me at [maryc@brazoriacountytx.gov](mailto:maryc@brazoriacountytx.gov).

COUNTY COURTHOUSE, 111 E. LOCUST, SUITE 408A, ANGLETON, TEXAS 77515

Angleton Area  
(979) 864-1233

Houston Area  
(281) 756-1233

Brazosport Area  
(979) 864-1525

Fax-Criminal Division  
(979) 864-1525

Fax-Civil Division  
(979) 864-1712

Michael Le  
September 15, 2025  
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If you have any concerns or questions, please contact me.

Regards,



Mary Shine  
Assistant District Attorney

**AGREE TO TERMS OF LETTER AGREEMENT:**

**LANDLORD:**

**FESTIVAL PROPERTIES, INC.**

  
By: Authorized Representative

Date: 9/18/25

**TENANT:**

**BRAZORIA COUNTY, TEXAS**

By: L.M. "Matt" Sebesta, Jr.  
County Judge  
Brazoria County, Texas

Date: \_\_\_\_\_

COUNTY COURTHOUSE, 111 E. LOCUST, SUITE 408A, ANGLETON, TEXAS 77515

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Fax-Civil Division  
(979) 864-1712

# **“Attachment 1”**

### LEASE EXTENSION AGREEMENT

This Lease Extension Agreement ("Extension") is an extension of an Alvin Shopping Center Lease dated June 30, 2022, by Festival Properties, Inc. ("Landlord") and Brazoria County ("Tenant") for the lease of approximately 3,600 sq ft located at 1228 FM 1462, Alvin, Texas 77511 ("Premises"). The Alvin Shopping Center Lease, together with all assignments, extensions, amendments, and addendums thereto, are referred to collectively herein as "Lease". The Lease is incorporated herein by reference as if set forth fully herein.

For valuable consideration, the receipt and sufficiency of which is hereby acknowledged and confessed, Landlord and Tenant agree as follows:

1. Capitalized terms contained in this Extension will have the same meaning as the terms contained in the Lease unless otherwise set forth herein.
2. The Term of the Lease is extended from December 1, 2024, to November 30, 2025.
3. Tenant agrees to pay on the first day of each month during the Term, in advance, without notice or demand, Minimum Rent as follows:

<u>Months</u>	<u>Monthly Minimum Rent</u>
12/01/2024 - 11/30/2025	\$ 5,148.00

4. In addition to Minimum Rent, Tenant will pay Estimated Monthly Additional Costs and other charges, if any, as provided by the Lease.
5. Except as specifically modified by this Extension, all terms and conditions of the Lease shall remain the same and shall continue throughout the Term of the Lease as extended hereby.

Signed effective as of May 28, 2024.

LANDLORD:  
FESTIVAL PROPERTIES, INC.

By: Michael D. Davis  
Authorized Representative

TENANT:  
BRAZORIA COUNTY

By: [Signature]  
County Judge



DigiSign Verified:  
999A110D-C32B-4241-AD3C-A66056990E43

**ALVIN SHOPPING CENTER LEASE**

THIS LEASE is executed in Harris County, Texas as of this 30 day of June, 2022 (the "Effective Date"), by and between the Landlord and the Tenant hereinafter named.

**ARTICLE I  
DEFINITIONS AND CERTAIN BASIC PROVISIONS**

1.1 Landlord: **Festival Properties, Inc.**

1.2 Address of Landlord: **1215 Gessner Dr.  
Houston, TX 77055**

Rent shall be paid to the following  
address until notice to the contrary:

**Festival Properties, Inc.  
1215 Gessner Dr.  
Houston, TX 77055**

Notice address for tenants:  
**Brazoria County District Attorney Office  
Civil Division  
ATTN: Mary Shine  
111 E. Locust, Suite 408A  
Angleton, Texas 77515**

1.3 Tenant: **Brazoria County, a political subdivision**

1.4 Address of Tenant: **1228 FM 1462  
Alvin, Texas 77511**

1.5 Premises: A store unit of approximately 3,600 square feet in area located at **1228 FM 1462, Alvin, Texas 77511** being situated in **ALVIN SHOPPING CENTER** (herein referred to as the "Shopping Center"), located at **ALVIN SHOPPING CENTER**. The Premises is shown by outline or shading on **Exhibit "A"**, attached hereto and made a part hereof (not drawn to scale). The Shopping Center is located on the real property described on **Exhibit "B"** attached hereto and made a part hereof (the "Real Property"). Landlord reserves the right to change the name of the Shopping Center without notice or liability to Tenant.

1.6 Tenant's Trade Name: **Brazoria County**

1.7 Lease Commencement Date: **07/01/2022**  
Rent Commencement Date: **12/01/2022**

1.8 Term: This Agreement's initial term shall be for five (5) months beginning on the Lease Commencement Date. After the expiration of the initial term, this Agreement shall begin a rental term beginning on the Rent Commencement Date and shall automatically renew for one (1) year beginning on the Rent Commencement Date. After the expiration of the initial rental term, this Agreement shall automatically renew for one (1) additional and successive but distinct one (1) year terms (terminating ~~November 1, 2024~~; November 30, 2024).

1.9 Minimum Rent: Payable in advance, without notice or demand, on the first day of each month:

Months	Monthly Base Rent
07/01/22-11/30/22	\$0.00
12/01/22-11/30/24	\$4,680.00

1.10 Percentage Rent: Not Applicable. Any reference to percentage rent is deleted.

1.11 Tenant's Pro Rata Share of the Shopping Center.

1.12 Security Deposit: **\$5,475.00**

1.13 Due at Lease Signing: **\$ 10,950.00**

First Month's Rent **\$ 4,680.00**  
First Months NNN **\$ 720.00**  
First Months Water **\$ 75.00**  
Security Deposit: **\$ 5,475.00**

1.14 Permitted Use The Demised Premises shall be used and occupied by Tenant solely as **Brazoria County Justice of the Peace Precinct 1** and for no other purpose without Landlord's prior written consent. Tenant shall comply with all rules, regulations, and laws of any governmental authority with respect to use and occupancy, and shall not violate in any manner any of the exclusive use rights granted by Landlord to any other Tenant in the Shopping Center, which exclusive use provisions contained in said lease have been exhibited to Tenant, and which Tenant acknowledges. Tenant shall not permit any operation which emits any odor or matter which intrudes into other portions of the Property, use any apparatus or machine which makes undue noise or causes vibration in any portion of the Property, or otherwise interfere with, annoy or disturb any other Tenant in its normal business operations or Landlord in its management of the Property. Tenant shall neither permit

of Landlord, be extra hazardous on account of fire or which would in any way increase or render void the fire insurance on the Property.

- 1.15 Prohibited Use: Notwithstanding any other provision in this Lease to the contrary (including Sections 1.14 or 4.3 hereof), it is agreed and made the essence hereof that Tenant shall not operate or sell products or furnish services other than those stated in Section 1.14 above.
- 1.16 Gross Leasable Retail Area of the Shopping Center: Presently comprises 90,316 square feet subject to expansion (or reduction) by the construction (or the removal) of buildings in the "Shopping Center" (which will cause an adjustment in Tenant's "Pro Rata Share" pursuant to Section 6.5 hereof). Such buildings located in the Shopping Center, whether one or more, are collectively referred to in this Lease as the "Shopping Center" or the "Building".
- 1.17 Estimated Monthly Additional Costs: Tenant's Estimated Pro Rata Share of Monthly Estimated Costs pursuant to Section 6.4 for the remainder of the calendar year during which the Commencement Date occurs: \$0.20 per square foot of Premises ( \$720.00) per month, which amount Tenant shall continue to pay to Landlord monthly in advance until Landlord notifies Tenant of revised estimate, whereupon the amount thereof shall change in accordance with Landlord's notice to Tenant. The parties stipulate and agree that Tenant's Pro Rata Share of actual Total Costs (as defined in Section 6.4) shall not be less than the aforesaid required payments of Estimated Monthly Costs. Accordingly, Tenant's obligation to pay Tenant's Pro Rata Share of Estimated Monthly Costs shall not be less than said amount. If, however, the amount thereof increases (as calculated pursuant to this Lease), then Tenant's Pro Rata Share thereof shall be accordingly increased, resulting in Tenant paying its actual share monthly (accordingly being more than (\$720.00) per month. Further, the parties acknowledge that their agreement as set forth in this paragraph was a material consideration in negotiating the terms and conditions of the Lease.
- 1.18 Tenant Contact Information:
- Name: Brazoria County District Attorney's Office; Attn: Mary Shine  
Address: 111 E. Locust, Suite 408A  
City: Angleton, Texas, 77515  
Phone # 979-864-1233  
Email: maryc@brazoria-county.com
- 1.20 Tenant has seen Premises and is accepting Premises in its current "as-is, where-is" condition. Tenant is responsible for obtaining any and all permits and licenses necessary for his business. (See Exhibit G)
- TENANT IS RESPONSIBLE FOR REKEYING THE PREMISES. TENANT IS RESPONSIBLE AT HIS/HER COST TO MEET ALL CITY & STATE LAWS AND HEALTH CODES.**
- 1.21 Signage: Re: Fascia Signage: Tenant is responsible for cost of fascia signage, including any and all permits. Tenant must follow Landlord's Sign Criteria and have sign approved prior to installation.
- 1.22 Schedule of Exhibits:  
A - Diagram of the Premises and Shopping Center (not drawn to scale)  
B - Legal Description of the Shopping Center  
C - Rules and Regulations  
D - Environmental Notice  
E - Addendum  
F - Addendum  
G - Construction Work to be performed in Leased Premises  
H - Sign Criteria
- 1.23 Shopping Center: The commercial shopping center located upon the land described in Exhibit "B", and as shown on Exhibit "A" (not drawn to scale) both attached hereto, together with such additions and extensions as Landlord may, from time to time designate, as included within the Shopping Center.

Each of the foregoing Certain Defined Terms and Basic Lease Provisions (collectively called "Defined Terms") shall, when used elsewhere in this Lease, have those meanings and definitions as set out above. However, these Defined Terms are to be construed in connection with the other provisions of this Lease, and where the context of such other provisions expressly requires, the same shall be limited, modified or changed by such other provisions. All Exhibits attached hereto are incorporated herein for all purposes.

## ARTICLE II PREMISES AND TERM

- 2.1 In consideration of the obligation of Tenant to pay rent as herein provided and in consideration of the other terms, covenants and conditions hereof, Landlord does hereby lease and let to Tenant, and Tenant does hereby take and hire from Landlord the Premises for the period commencing on the Commencement Date and extending for the Lease Term. This Lease is, however, effective the date set forth at the top of page 1 hereof (the "Effective Date") and Tenant agrees to comply with same.
- 2.2 The purpose of the plot plan attached hereto as Exhibit "A" is to set forth the outline of the Premises in relation to the general layout of the Shopping Center, and is not drawn to scale. It is expressly understood and agreed that:
- (a) The general layout of the Shopping Center as set forth thereon is subject to all of the terms and conditions of this Lease including, without limitation, the provisions regarding future changes, expansion, modifications, and present and future rules and regulations;



- (b) No representation or warranty is made as to the exact location of any particular building, or as to the time, if ever, that any other building or buildings and/or store space or spaces may or might be erected and occupied (regardless of whether prospective tenant names are listed on Exhibit "A"); and
- (c) The square footage of space within the Premises is, and is hereby stipulated to be, for all purposes hereof, the square footage recited above in Section 1.5 whether the same should be more or less as a result of minor variations, such area being determined by measurements from the exterior face of all exterior walls of the applicable building within the Shopping Center and the center line of all partition walls which separate the Premises from other premises therein.
- (d) The Gross Leasable Retail Area of the Shopping Center is, and is hereby stipulated to be, for all purposes hereof, the square footage recited above in Section 1.16 whether the same should be more or less as a result of minor variations, such area being determined by the measurement of the aggregate square footage of single level floor space (expressly excluding any mezzanines) which is occupied or designed for occupancy by tenants in the Building(s) comprising the Shopping Center as measured from the exterior face of all exterior walls of such Building(s). Accordingly, if the Building (or any one of them, if there is more than one) is expanded or reduced, then "Tenant's Pro Rata Share" shall, accordingly, be increased or decreased pursuant to Section 6.5 hereof.
- 2.3 So long as Tenant shall pay the Minimum Rent, Percentage Rent, and all other sums or other payments due hereunder, and observe and perform all of the covenants on Tenant's part to be observed and performed hereunder, and Tenant is not in default hereunder, Tenant shall peaceably and quietly hold and enjoy the Premises for the entire Term hereof without interruption by Landlord or person or persons lawfully or equitably claiming by, through or under Landlord; subject, nevertheless, to all of the terms and provisions of this Lease and to all of the reservations, easements, encumbrances and other matters of record affecting the title to the Premises, the Shopping Center, or to the property upon which the Shopping Center is situated.
- 2.4 All improvements at the Premises shall be furnished by Tenant, at its expense, unless provided herein to the contrary, and all construction by Tenant shall be governed by the provisions specified in this Lease, specifically including the exhibits hereto, if any, and completed by Tenant pursuant to written plans and specifications approved in writing by Landlord. Landlord's approval of any such plans and specifications shall create no responsibility or liability on the part of Landlord for their completeness, design sufficiency, or compliance with all laws, rules and regulations of governmental agencies or authorities.
- 2.5 If this Lease is for a portion of the Shopping Center already constructed, Tenant acknowledges that it has, prior to the execution hereof, inspected the Premises, that Landlord's Work is completed (except as may be herein otherwise expressly provided), and that Tenant accepts the Premises in its "AS IS" condition, it being agreed that Landlord shall have no liability or responsibility for defects in the Premises, including latent defects.
- 2.6 Tenant agrees that if for any reason Landlord cannot tender the Premises to Tenant within six (6) months from the later of Effective Date of this Lease or the Commencement Date as defined in Section 1.7, then Landlord may terminate this Lease without liability to Tenant. By occupying the Premises, Tenant shall be deemed to have accepted the same and acknowledged that the same fully complies with Landlord's obligations and covenants hereunder.
- 2.7 INTENTIONALLY DELETED.

### ARTICLE III RENT

- 3.1 All rent (including, without limitation, Minimum Rent, Percentage Rent and Additional Rent) shall accrue hereunder from the Commencement Date, and shall be payable at the address set forth in Section 1.2, unless such address is changed as herein provided, and shall be payable without demand, deduction, abatement or setoff. Reference to "Additional Rent" refers to Tenant's obligation to pay Common Area Maintenance Charges, Taxes and Insurance pursuant to Article VI (including estimated payments thereof as therein required).
- 3.2 Except for Prepaid Rental described in Section 1.13 (which shall be applied to the first accruing payment of Minimum Rent and Monthly Estimated Costs or applied as part of the Security Deposit if Tenant defaults prior to the Commencement Date), Tenant shall pay to Landlord Minimum Rent in monthly installments in the amounts specified in Section 1.9. The first such monthly installment shall be due and payable on or before the Commencement Date, and installments in the respective amounts specified in Section 1.9 shall be due and payable on or before the first day of each succeeding calendar month during the Lease Term; provided that, if the Commencement Date should fall on a day other than the first day of a calendar month, rental for such first partial month shall be a proportionate part of the Minimum Rent for the first full calendar month, and shall be payable on or before the first day of the Lease Term hereof; provided, further, that if the Lease Term ends on a day other than the last day of the month, the last monthly installment shall be proportionately reduced.
- 3.3 INTENTIONALLY DELETED.
- 3.4 INTENTIONALLY DELETED.
- 3.5 The term "Calendar Year" as used herein, means each calendar year and partial calendar year for the full Term hereof. The first Calendar Year means the period which begins with the Commencement Date and which ends on the next following 31st day of December. Each following Calendar Year period shall be for

a term of a full twelve (12) months beginning with the next following January 1st and shall continue for each and every twelve (12) month period thereafter; however the last Calendar Year shall be for less than twelve (12) months if the Lease Term ends on a date other than December 31st.

- 3.6 All Minimum Rent and all other sums hereunder provided to be paid by Tenant (including Percentage Rent) shall be due and payable by Tenant without demand, deduction, abatement or setoff except as expressly provided herein. All other sums and charges of whatsoever nature required to be paid by Tenant to Landlord pursuant to the terms of this Lease constitute additional rent and failure by Tenant to timely pay such other sums or charges may be treated by Landlord as a failure by Tenant to pay Minimum Rent.
- 3.7 Any payment received after the fifth of the month shall be considered a late payment and liquidated damages of Ten Dollars (\$10.00) per day, after the first day of the month, shall become automatically due and payable to Landlord. The day the rent payment is received shall be considered the effective date for purpose of determining liquidated damages. Acceptance by Landlord of any late rent payment and administrative charge due therefore shall not constitute a waiver of any of Landlord's rights and remedies available in connection with any subsequent failure of Tenant to pay the Minimum Rent, Percentage Rent, or any other payment due Landlord hereunder in the manner or time provided for herein. If tender of late Minimum Rent, Percentage Rent or any other payment due Landlord hereunder is made, Landlord at its sole discretion, shall have the option to accept the tendered late payment, or to pursue the rights and remedies provided for in this Lease.
- 3.8 Tenant, contemporaneously with the execution of this Lease, has deposited with Landlord the Security Deposit which is given to secure the faithful performance by Tenant of all of the terms, covenants and conditions of this Lease by Tenant to be kept and performed during the Term hereof. If Tenant shall fail to pay the Minimum Rent, Percentage Rent or any other monetary obligation hereunder promptly when due, or if the Tenant violates any other term, covenant or condition of this lease, Landlord may, at its option (but without the obligation to do so), apply said deposit to any Minimum Rent, Percentage Rent or any other monetary obligation hereunder due and unpaid, or if the Tenant violates any other term, covenant or condition of this Lease, the Security Deposit may be applied to any damages suffered by Landlord as a result of Tenant's default to the extent of the amount of damages suffered. Nothing contained in this Article III shall in any way diminish or be construed as waiving any of the Landlord's other remedies as provided for in this Lease. Should the entire Security Deposit, or any portion thereof, be applied by Landlord for the payment of rent or other sums due and payable by Tenant hereunder, then Tenant shall on written demand by Landlord, forthwith remit to Landlord a sufficient amount in cash to restore the Security Deposit to its original amount, and Tenant's failure to do so within ten (10) days after receipt of such demand shall constitute an Act of Default. Should Tenant comply with all of the terms, covenants and conditions of this Lease and promptly pay Minimum Rent, Percentage Rent and all other sums payable by Tenant to Landlord hereunder, the Security Deposit shall be returned in full to Tenant within sixty (60) days after the later of:

(i) the end of the Term of this Lease; or (ii) the end of Tenant's occupancy (any holdover by Tenant to be governed by Section 18.4 hereof) less, however, any amounts that may be due from Tenant to Landlord or any amounts that Landlord estimates will be due and owing from Tenant on account of Tenant's Pro Rata Share of the Common Area Maintenance Charge, and Tax and Insurance Charges (as hereafter defined), even though final adjustments thereto are not made by Landlord until the end of the applicable Calendar Year. Landlord shall have the right to commingle the Security Deposit with other funds of the Landlord. Landlord may deliver the funds deposited hereunder by Tenant to the purchaser of Landlord's interest in the Premises in the event that such interest is sold, and thereupon Landlord shall be discharged from any further liability with respect to such deposit.

#### ARTICLE IV USE AND CARE OF PREMISES

- 4.1 The Premises shall be used and occupied only for the purpose or purposes specified in Section 1.14 above, and for no other purpose or purposes without the prior written consent of Landlord. Tenant hereby agrees from and after the Commencement Date to use the Premises for the Permitted Use and for no other purpose and under no other trade name other than the Trade Name. Landlord and Tenant hereby acknowledge that the identity, skill, experience and reputation of Tenant, the specific character of Tenant's business and anticipated use of the Premises and the relationship between such use and other present and/or future planned use within the Shopping Center have been a material consideration to Landlord's entry into this Lease. Tenant shall continuously and diligently operate Tenant's business in the Premises under its Trade Name specified in Section 1.6. Tenant shall keep the Premises open for business, at a minimum, during the Hours of Operation specified in Section 1.18, and during such further hours as Tenant may desire or as Landlord may designate from time to time for the tenants of the Shopping Center. Tenant acknowledges that a material inducement for Landlord to enter into this Lease is that Tenant agrees to continuously and diligently operate Tenant's business in the Premises under its Trade Name. Nothing herein shall diminish Landlord's right to terminate this Lease for failure of Tenant to carry on its business as herein provided, except as may result from strikes, government restrictions, natural disasters or any other cause beyond Tenant's control (except financial difficulty).



- 4.2 Consistent with the above use, the Premises are leased for use and occupancy as a The Demised Premises shall be used and occupied by Tenant solely as **Brazoria County Justice of the Peace Precinct 1** and Tenant will not: (i) engage in any activity which would cause Landlord's fire and extended coverage insurance to be canceled, or the rate therefor increased (or at Landlord's option, Tenant will pay any such increase, as hereinafter provided); (ii) permit the Premises to be used for any prohibited use described in this Lease, including any Prohibited Use described in Section 1.15; (iii) conduct any auction, bankruptcy, fire, "Lost-Our-Lease", "Going-Out-Of-Business" or similar sale; (iv) will not make any unlawful use of the Premises or permit the Premises to be used in whole or in part as a bar, club, nightclub, tavern, any so-called "topless" or "bottomless" establishment or other business that sells, employs or displays sexually oriented material, or for sleeping quarters, lodging rooms or for any immoral or unlawful purpose or for any purpose which might be deemed hazardous on account of fire, explosion or otherwise; (v) will not use any loudspeaker, phonograph, radio or sound amplifier which can be heard outside the Premises; (vi) will not cause or permit any offensive odors or noises; (vii) and will not commit any act or cause or permit the existence of any condition which is a nuisance, menace or annoyance to Landlord or to other tenants, or which might, in the exclusive judgment of the Landlord, damage Landlord's good will or reputation, or tend to injure or depreciate the Shopping Center, nor use or interfere with the use of said Shopping Center outside of the Premises. Tenant shall not make any "roof cuts" or otherwise erect or install on the roof of the Building any equipment or structure for air-conditioning, heating or other purpose without Landlord's written consent as provided herein. Tenant shall obtain, at its sole cost, such permits and licenses required by any authority for the conduct of Tenant's business operations, and otherwise comply with all laws and ordinances, including all applicable environmental laws, of any governmental agency or authority which relate to the Premises and the use to be made thereof by Tenant during the Term. Tenant, at Tenant's expense, shall comply with all laws, rules, orders, ordinances, directions, regulations, and requirements of federal, state, county and municipal authorities, now in force or which may hereafter be in force, which shall impose any duty upon Landlord or Tenant with respect to the use, occupancy or alteration of the Premises. Tenant agrees to promptly notify Landlord in writing of any city, state, federal or other governmental enforcement action or threatened action concerning environmental matters, or any application for any environmental permit or the granting or denial of any such permit. Tenant binds and obligates itself to occupy and use the Premises continuously during the Term for the purpose provided in this Lease and according to the generally accepted standards for the operation of the same or similar businesses including, without limitation: maintaining a sufficient staff of employees and a reasonable business inventory, and remaining open for business during regular business hours on regular business.
- 4.3 Tenant shall not use or permit to be used the Premises or any portion thereof for an adult bookstore, adult cabaret, adult encounter parlor, adult lounge, adult modeling studio, adult movie theater, or for the sale or exhibition of any books, magazines or devices or any other items intended to provide sexual stimulation or sexual gratification to its customers or which is distinguished by or characterized by an emphasis on matter depicting, describing or relating to specified sexual activities or specified anatomical areas. The terms "adult bookstore", "adult cabaret", "adult encounter parlor", "adult lounge", "adult modeling studio", "adult movie theater", "customer", "specified sexual activities", and "specified anatomical areas" are defined in City of Houston Ordinance No. 91-187, which such definitions are incorporated herein, whether or not the said ordinance is applicable to the Premises.
- 4.4 Tenant agrees, at its expense, to keep the Premises and adjacent sidewalks and loading areas at all times in a clean, sanitary and safe condition; to keep in good repair and working order all machinery, equipment, fixtures and other property of Tenant; and to store all trash and garbage in approved containers and arrange for regular removal of such trash and garbage. Tenant shall not operate an incinerator or burn trash or garbage within the Shopping Center. If Tenant shall fail to keep the Premises and adjacent sidewalks and loading areas in the condition required hereunder or should Tenant fail to store all trash and garbage and remove the same as aforesaid, then said failure(s) shall constitute an Act of Default hereunder and Landlord may, but shall not be obligated to, perform such obligations. However, Landlord's election to perform Tenant's obligations hereunder shall not constitute a waiver of Tenant's default(s) hereunder and Landlord may pursue all contractual, legal and equitable remedies to which it is entitled. In such event Tenant shall, upon demand and subject to Section 25.10 hereof, reimburse Landlord for the reasonable cost thereof, together with interest at the maximum lawful rate permitted by applicable law from the date of demand until such reimbursement is made.
- 4.5 INTENTIONALLY DELETED.
- 4.6 Tenant, at Tenant's own expense, will furnish and maintain an adequate number of fire extinguishers in good operating condition which Tenant shall have inspected at least once a year or more frequently if so required by applicable statutes, laws, ordinances or codes. In no event shall the number of extinguishers be less than the number required by applicable statutes, laws, ordinances and codes.
- 4.7 Tenant shall pay the cost of removing its trash and garbage from the Premises, but such trash and garbage, when stored outside of the Premises, must be in the rear of the Shopping Center Building only, in areas and in the manner designated by Landlord, and the same shall be fully covered in containers approved by Landlord, all in accordance with all applicable laws, ordinances and regulations.

**ARTICLE V  
UTILITIES**

- 5.1 Tenant agrees to pay \$75.00 in water fees monthly due at the first of each month for water used by Tenant at the Premises, provided, however, if water is not separately metered to the Premises, Tenant shall pay to Landlord monthly, as billed, Landlord's good faith estimate of Tenant's share of the cost of water furnished to the Shopping Center. Landlord reserves the right to require Tenant to install, at Tenant's expense, a water sub meter if Tenant objects to such billings or if Landlord determines, in good faith that such Tenant uses more than its aforesaid share of water billed on a common water line to the Premises.
- 5.2 Landlord neither assumes any liability for damages to either person or property due to the bursting of water lines or the cessation or interruption of any utility services, nor shall Landlord be considered in default hereunder as a result of such a cessation or interruption of utility services. No such occurrence shall be construed as an eviction, constructive or actual, of Tenant; or permit an abatement of rent, or relieve Tenant from fulfillment of any covenant or agreement hereof. Landlord agrees to use reasonable diligence to restore such services promptly, to the extent within Landlord's control, but Tenant shall have no claim for rebate of rent or damages on account of any interruption or cessation in service occasioned thereby or resulting therefrom.

**ARTICLE VI  
COMMON AREAS, TAXES, AND INSURANCE**

- 6.1 The "Common Areas" of the Shopping Center are those parts of the Shopping Center designated by Landlord from time to time, for the common use of all tenants, including among other facilities, the parking areas, sidewalks, landscaped areas, curbs, loading areas, private streets and alleys, lighting facilities, signs erected or maintained by Landlord advertising or identifying the Shopping Center, truckways and service drives, and such similar facilities, all of which shall be subject to Landlord's sole management and control, and shall be operated and maintained in such manner as Landlord in its discretion shall determine. Landlord reserves the right, from time to time, to change the dimensions and location of the Common Areas (including parking areas), as well as the dimensions, identity and type of any buildings, and construct additional buildings or additional stories on existing buildings or other improvements in the Shopping Center. Landlord also reserves the right to dedicate portions of the Common Areas and other portions of the Shopping Center for public purposes and grant public or private easements, rights-of-ways, and dedications. So long as Tenant is not in default hereunder, Tenant, as well as Tenant's employees, customers, subtenants, licensees and concessionaires shall have the non-exclusive right to use the Common Areas in common with Landlord, other tenants of the Shopping Center and other persons entitled to use the same subject, in all cases, to such reasonable rules governing such use as Landlord may from time to time prescribe. Tenant shall not solicit business or display merchandise within the Common Areas, or distribute handbills therein, or take any action which would interfere with the rights of other persons to use the Common Areas. Landlord may temporarily close any part of the Common Areas for such period of time deemed by Landlord to be necessary to prevent the public from obtaining prescriptive rights, to control traffic flow, to perform soil or subsurface testing or other operations, or to make repairs or alterations.
- 6.2 Tenant agrees to pay as additional rent, as hereafter provided, an amount equal to "Tenant's Pro Rata Share" of "Common Area Maintenance Charges" (as such quoted terms are herein defined) adjusted from time to time, pursuant to the provisions hereafter stated. For purposes of this Lease, the phrase "Common Area Maintenance Charges" shall mean, for each Calendar Year (or portion thereof) during the Term, the aggregate of all costs, expenses and liabilities of every kind or nature paid or incurred by Landlord (to the extent that Landlord regards it as necessary or appropriate to provide the services and materials hereinafter referred to and to pay the incurred costs, expenses and liabilities hereinafter referred to) in connection with: sweeping, cleaning, removing debris from, maintaining, restriping, repairing and replacement and repaving the Common Areas; lighting the Common Areas (including replacement of bulbs and ballasts and repair of light standards); the cost of supplying garbage pickup and disposal, and security services with respect to the Common Areas (if Landlord so elects to furnish any, which it has no obligation to do); constructing, maintaining and repairing any on-site and off-site utilities necessary or appropriate for the operation of the Shopping Center; providing and maintaining landscaping with respect to the Common Areas; maintaining, repairing and renovating the Building, including the painting thereof; snow and ice removal and salting and sanding of parking areas (it being understood that Landlord has no obligation to do so); maintenance, repair and replacement of utility lines, fire sprinklers, sewer lines, security systems, lighting standards and fixtures, irrigation systems, pipes, and other systems and equipment (to the extent Landlord in its discretion desires to furnish same, with Landlord having no obligation to furnish any security systems or fire sprinklers); maintenance, repair and replacement of foundations, floors, ceilings, roofs, entrances, sky lights and other Shopping Center structural elements; janitorial services; maintenance, cleaning, repair and replacement of sidewalks, curbs, loading and service areas, carpeting, planters, benches, restrooms, trash compactors, and other public areas not within any tenant's premises; surcharges for parking or transportation facilities as required by law; water, electricity, gas, telephone, and other utility costs relating to the Shopping Center, if any; costs to acquire, maintain and replace (or depreciation of) pylon and monument signs; salaries, bonuses, benefits, social security taxes, withholding taxes, unemployment insurance and workers' compensation insurance for employees involved in Common Area maintenance; license and permit fees relating to the operation or management of the Shopping Center; providing and painting, sealing, cleaning, staining and exterior maintenance of the Common Areas and the Building; reasonable reserve for future Common Area Maintenance Costs; costs, fees, expenses, and capital expenditures required to comply with any governmental law or regulation applicable to the construction, use, occupancy, or renovation of the Building or Common Areas, exclusive of premises leased by tenants, and costs and expenses incurred by Landlord for promulgating or modifying policies, practices, or procedures applicable to tenants; to the extent applicable to the Shopping Center (as determined by Landlord), the maintenance, repair, replacement and updating of traffic and directional signs, markers and bumpers, heating, ventilation and air conditioning in connection with the Common Areas, interior and



exterior planting and landscaping, Shopping Center directories, and music systems or video services in the Common Areas; plus all other costs and expenses of every kind or nature paid or incurred by Landlord relative to maintaining, managing, repairing and renovating, and equipping the Common Areas and Buildings (except to the extent made the obligation of a specific tenant), including, without limitation, subdivision maintenance fees or dues and property owner association fees or dues, and similar charges; and annual charges for reserves established by Landlord for future replacements or improvements to the Common Areas (inclusive of periodic new black topping or concreting of the Common Areas) plus an administrative fee of fifteen percent (15%) of the aggregate of all of the aforesaid costs, expenses and liabilities (including, without limitation, the aforesaid reserve) as described in this Section 6.2 which are paid or incurred by Landlord. The listing or itemization of matters to be included within Common Area Maintenance Charges shall not impose any direct or implied obligation upon the Landlord to furnish any of the items or services mentioned or referred to above.

6.3 Tenant further agrees to pay as additional rent, an amount equal to "Tenant's Pro Rata Share" of the "Tax" and "Insurance Charges" (as hereafter defined) adjusted from time to time, as hereafter provided:

- (i) The phrases "Tax" and "Taxes", as used herein, shall mean all taxes, assessments, impositions, levies, charges, and other sums (whether now existing or hereafter arising, whether foreseen or unforeseen and whether made under the present system of real estate taxation or some other system), levied, assessed, charged or imposed by any governmental authority or other taxing authority (including, but not by way of limitation, municipal utility district taxing authorities) or which accrue upon the Shopping Center for any Calendar Year (or portion thereof) during the Term, including, without limitation, any future tax upon rents received by Landlord (to be distinguished from income taxes), as well as any costs incurred by Landlord contesting any such Taxes or obtaining consultants relative to any tax assessments, together with all penalties, interest and other charges (with respect to taxes) payable by reason of any delay and/or failure or refusal of Tenant to make timely payment as required under this Lease. "Taxes" shall not include any of Landlord's income, estate, inheritance or gift taxes. "If at any time during the term of this Lease, the present method of taxation or assessment shall be changes by the taxing authority, such that the whole or any part of the taxes, assessments, or governmental charges now levied, assessed or imposed on the (Property, or Shopping Center, or Building as applicable) shall be discontinued or reduced, in whole or in part, and as a substitute therefore, or in lieu of or in addition thereto, taxes, assessments, or other governmental charges shall be levied, assessed or imposed, wholly or partially, on (or shall be calculated with the reference to) the rents received from the (project, or Shopping Center, or Building as applicable) or the rents reserved herein, or the income of landlord in respect of the (Property or Shopping Center, or building a applicable, then such substitute, additional or increased taxes, assessments, or governmental charges, to the extent so levied, assessed or imposed, shall be deemed to be included within the definition of ( Operating Expenses or Real Estates Taxes as applicable). Without limiting the foregoing, Taxes will include a margin tax upon revenues from the Shopping Center with the Tenant's share of such margin tax being computed based upon the revenue from the Lease,
- (ii) The phrase "Insurance Charges" shall mean the total annual insurance premiums which accrue on all fire and extended coverage insurance, boiler insurance, public liability and property damage insurance, rent insurance, environmental insurance, and any other insurance which, from time to time, may, at Landlord's election, be carried by Landlord with respect to the Shopping Center during any Calendar Year (or portion thereof) during the Term; provided, however, that in the event, during any such Calendar Year, all or any part of such coverage is written under a blanket policy or other policy form whereby Landlord is unable to determine a specific insurance premium charge applicable to the Shopping Center, then in such event, the amount considered to be the Insurance Charge with respect to such policy shall be that amount, as determined by Landlord, which would have been the annual Insurance Charge payable under the rates in effect (at approximately the same time that such policy was issued) for a separate Texas standard form insurance policy generally providing such type and amount of coverage (without any deductible amount) with respect to the Shopping Center (considering the type of construction and other relevant matters), regardless of the fact that Landlord did not actually carry such separate Texas standard form policy. Landlord may, from time to time, make a corresponding calculation as such policy is renewed or replaced. The phrase "Insurance Charges" shall also include the amount of any deductibles payable with respect to insurance carried by Landlord with respect to the Shopping Center.

6.4 Tenant shall pay to Landlord monthly (or less frequently as Landlord may from time to time elect) estimated Common Area Maintenance Charges, and estimated Tax and Insurance Charges, all of which are hereafter referred to as the "Monthly Estimated Costs"), which shall be due and payable on or before the first day of each month during the Term hereof. Landlord may elect from time to time, in whole or in part, to bill actual charges on a retroactive basis in lieu of the applicable Monthly Estimate Costs, such actual billings not to be more frequently than monthly, and shall be due and payable within ten (10) days from the date of billing. Landlord's election to bill actual charges, in whole or in part, shall not constitute a waiver of Landlord's right to later elect to establish Monthly Estimated Costs. Within one hundred twenty (120) days after the end of each Calendar Year occurring during the Term (and subsequent to the expiration or other termination of this Lease, if such occurs on a date other than the last day of a Calendar Year), Landlord will give Tenant notice of the total amount paid by Tenant for the applicable Calendar Year together with the actual amount of (i) Common Area Maintenance Charges and (ii) Tax and Insurance Charges for such Calendar Year (collectively referred to in this section as the "Total Costs"). If the actual amount of Tenant's Pro Rata Share of the Total Costs with respect to such period exceeds the aggregate amount previously paid by Tenant with respect

thereto during such period, Tenant shall pay to Landlord the deficiency within thirty (30) days following notice from Landlord; if, however, the aggregate amount previously paid by Tenant with respect thereto exceeds Tenant's Pro Rata Share of the Total Costs for such period, then, at Landlord's election, such excess (net of any amounts then owing by Tenant to Landlord) shall be credited against the next ensuing installment of any such cost due hereunder by Tenant, or Landlord may refund such net excess to Tenant. Periodically, during the Term of this Lease, Landlord shall have the right to estimate Tenant's Pro Rata Share of the Total Costs for any subsequent period; whereupon Tenant shall pay Landlord such amounts as "Monthly Estimated Costs" thereafter.

- 6.5 Reference to "Tenant's Pro Rata Share" refers to the ratio of square footage of the Premises (Section 1.5) to the Gross Leasable Retail Area (Section 1.16), presently being the percentage set forth in Section 1.11 hereof, but subject to adjustment if and when an additional Building (whether one or more) is added to the Shopping Center (or additional space is added to an existing Buildings or added to more than one existing Building, if there be more than one), or reduction thereof, thereby causing an adjustment in Gross Leasable Retail Area pursuant to Section 1.16.
- 6.6 Tenant shall pay all taxes assessed against Tenant's personal property and leasehold improvements.

#### ARTICLE VII RULES AND REGULATIONS

- 7.1 Landlord may establish and from time to time amend reasonable rules and regulations with respect to the use by tenants in the Shopping Center, including Tenant, and their employees, customers and invitees, of store space and Common Areas. Such rules and regulations may govern, without limitation, the use of sound apparatus, noise or vibrations emanating from machinery or equipment, obnoxious fumes and/or odors, parking of vehicles, store hours and lighting, and storage and disposal of trash and garbage. Tenant agrees that it will comply and will cause its employees to comply with such rules and regulations. Tenant's failure to comply with this Section 7.1 shall constitute an Act of Default hereunder.

#### ARTICLE VIII PARKING AREAS

- 8.1 Tenant shall have the non-exclusive right to use the parking area in the Shopping Center for Tenant and Tenant's invitees, customers, employees, and those transacting business with Tenant, subject in each case to the express reservations and conditions imposed by Landlord which shall expressly permit Landlord the right, at Landlord's election, from time to time, to (i) designate the section(s) of the parking area for said use, and that relating to Tenant's customers and employees, (ii) add to, change, modify, improve, build on, and otherwise control the Shopping Center, including the parking area, any access thereto, and improvements which may be constructed, altered, and/or demolished on and within the Shopping Center and area, and/or (iii) establish and declare public or private dedications, easements, rights-of-ways, covenants, and restrictions. Tenant shall not load or unload any trucks or permit any trucks serving the Premises, whether owned by Tenant or not, to be loaded or unloaded in the Shopping Center except in the areas designated by Landlord for such use.

#### ARTICLE IX MAINTENANCE, REPAIR AND ALTERATIONS

- 9.1 Landlord will at its own cost and expense repair any damage to the foundation, roof or to the exterior walls (as well as other so-called structural members) of the Building in which the Premises are located (but not non-structural items, nor chattels or property within, nor the interior of said Building, such as pipes, conduits, demising walls, fixtures and its other facilities and appurtenances), unless such damage is caused by acts or omissions of Tenant, its customers, invitees, employees, sub-tenants, licensees, concessionaires, or employees, or others in privities with Tenant, in which event(s), Tenant will bear the cost of such repair. Landlord's aforesaid obligation of repair shall arise only upon the condition that Tenant shall first, timely and strictly, comply with the provisions of Section 23.2 and Landlord shall have the benefits therein specified. All other maintenance and repairs, except as is expressly made Landlord's obligation under the provisions in this Lease, shall be immediately and efficiently carried out at Tenant's expense, notice thereof in the manner hereafter set forth being given to Landlord immediately upon the need therefore, although Landlord shall have no liability or obligation in connection therewith. Tenant as part of its business, requires the installation of additional air conditioning and or refrigeration units for the Premises. Tenant agrees that Tenant will be responsible for making all inquires necessary to determine if and how to install such units in accordance with all applicable laws of all governmental authorities having jurisdiction over such matters. Tenant agrees to pay all cost and expense of installing, maintaining and repairing such units, including, without limiting the foregoing, the cost of any roof penetrations and the cost of any additional electrical wiring or equipment to serve the units. Notwithstanding any terms in the Lease to the contrary, Tenant agrees to promptly repair, at its own expense, any roof leaks resulting from the installation of such air conditioning and or refrigeration units. Tenant agrees that, upon termination of the Lease Landlord, at its sole election, may either (i) retain all additional air conditioning and or refrigeration units and machinery installed upon or otherwise attached to the roof of the Premises without any compensation to Tenant, or (ii) require Tenant, at Tenant's sole cost, to remove such units and machinery and to restore the Premises to its original condition.
- 9.2 Cumulative of the above, Tenant shall not commit or permit any waste nor injure the Premises, but will take good care of the same, Tenant agreeing to maintain and keep same in good and constant repair (and make replacements thereto as necessary) all at Tenant's sole cost and expense, including, without limitation, plumbing (including stoppage of sewer lines regardless of location, Landlord having the right to clear any such lines at the expense of Tenant without prior notice and Tenant agrees to pay the cost thereof), heating, gas, water, sewer, air conditioning, electrical and other connections, installations and systems, hardware, doors, windows and glass, and all fixtures, equipment, connections and appurtenances, in any way relating



to the foregoing. Without limiting the foregoing, Tenant, at Tenant's sole cost and expense, will replace, maintain and repair all water, electrical, gas and other utility lines, wiring and meters serving the Premises from the point of connection with a common line (which may be located outside the Premises) throughout the Premises. At the end of this Lease, however the same comes about, Tenant shall surrender the Premises to Landlord in good condition, together with all improvements constructed thereon except for ordinary wear, unless and to the extent that Landlord has any express obligation to repair the Premises under the terms of this Lease, and Tenant shall deliver all keys to Landlord. Tenant will not overload the slab or foundation, nor do or cause anything to be done which will have the effect of overloading or damaging the slab or foundation.

- 9.3 If Tenant shall fail, within a reasonable time, to make any repair provided hereinabove to be made by Tenant, or if Landlord shall reasonably conclude that failure to make such repair forthwith may result in injury to person or damage to property, Landlord may, but shall not be obligated to, cause such repair to be made. In such event, Tenant shall, upon demand, reimburse Landlord for the entire cost thereof, together with interest at the maximum rate permitted from the date of such repair until such reimbursement is made together with reasonable expenses and attorneys' fees for the collection thereof, all of which constitute a rental obligation.
- 9.4 Tenant may not, without the prior written consent of Landlord, make alterations or additions to the Premises. Any alterations or additions shall become a part of the Premises and become the property of Landlord upon termination hereof. All such alterations and/or additions shall be accomplished at Tenant's sole cost and expense and in a good and workmanlike manner in strict accordance with all laws (including all applicable environmental laws), regulations and plans approved in writing by Landlord. Such alterations and/or additions shall be removed at Landlord's election and at Tenant's sole cost and expense after notice given to the Tenant at the expiration or termination of this Lease, and Tenant agrees to restore the Premises to the condition as the same existed before such alterations and/or additions were made; otherwise, the same shall remain as a part of the Premises.
- 9.5 With respect to any contract for any such labor or materials, Tenant acts as a principal and not as the agent of Landlord. Tenant shall not have authority to place any lien upon the Premises or the Shopping Center (or any interest therein) or in any way bind Landlord and any attempt to do so shall be null and void and of no effect. Landlord expressly disclaims liability for the cost of labor performed for or materials furnished to Tenant. All costs for such construction performed shall be paid promptly to prevent the assertion of any liens for labor or materials. If because of any actual or alleged act or omission of Tenant, or any contractor of Tenant or any such contractor's subcontractors, laborers performing labor or material men furnishing materials at or for the Premises, or by reason of any specially fabricated materials whether or not placed at the Premises, any lien, affidavit, charge or order for the payment of money shall be filed against Landlord, the Premises or any portion thereof or interest therein, whether or not such lien, affidavit, charge or order is valid or enforceable, Tenant shall, at its own cost and expense, cause same to be discharged of record by payment, bonding, or otherwise no later than fifteen (15) days after notice to Tenant of the filing thereof, but in all events prior to the foreclosure thereof. Tenant shall, if requested by Landlord, furnish payment and performance bonds or other security satisfactory to Landlord covering any construction or repair (and any such loss or liability associated therewith) performed or to be performed by Tenant. Whenever Tenant proposes to do any construction work within the Premises, it shall first furnish to Landlord plans and specifications in such detail as Landlord may request covering all such work. Tenant must have Landlord's prior written approval of such plans and specifications prior to the commencement of any construction. Landlord's approval of plans, specifications and working drawings for the Premises or alterations thereto shall create no responsibility or liability on the part of Landlord for their completeness, design sufficiency, or compliance with all laws, rules and regulations of governmental agencies or authorities. If a Construction Rider is attached hereto, the terms of same are incorporated herein and shall be complied with by Tenant.

#### ARTICLE X LIABILITY AND INDEMNITY

- 10.1 Landlord shall have no responsibility or liability to Tenant, or to Tenant's officers, directors, shareholders, partners, employees, agents, contractors, licensees, visitors, or invitees, for bodily or personal injury, death, property damage, inconvenience, loss, business interruption, loss of profits or business opportunities, loss of trade secrets, or other direct or consequential damages occasioned by: (a) the acts or omissions of Tenant or of any other tenant or their respective officers, directors, shareholders, partners, employees, agents, contractors, licensees or visitors, or any invitees within, on or about the Shopping Center (including, without limitation, the sidewalks, the Premises, or any other premises in the Shopping Center); (b) repair, malfunction, interruption of utility services, maintenance, damage, destruction, restoration, or replacement referred to in this Lease; (c) fire, act of God, public enemy, injunction, riot, strike, insurance, war, court order, requisition or order of governmental body or authority, (d) the use or occupancy of the Premises; (e) vandalism, theft, burglary and other criminal acts (other than those committed by Landlord and its employees); (f) water leakage or any defect in the Premises, or broken glass or latent defects; or (g) the repair, replacement, maintenance, damage, destruction or relocation of the Premises. Landlord shall not be obligated to repair, maintain, restore or replace, or otherwise be liable for the damage or destruction to any of Tenant's fixtures or improvements, or any of Tenant's goods, furniture or other property placed in or incorporated into the Premises.
- 10.2 INTENTIONALLY DELETED.

**ARTICLE XI  
INSURANCE**

- 11.1 Without limiting Tenant's liability under the provisions of this Lease, and commencing upon the earlier of occupancy of the Premises or the Commencement Date, Tenant shall, at Tenant's sole cost, keep in force a policy(s) providing the following (the "Tenant Liability Insurance"): (i) public and comprehensive general liability insurance in such amount, for such perils and risks as may from time to time be designated by Landlord, including those for bodily injury, death and property damage, with limits of not less than \$500,000.00 in the event of personal injury to one person and not less than \$1,000,000.00 in the event of personal injury to any number of persons in any one occurrence and with limits of not less than \$250,000.00 for property damage; (ii) plate glass insurance for all store front glass in the Premises; (iii) insurance to restore or replace all HVAC equipment, utility meters and lines damaged or removed by theft, vandalism or other criminal act; (iv) during the period Tenant may be remodeling or making alterations to the Premises, all builder's risk insurance shall be maintained in an amount not less than the total improvement cost (certificates of such insurance shall be deposited by Tenant with Landlord prior to commencing any remodeling or alteration work); and (v) insurance coverage for Tenant's merchandise, leasehold improvements, fixtures and other property situated within the Premises (insured against fire, with extended coverage, to the extent of at least eighty percent (80%) of the value thereof). Landlord assumes no liability of any kind for such property. Tenant further agrees that at all times when a "boiler" (as that term is defined for the purposes of boiler insurance) is located within the Premises, it will carry at its expense boiler insurance with policy limits of not less than \$100,000.00 insuring both Landlord and Tenant against loss or liability caused by the operation or malfunction of such boiler. If Tenant should fail to comply with the foregoing requirements relating to insurance or any other requirements of this Article XI, Landlord may declare Tenant in default under this Lease and/or obtain such insurance and Tenant shall pay to Landlord on demand as additional rent hereunder the premium cost thereof plus interest thereon, subject to Section 25.10 hereof, at the then highest lawful rate permitted by applicable law from the date of advancement until paid. If Tenant is a Government Entity, Tenant may provide a letter of self-insurance as satisfaction of the insurance requirements.
- 11.2 A policy of insurance referred to in this Article XI shall be non-cancelable prior to the expiration of ten (10) days from written notice of the intent of cancellation thereof given by the insurer respectively issuing such policy to the Landlord, naming Landlord as an additional insured. All of such policies shall be written with capital stock company(s) admitted to do business in Texas subject to approval by Landlord. A copy of such policy(s) and endorsements shall be delivered to Landlord as a rental obligation.
- 11.3 Whenever (a) any loss, cost, damage or expense resulting from fire, explosion or any other casualty or occurrence is incurred by either of the parties to this Lease in connection with the Premises or the Shopping Center, irrespective of whether or not such damages or loss is caused by the negligence of the respective parties hereto, and (b) such party is then covered (or is required under this Lease to be covered) in whole or in part by insurance with respect to such loss, cost, damage or expense, then the party so insured (or required to be insured) hereby releases the other party from any liability it may have on account of such loss, cost, damage or expense to the extent of any amount recovered by reason of such insurance, and waives any right of subrogation which might otherwise exist on account thereof. Tenant shall obtain such a release and waiver of subrogation from Tenant's insurance carrier(s) and shall obtain any special endorsements, if required by Landlord, to evidence compliance with the aforementioned waiver. The foregoing waiver shall be ineffective against any insurer of Landlord or Tenant to the extent the waiver is prohibited by the laws or insurance regulations of the state in which the Shopping Center is located or would invalidate applicable insurance coverage of Landlord or Tenant. Such waiver does not apply to any deductibles on insurance policies carried by Landlord or to any co-insurance penalty, which Landlord may sustain.

**ARTICLE XII  
LANDLORD'S LIEN**

- 12.1.1 Tenant hereby grants to Landlord a first and superior lien and security interest (which shall be in addition to and in lieu of the statutory landlord's lien) in all property, chattels or merchandise including all fixtures, equipment, inventory, accounts receivable, chattel paper, general intangibles, and all other personal property, tangible and intangible, now or hereafter placed by Tenant in or on the Premises to secure payment of rent and all other amounts payable by Tenant to Landlord hereunder and the performance by Tenant of all of its other obligations hereunder. Said lien and security interest shall be in addition to and cumulative of any lien on such property for such purposes as provided by law or any other right or remedy of Landlord for enforcing payment of such amount or performance by Tenant of any such obligation. Tenant agrees that, at the request of Landlord, it will execute and deliver to Landlord such documents and instruments as are necessary to create and perfect a security interest under the Uniform Commercial Code of the State of Texas in the above mentioned property of Tenant as security for payment of the above mentioned amounts and performance of the above mentioned obligations, which security interest shall be prior and superior to any other security interest therein. Tenant hereby appoints Landlord as its agent and attorney-in-fact to execute such financing statement(s) if Tenant fails to do so upon request.

**ARTICLE XIII  
ACCESS TO PREMISES**

- 13.1 As Tenant is a governmental entity having access to personal information of individuals, Landlord and its representatives shall have the right to enter the Premises during normal business hours for the purpose of inspecting same, making repairs thereto which Landlord is required or permitted hereunder to make and showing the Premises to a prospective tenant thereof, or to a prospective purchaser of the Shopping Center, or exercising any of Landlord's rights hereunder. Landlord and its representative shall have the right to enter the Premises after normal business hours after providing Tenant reasonable notice so that Tenant may choose to participate during the after hours inspection.



ARTICLE XIV  
ASSIGNMENT AND SUBLETTING

- 14.1 Tenant shall not assign this Lease or sublet (which term, without limitation, shall include the granting of concessions, licenses, and the like) the whole or any part of the Premises without in each instance having first received the express written consent of Landlord, which consent may be arbitrarily withheld by Landlord in its sole discretion. Any such assignment or sublease must expressly incorporate by reference this Lease and all terms hereof, and said assignee or subtenant must agree that Landlord may enforce any obligations of Tenant as against such assignee or subtenant pursuant to such assignment or sublease. Nevertheless, Tenant's compliance with the preceding sentence shall not entitle Tenant to Landlord's express written consent thereto. In any case where Landlord shall consent to such assignment or subletting, the Tenant named herein shall remain fully liable for the obligations of the Tenant hereunder, including, without limitation, the obligation to pay the rent and the other sums provided under this Lease. Furthermore, if the rent due and payable by a subtenant under any such permitted sublease (or a combination of the rent payable under any such sublease plus any bonus or other consideration therefore or incident thereto) exceeds the rent provided for in this Lease, or if the rent with respect to a permitted assignment or other permitted occupancy exceeds the rent payable under this Lease, then Tenant shall pay Landlord all such excess rentals and other excess consideration within ten (10) days following receipt thereof by Tenant from such subtenant, assignee, licensee or other occupant, as the case may be. In any case, Tenant shall promptly deliver to Landlord any executed assignment or sublease document.
- 14.2 In the event Tenant is a corporation, any dissolution, merger, consolidation or other reorganization of such corporation, or any pledge of the corporate stock or any sale or other transfer of a "Substantial Percentage" of the corporate stock of Tenant shall constitute an assignment of this Lease for all purposes of this Article XIV. The term "Substantial Percentage," as used herein, shall mean the ownership of stock possessing, and of the right to exercise, at least thirty percent (30%) or more of the total combined voting power of all classes of stock of such corporation, issued, outstanding and entitled to vote, whether such ownership be direct ownership, or indirect ownership through ownership of stock of another corporation.
- If Tenant is a general partnership having one or more corporations as partners or if Tenant is a limited partnership having one or more corporations as general partners, the provisions of the preceding paragraph shall apply to each of such corporations as if such corporation alone had been the Tenant hereunder.
- If Tenant is a joint venture or general partnership (whether or not, in either case, having any corporations as partners) or if Tenant is a limited partnership (whether or not having any corporations as general partners) the transfer of the partnership interest or interests constituting a majority shall constitute an assignment for the purposes of this Lease.
- 14.3 Upon the occurrence of any of such events as described in Section 14.2, Tenant shall promptly give written notice thereof to Landlord and Landlord shall have the option to cancel and terminate this Lease upon at least thirty (30) days' prior written notice to Tenant, except that this provision shall not be applicable to any corporation, all the outstanding voting stock of which is listed on a United States national security exchange.
- 14.4 The leasehold estate created hereby shall not pass by reason of an assignment by Tenant for the benefit of creditors or upon a sale under execution against Tenant or by operation of law, and, without limiting the foregoing or being limited thereby, shall not pass to the trustee in any bankruptcy proceeding or to any receiver appointed for the property of Tenant. Upon the occurrence of an event referred to in the preceding sentence, Landlord may, by notice in writing to Tenant, terminate this Lease as of the date of such occurrence.
- 14.5 Notwithstanding that the prior express written consent of Landlord to any of the aforesaid transactions may have been obtained, the following shall apply:
- (i) In the event of an assignment or subletting, contemporaneously with the granting of Landlord's aforesaid consent, Tenant shall cause the assignee or subtenant to expressly assume in writing and agree to perform all of the covenants, duties and obligations of Tenant hereunder and such assignee or subtenant shall be jointly and severally liable therefore along with Tenant;
  - (ii) No usage of the Premises which differs from the permitted usage by Tenant shall be permitted, and all other terms and provisions of this Lease shall continue to apply after any such assignment or subleasing; and
  - (iii) In any case where Landlord consents to an assignment, sublease, grant of a concession or license or mortgage, pledge or hypothecation of the leasehold, Tenant will nevertheless remain directly and primarily liable for the performance of all of the covenants, duties and obligations of Tenant hereunder (including, without limitation, the obligation to pay all rent and other sums herein provided to be paid), and Landlord shall have the right to enforce the provisions of this instrument against the Tenant and any subtenant or assignee, all without demand upon or proceeding in any way against any other person.
- 14.6 Tenant acknowledges that in addition to any other rights of Landlord as set forth in this Lease or at law, as a condition to Landlord's granting such consent pursuant to this Article XIV (if Landlord does, in fact, consent to any such proposed assignment, subletting, concessions or other occupancy rights, it being acknowledged by Tenant that Landlord is under no obligation to so consent), Landlord may require an increase in the Minimum Rent payable hereunder (or on an annual basis for each Calendar Year during the Term hereof remaining after Landlord grants such consent) and/or Landlord may require that this Lease be amended so as to provide for the payment of (or an increase in the percentage of) "Percentage Rent", as that term is expressly

defined in this Lease (and if Percentage Rent is not so defined, then as such term is ordinarily understood in commercial retail leases), together with reporting and payment requirements determined by Landlord in its sole discretion.

- 14.7 Notwithstanding anything to the contrary contained in this Article XIV, Landlord shall have the option by giving written notice to Tenant within thirty (30) days after receipt of Tenant's notice of any proposed assignment or sublease, to recapture the portion of the Premises to be conveyed under said assignment or sublease (the "Subject Space"). Such recapture notice shall cancel and terminate this Lease with respect to the Subject Space as of the date stated in Tenant's notice as the effective date of the proposed assignment or sublease (or at Landlord's option, shall cause the assignment or sublease to be made to Landlord or its agent, in which case the parties shall execute the assignment or sublease documentation promptly thereafter). If this Lease shall be canceled with respect to less than the entire Premises, the rent reserved herein shall be prorated on the basis of the number of rentable square feet retained by Tenant in proportion to the number of rentable square feet contained in the Premises, this Lease as so amended shall continue thereafter in full force and effect, and upon request of either party, the parties shall execute written confirmation of the same.

#### ARTICLE XV EMINENT DOMAIN

- 15.1 If all or any part of the Premises be taken during the Term by right of eminent domain or condemnation, then this Lease shall terminate, and all right, title and interest of Tenant in this leasehold estate shall vest entirely in Landlord at the time of the taking, as that term is hereinafter defined. However, should twenty percent (20%) or less of the total square feet of the Premises be taken under said power, then Landlord may elect to continue this Lease in effect by notice given to Tenant within sixty (60) days from date of said taking and in this event, Minimum Rent shall be proportionately reduced for the balance of the Term, and consistent with the provisions of Section 23.2 hereof, Landlord shall then restore the Premises, to the extent that same is practicable and efficient, to the condition that same existed prior to such taking (but specifically excluding any improvements made to the Premises by Tenant for which Landlord is not directly compensated). Landlord shall additionally have the right to terminate this Lease if ten percent (10%) or more of the land upon which the Shopping Center is located, or ten percent (10%) or more of the Shopping Center Building in which the Premises are located, be taken by eminent domain, condemnation, or voluntary conveyance in lieu thereof in which event the provisions of the foregoing sentence shall be applicable.
- 15.2 All sums awarded or agreed upon between Landlord and the condemning authority for the taking of the fee, whether as damages, compensation, or otherwise, are hereby set over, assigned and are vested in Landlord free of all claims, right, title and/or interest of Tenant, and all of such sums of every nature will be the property of the Landlord.
- 15.3 A voluntary conveyance by Landlord to any authority under threat of taking under the power of eminent domain or condemnation in lieu of formal proceedings shall be deemed a taking within the meaning of this Article XV. Landlord is hereby vested with the sole and exclusive right to enter into any form of conveyance and upon such terms, provisions and conditions as Landlord in Landlord's sole discretion may deem advisable or appropriate under the then existing circumstances, free and clear of any claim, right, title, interest or equity on the part of the Tenant.
- 15.4 The taking of any easement or right-of-way shall not impair or affect this Lease in any manner whatsoever, whether by voluntary conveyance or by formal proceedings, and Tenant shall have no right, title, interest or equity in the proceeds received in connection therewith by Landlord.
- 15.5 A "taking" as that term is used herein shall mean the date that physical possession of the Premises or the part thereof, as the case may be, is required by the authority exercising the power of eminent domain or condemnation, whether such taking is under formal proceedings or by voluntary conveyance by Landlord in lieu thereof.

#### ARTICLE XVI CERTAIN DAMAGE TO IMPROVEMENTS IN THE SHOPPING CENTER

- 16.1 Except as provided in Section 16.2 below, in the event of damage to the Shopping Center Building due to fire or other casualty, Landlord shall restore such improvements, as nearly as is practicable, to their condition immediately prior to such damage; provided, that Landlord shall not be required to make expenditures which exceed that portion of the proceeds of insurance payable to Landlord by reason of such damage which is not required by the provisions of any instrument which secures the payment of any indebtedness of Landlord to be applied to payment of such indebtedness. Tenant shall give Landlord immediate notice of any such fire or other casualty. Notwithstanding the foregoing, Tenant will have the responsibility to repair or replace HVAC equipment, utility meters and lines serving the Premises (to the point of connection with a common line) damaged or removed by theft, vandalism or other criminal act.
- 16.2 If during the Term, the Premises or twenty-five percent (25%) or more of the Shopping Center Building shall be substantially damaged or destroyed by fire, the elements, or casualty, Landlord shall have the option to terminate this Lease or rebuild that Shopping Center Building. In the event Landlord elects to rebuild, this Lease shall remain in full force and effect, and Landlord shall proceed with all reasonable dispatch, to repair or rebuild same, or so much thereof as was originally constructed by Landlord, to substantially their condition at the time of such damage or destruction (subject, however, to zoning laws, deed restrictions and building codes then in existence), but Landlord shall not be responsible for any delay which may result from any cause beyond Landlord's reasonable control, including those causes set forth in Section 23.2 hereof. Notwithstanding the foregoing provisions of this Section 16.2, Landlord shall not be obligated to expend



more money than available to Landlord from insurance proceeds after required application (if any) to Landlord's mortgage(s) against the Shopping Center.

- 16.3 In the event that the provisions of the preceding two paragraphs of this section shall become applicable, the Minimum Rent shall be abated or reduced proportionately during any period in which, by reason of any such damage or destruction, there is substantial interference with the operation of the business of Tenant in the Premises, having regard to the extent to which Tenant may be required to discontinue its business in the Premises, and such abatement or reduction shall continue for the period commencing with such destruction or damage and ending with the substantial completion by Landlord of such work or repair and/or reconstruction as Landlord is obligated to do. Nothing in this paragraph shall be construed to abate or reduce Percentage Rent, or other monetary obligations under this Lease, with the exception of Minimum Rent, and then only under the limited conditions above set forth. In the event of termination of this Lease pursuant to this Article 16, this Lease and the Term shall cease and come to an end as of the date of such damage or destruction.
- 16.4 The terms "substantially damage" and "substantial damage" as used in this Article XVI shall refer to damage of such character as cannot reasonably be expected to be repaired, or the Premises restored, within thirty (30) days from the time that such repair or restoration work would be commenced.
- 16.5 Notwithstanding anything in this Lease to the contrary herein, should the damage to the Premises and/or the Shopping Center be caused by the fault or negligence of the Tenant, its agents, representatives, contractors, licensees, invitees and/or those in privity with Tenant, then Tenant shall be responsible for all rents owed Landlord under this Lease, the costs of repairing such damage to the Shopping Center, Shopping Center Building and the Premises if such loss is not covered by Landlord's insurance, if any, (or to the extent that same is insufficient to do so) and Tenant shall likewise be liable for the damage to the Shopping Center to the extent not covered by Landlord's insurance; or should said damage not be covered by Landlord's insurance or should the same be inadequate to repair such damage, regardless of the cause therefore, Landlord may elect not to make said repairs, and in which event Landlord shall give notice thereof within sixty (60) days from notice by Tenant of such damage, and this Lease shall then terminate.

#### ARTICLE XVII REMEDIES IN THE ACT OF DEFAULT

- 17.1 The term "Act of Default" as used in this Lease refers to the occurrence of any one or more of the following: (i) failure of Tenant to pay when due any rent (being defined in this Article XVII as the Minimum Rent, Percentage Rent, Common Area Maintenance Charges, and Tax and Insurance Charges [or the estimated payments thereof] payable under this Lease) or other amount required to be paid under this Lease, Tenant hereby waiving notice of such default; or (ii) failure of Tenant, after ten (10) days' prior written notice from Landlord to Tenant which describes Tenant's default (other than a default in payment of rent or other amount, which is covered in clause (i) above) in the performance of any of Tenant's other obligations, covenants or agreements under this Lease; or (iii) the entry of a decree or order by a court having jurisdiction adjudging Tenant or a guarantor of Tenant hereunder to be bankrupt or insolvent or approving as properly filed a petition seeking reorganization under the Federal Bankruptcy Code (Title 11 of the United States Code, 11 U.S.C. 101, *et seq.*), or any other similar applicable federal or state law; or (iv) the issuance of a decree or order of a court having jurisdiction for the appointment of a receiver or liquidator or a trustee or assignee in bankruptcy or insolvency of Tenant or a guarantor of Tenant hereunder or its property or for the winding up or liquidation of its affairs; or (v) the institution by Tenant or a guarantor of Tenant hereunder of, or its consent to the filing of, any bankruptcy, reorganization, receivership or other proceedings against such party to declare such party to be bankrupt or to delay, reduce, or modify, or which have the effect of delaying, reducing, or modifying, such party's debts or obligations, or if any such proceedings shall be instituted against such party and the same shall not be vacated within sixty (60) days after the same are commenced; or (vi) the making by Tenant or a guarantor of Tenant hereunder of an assignment for the benefit of either of their creditors or the admission in writing of such party's inability to pay its debts generally as they become due; or (vii) the failure of Tenant or a guarantor of Tenant hereunder to discharge any judgment against Tenant or a guarantor of Tenant hereunder within sixty (60) days after such judgment becomes final; or (viii) the sale or attempted sale under execution or other legal process of the interest of Tenant in the Premises; or (ix) the vacating or abandonment by Tenant of the Premises or any portion thereof during the Term. If it becomes necessary for Landlord to give any notice referred to in subparagraph (ii) of this Section 17.1, on two (2) separate occasions in any twelve (12) month period, then the third such occasion in twelve (12) month period shall constitute an incurable Act of Default and no notice thereof shall be required of Landlord for the remainder of the Term or any extensions and renewals thereof. Furthermore, for each occasion on which Tenant fails to pay when due any rent or other amount required to be paid under this Lease, Tenant shall pay Landlord a late fee pursuant to Section 3.7 hereof, unless same is held to be interest in which case the same shall be limited to the maximum nonusurious contract rate of interest allowed by law from date due until paid, and the said five percent (5%) late fee shall not be applicable, and if an amount in excess thereof has previously been charged, the same shall be deemed reduced pursuant to Section 25.10 hereof.

Upon the occurrence of any Act of Default, Landlord may, at Landlord's option and in addition to all other rights, remedies and recourses afforded Landlord hereunder or by law or equity, does any one or more of the following:

- (a) Terminate this Lease, repossess the Premises by detainer suit, summary proceedings or other lawful means, and recover as damages a sum of money equal to:
- (i) Any unpaid rent and other amounts accrued hereunder to the date of termination, including interest, and
- (b) INTENTIONALLY DELETED.

- (c) The following provisions shall override and control any conflicting provisions of Section 93.002 of the Texas Property Code, as well as any successor statute governing the right of a landlord to change the door locks of commercial leases. In addition, Tenant hereby expressly waives any and all rights granted unto it by Section 93.002 of the Texas Property Code. In lieu thereof, all of Tenant's rights in the event that it is locked out of the Premises for any Act of Default, shall be defined only as herein stated. If an Act of Default by Tenant occurs under this Lease, Landlord is entitled and is hereby authorized, without any further notice to Tenant whatsoever, to enter upon the Premises by use of a master key, a duplicate key, or other peaceable means, and to change, alter, and/or modify the door locks on all entry doors of the Premises, thereby permanently excluding Tenant, and its officers, principals, agents, employees and representatives there from. In the event that Landlord has either permanently repossessed the Premises pursuant to the foregoing provisions of this Lease (that is, Tenant's right to possession without terminating this Lease under Section 17.1(b), or has terminated this Lease by reason of Tenant's default under Section 17.1(a)), Landlord shall not thereafter be obligated to provide Tenant with a key to the Premises at any time, regardless of any amounts subsequently paid by Tenant; provided, however, that in any such instance, during Landlord's normal business office hours and at the convenience of Landlord, and upon receipt of written request from Tenant received by Landlord not later than five (5) business days after Landlord permanently repossessed the Premises or terminated this Lease and accompanied by such written waivers and releases as the Landlord may require, Landlord will either (at Landlord's option):
- (i) escort Tenant or its authorized personnel to the Premises to retrieve any personal belongings or other property of Tenant as may then be at the Premises not subject to the Landlord's lien or security interest described herein, or
  - (ii) obtain a list from Tenant of such personal property as Tenant intends to remove, whereupon Landlord shall remove such property (not subject to the said landlord's lien or security interest) as may then be at the Premises and make it available to Tenant at a time and place designated by Landlord. Upon the expiration of such five (5) day period, Tenant will be deemed to have abandoned all personal belongings and other property of Tenant not subject to the landlord's lien or security interest described herein. If Landlord elects option (ii) above, Tenant shall pay, in cash, in advance, all costs and expenses estimated by Landlord to be incurred in removing such property and making it available to Tenant and all such moving and/or storage charges theretofore incurred by Landlord with respect to such property. If Landlord elects to exclude Tenant from the Premises without permanently repossessing the Premises or terminating this Lease pursuant to the foregoing provisions of this Lease, then Landlord shall not be obligated to provide Tenant a key to reenter the Premises until such time as all delinquent rent and other amounts due under this Lease have been paid in full and all other defaults, if any, have been completely cured to Landlord's satisfaction (if such cure occurs prior to any actual permanent repossession or termination), and Landlord has been given assurances reasonably satisfactory to Landlord evidencing Tenant's ability to satisfy its remaining obligations under this Lease; and during any such temporary period of exclusion, Landlord will, during Landlord's normal business hours and at Landlord's convenience, upon receipt of written request from Tenant (accompanied by such written waivers and releases as Landlord may require), escort Tenant or its authorized personnel to the Premises to retrieve personal belongings of Tenant or its employees as may then be at the Premises, and such other property of Tenant, as is not subject to the landlord's lien and security interest described herein. This remedy of Landlord shall be in addition to, and not in lieu of, any of its other remedies set forth in this Lease, or otherwise available to Landlord at law or in equity.
- (d) Apply the Security Deposit as set forth in Section 3.8 to cure the Act of Default, and Tenant shall restore the Security Deposit to its original full amount upon demand from Landlord.
- (e) Cure the Act of Default on behalf of Tenant and Tenant shall pay to Landlord on demand, the expenses incurred by Landlord in effecting such cure.
- 17.2 Tenant hereby waives any claim arising by reason of issuance of any distress warrant or writ of sequestration. In no event shall Landlord's exercise of any one or more remedies hereunder granted or otherwise available to it be deemed to be an acceptance of surrender of the Premises by Tenant, whether by agreement or operation of law, it being understood that such surrender can be effected only by the written agreement executed by Landlord and Tenant. Landlord may restrain or enjoin any breach or threatened breach of any covenant, duty or obligation of Tenant herein without the necessity of proving the inadequacy of any legal remedy of irreparable harm, and the same shall be cumulative of any other rights or remedies of Landlord. The obligation of Tenant to pay all rent and other sums hereunder constitute independent, unconditional obligations to be performed at all times by Tenant, save and except only when an abatement thereof or reduction therein is expressly provided for in this Lease. All rights and remedies of Landlord shall be cumulative and not exclusive. Landlord shall be entitled at any time to pursue simultaneously multiple or alternative remedies; to abandon or resume pursuit of any remedy; and pursue additional remedies.
- 17.3 Upon any Act of Default, Tenant shall also pay to Landlord all cost and expenses incurred by Landlord, including court costs and reasonable attorneys' fees, in (a) retaking or otherwise obtaining possession of the Premises, (b) removing and storing Tenant's or any other occupant's property, (c) repairing, cleaning,



painting, restoring, (d) re-letting all or any part of the Premises and brokers' fees incurred by Landlord in connection with re-letting the whole or any part of the Premises, (e) paying or performing the underlying obligation which Tenant failed to pay or perform, and (f) enforcing any of Landlord's rights, remedies and recourses arising as a consequence of the Act of Default.

**ARTICLE XVIII  
ENJOYMENT OF THE PREMISES BY TENANT;  
LIMITED LIABILITY; AND HOLDING OVER**

- 18.1 Provided that Tenant pays to Landlord rent in the amount and at the times herein provided and otherwise discharges all obligations herein set forth, Tenant shall quietly and peaceably hold and enjoy the Premises during the Term of this Lease.
- 18.2 Anything contained in this Lease to the contrary notwithstanding, Tenant agrees that Tenant shall look solely to the estate and property of Landlord in the land and buildings comprising the Shopping Center of which the Premises forms a part and the rentals there from, for the collection of any judgment (or other judicial process) requiring the payment of money by Landlord in the event of any default or breach by Landlord with respect to any of the terms and provisions of this Lease to be observed and/or performed by Landlord or otherwise, subject, however, to the prior rights of any ground Landlord, if any, or the holder of any mortgage covering the Shopping Center; and no other assets of the Landlord shall be subject to levy, execution or other judicial process for the satisfaction of Tenant's claims.
- 18.3 Tenant agrees, at the end of the Term, to surrender the Premises to Landlord in broom clean condition and in as good condition as at the beginning of the Term, reasonable wear and tear excepted, together with all keys (including all interior locks) to the Premises.
- 18.4 Holding over by Tenant at the end of the Term shall not extend the Term, but shall constitute a month to month tenancy at an agreed rental for each month or partial month during such holdover period equal to 150% of the Minimum Rent applicable to the last month of such Term with all other monetary obligations being due and payable as provided for in this Lease. Landlord's acceptance of Minimum Rent and other monetary obligations owed by Tenant during said holdover tenancy shall not constitute a waiver of Landlord's rights to terminate Tenant's month to month tenancy without advance notice and Landlord's right to pursue any and all remedies afforded under this Lease, by statute or common law. All terms and conditions of this Lease will continue and will be binding upon Tenant during any holdover period, during any month to month tenancy, and during any other period of possession by Tenant or its agents following termination or expiration of the Lease. Tenant shall indemnify, defend and hold harmless Landlord, its directors, officers, employees, agents, affiliates and subsidiaries from any and all damages resulting from Tenant's holdover in or on the Premises.
- 18.5 Tenant shall own the movable equipment, furniture and supplies placed in or on the Premises by Tenant and shall have the right to remove such movable equipment, furniture, and supplies prior to termination of this Lease provided that no Act of Default has been committed by Tenant which has not been fully cured in a manner acceptable to Landlord and further provided that Tenant repairs any injury to the Premises and Shopping Center resulting from such removal. Unless Tenant has made prior arrangements with Landlord and Landlord has agreed in writing to permit Tenant to leave such equipment, furniture or supplies in the Premises for an agreed period, if Tenant does not remove such movable equipment, furniture and supplies prior to such termination, then, in addition to its other remedies at law or in equity, Landlord shall have the right to have such items removed and stored at Tenant's expense and all damage to the Premises and Shopping Center resulting there from repaired at the cost of Tenant or, after five (5) business days' notice sent to Tenant, elect that such movable equipment, furniture and supplies automatically become the property of the Landlord after termination of this Lease, and Tenant shall not have any further right with respect thereto or reimbursement therefore. All alterations or additions to the Premises and improvements and any other article attached or affixed to the Premises, shall become the property of Landlord and shall remain upon and be surrendered with the Premises as a part thereof at the termination of this Lease by lapse of time or otherwise, Tenant hereby waiving all rights to any payment or compensation therefore. If, however, Landlord so requests, Tenant will, prior to termination of this Lease, remove any and all alterations, additions, fixtures, equipment and property placed or installed by it in the Premises and Shopping Center and will repair any damage caused by such removal.
- 18.6 If Tenant shall neglect to remove Tenant's goods, equipment, personalty, or other property prior to termination of this Lease or in any event prior to five (5) business days after Landlord has either permanently repossessed the Premises or terminated this Lease by reason of Tenant's default, Landlord shall have the right, without service of notice or resort to legal process and without Landlord becoming liable for any loss or damage which may be occasioned thereby, to remove all such property from the Premises and, at the election of Landlord, either (i) cause it to be stored in a public warehouse or elsewhere, or in or on property owned or controlled by Landlord, at the cost of and for the account of Tenant, or (ii) to dispose of said property in a manner being suitable to Landlord. Any proceeds of any disposition of such property shall be retained by Landlord without liability to Tenant. Tenant hereby waives any interest in such proceeds, and Tenant releases Landlord from any liability in connection therewith. All of the foregoing provisions of this paragraph override and control with respect to any conflicting provisions of Section 93.002 of the Texas Property Code, as well as any statute governing the right of a tenant to take control of and dispose of the property of a tenant following abandonment of the leased premises by the tenant or the removal from the leased premises of property not in the normal course of the Tenant's business or the rights of the landlord to dispose of the property of the tenant following abandonment of the leased premises or removal of the tenant from the leased premises.
- 18.7 Tenant agrees to reimburse Landlord for all costs and expenses, including attorney's fees, incurred by Landlord in enforcing any obligation of Tenant hereunder.

- 18.8 If Tenant fails to perform any one or more of its obligations hereunder within ten (10) days after receipt of written notice thereof from Landlord of such failure, then, in addition to the other rights of Landlord hereunder or at law or in equity, Landlord shall have the right but not the obligation, to perform all or any part of such obligations of Tenant. Within ten (10) days after receipt of a demand therefor from Landlord, Tenant shall reimburse Landlord for (i) the costs to Landlord of performing such obligations and reasonable profit and overhead, plus (ii) interest thereon at the maximum rate of interest lawful in Texas from the date such costs are paid by Landlord until Tenant reimburses Landlord. If the obligation so performed by Landlord involves any repair or maintenance, or the removing by Landlord of any improvements not authorized by this Lease, such reasonable profit and overhead shall be deemed to be ten percent (10%) of the cost to Landlord of performing such obligation.
- 18.9 Whenever Landlord's consent or approval is required, Landlord may withhold the same in its sole and arbitrary judgment and if Tenant claims or asserts that Landlord has violated or failed to perform a covenant of Landlord not to withhold or delay Landlord's consent or approval, Tenant's sole remedy shall be an action for specific performance, declaratory judgment or injunction and in no event shall Tenant be entitled to any monetary damages for a breach of such covenant and in no event shall Tenant claim or assert any claim for any monetary damages in any action or by way of set-off, defense, or counterclaim and Tenant hereby specifically waives the right to any money damages or other remedies.

#### ARTICLE XIX RELATIONSHIP OF PARTIES

- 19.1 The relationship of Landlord and Tenant hereunder is and shall be that of landlord and tenant, and nothing herein shall be construed to constitute Landlord a partner of Tenant or Tenant the agent of Landlord in carrying on Tenant's business in the Premises or for any purpose whatsoever. .
- 19.2 In the event Landlord shall convey the Shopping Center, or that part thereof in which the Premises are located, then from and after the effective date of such conveyance, Landlord shall have no further liability under this Lease or other obligations to Tenant.

#### ARTICLE XX SIGNS AND EXTERIOR FACILITIES

- 20.1 Tenant shall not, without first obtaining Landlord's prior written consent, place or maintain any sign, lettering, place cards or advertising of any type which is visible through any exterior door or window, or located on the exterior of the Premises, on the roof, or anywhere outside of the Premises, or add any awning, canopy or the like to the exterior of the Premises. To the extent of available space, Tenant shall be permitted to place its sign (the "Pylon Sign") upon the pylon structure, if any, existing at the Shopping Center at tenants cost for the can plus additional costs of Tenant's signage. Such Pylon Sign shall be the size specified by Landlord and shall be placed at the location designated from time to time by Landlord. Tenant shall be solely responsible for installing, maintaining and constructing, at its sole cost and expense, the sign fascia thereof, and the sign can, and all other apparatus and lines in connection therewith (all of which shall be and remain the property of Landlord even if installed by or paid for by Tenant). Tenant shall relocate the same upon the pylon structure or a replacement pylon structure as directed by Landlord from time to time, or remove the same if the pylon structure is removed. The cost of maintaining the pylon structure and providing electricity thereto shall be paid by Landlord and charged to the tenants (including Tenant hereunder) as part of "Additional Rent" pursuant to Section 6.2. In addition, Tenant may have a fascia sign or runway sign on the building directly in front of its Premises (the "Fascia Sign") which comply with the Landlord's sign criteria which are in effect from time to time. Tenant shall be solely responsible for constructing, installing, maintaining and providing electrical service to the Fascia Sign. Tenant will not place any trailer or portable signs in or about the Premises or Shopping Center. To the extent any sign criteria or other lease addenda concerning signage are attached to this Lease, the same are incorporated herein by reference. All of Tenant's signage shall relate solely to Tenant's permitted business hereunder and may be removed as provided in Article XVIII above or otherwise removed or covered by Landlord if Tenant is in default hereunder. Landlord shall have no liability with respect to such signage including any damage or destruction thereto resulting from casualty.
- 20.2 INTENTIONALLY DELETED.
- 20.3 All signs installed by Tenant shall be maintained in good condition and repair at Tenant's expense. Tenant shall change or recondition its signs when and if Landlord remodels the Shopping Center. Upon request of Landlord, Tenant shall immediately remove any sign, awning or advertising material which Tenant has placed upon the exterior or interior surface of any door or display window or at any point inside the Premises from which the same may be visible from outside the Premises if required in connection with any maintenance or repairs to the Shopping Center or if installed without Landlord's prior consent or which, in Landlord's reasonable opinion, is not in keeping with the standards of the Shopping Center. If Tenant fails to comply with any of the provisions set forth in this Section, Landlord may, without liability, enter upon the Premises and remove the same at Tenant's expense.

#### ARTICLE XXI SUBORDINATION AND ATTORNMENT

- 21.1 This Lease is subject and subordinate to the lien of any present or future mortgage now or hereafter placed upon Landlord's interest in the Shopping Center, or any part thereof, but Tenant agrees that any such mortgagee shall have the right at any time to subordinate the lien of any such mortgage to this Lease by instrument signed by such mortgagee. Tenant covenants and agrees to execute and deliver to Landlord the following: (i) upon execution of this Lease, the Non-Disturbance Agreement attached to this Lease (and



Tenant's failure to do so shall, at Landlord's option, permit Landlord to terminate this Lease upon two (2) days notice to Tenant); and (ii) upon request by Landlord such instruments which Landlord may deem necessary or required by the mortgagee, subjecting and subordinating this Lease to the lien of any such mortgage(s); an acknowledgment of the assignment of rentals and other sums due hereunder to any mortgagee and agreement to be bound thereby; an agreement requiring Tenant to advise any such mortgagee of damage to or destruction of the Premises by fire or other casualty requiring its reconstruction, and/or requiring Tenant to give the mortgagee written notice of Landlord's default hereunder and permit the lender an opportunity to cure such default within a reasonable time after such notice before exercising any remedy Tenant might possess as a result of such default; and acceptance or estoppels letter, to be executed upon or after the commencement of the Lease Term, accepting the Premises as completed in accordance with the Lease specifying that all conditions to the commencement of the Lease Term have been met, or if not, specifying the details why not, and that Landlord is not in default of Landlord's obligations hereunder, if such be the case, and containing such other information as is customarily contained in such acceptance or estoppels letters. In the event Landlord should so request, Tenant shall deliver to Landlord, from time to time, a statement in recordable form certifying that the Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as so modified) and further stating the dates to which rent and other charges payable under the Lease have been paid.

**ARTICLE XXII  
OPERATION BY TENANT IN THE PREMISES;  
CERTAIN RESTRICTIONS ON TENANT'S OTHER OPERATIONS**

- 22.1 Tenant agrees to keep the Premises open for business during regular business hours on regular business days.
- 22.2 INTENTIONALLY DELETED.

**ARTICLE XXIII  
NOTICES**

- 23.1 Wherever any notice is required or permitted hereunder such notice shall be in writing. Any notice or document required or permitted to be delivered hereunder shall be deemed to be delivered whether actually received or not upon the earlier of actual receipt or three (3) days after the same is deposited in the United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the parties hereto at the respective addresses set out in Sections 1.2 and 1.4 above, or at such other addresses as they may hereafter specify by written notice delivered in accordance herewith. Any default notice to Landlord shall also be sent to the attention of Real Estate Management at the same Address of Landlord (said notice to be given in the same manner as provided for in the foregoing sentence).
- 23.2 Tenant will give Landlord written notice of any alleged default by Landlord, specifying the particular default and pointing out the provision of the Lease allegedly violated, after which Landlord will have at least thirty (30) days, or such greater period of time if elsewhere provided in this Lease, or if the circumstances reasonably require following adjustment for and payment of insurance proceeds to Landlord, if applicable, within which to commence and thereafter with reasonable diligence remedy such default. In any instance where Landlord is obligated to take any course of action, including any duty to repair, or re-work repairs previously undertaken, the aforementioned notice shall be deemed a condition precedent to any liability of Landlord, and in addition to the foregoing, Landlord shall have no liability for delays or other damages caused by weather, strike, union disagreement, riot, casualty, material or labor shortages, acts of God, and/or any other cause beyond Landlord's reasonable control. Whenever a period of time is prescribed for Landlord to do or perform an act, Landlord shall have the benefits of the foregoing sentence.

**ARTICLE XXIV  
HAZARDOUS MATERIALS**

- 24.1 Tenant shall not transport, use, store, maintain, generate, manufacture, handle, dispose, release or discharge any "hazardous material" (as defined below) in, upon or about the Premises or the Shopping Center (including, without limitation, the Shopping Center Buildings and the Premises), nor permit Tenant's employees, agents, contractors and other occupants of the Premises to engage in such activities upon or about the Premises. However, the foregoing provisions shall not prohibit the transportation to and from, and use, storage, maintenance and handling of a substance within, the Premises if the substance is customarily used in retail shopping centers (or other such business or activity expressly permitted to be undertaken in the Premises pursuant to the Lease), provided: (a) such substances shall be used and maintained only in such quantities as are reasonably necessary for such permitted use of the Premises, strictly in accordance with applicable law and the manufacturer's instructions therefore, (b) such substances shall not be disposed of, released or discharged on the Premises, and shall be transported to and from the Premises in compliance with all applicable laws (and as Landlord shall reasonably require), (c) if any applicable law or Landlord's trash removal contractor requires that such substances be disposed of separately from ordinary trash, Tenant shall make arrangements at Tenant's expense for such disposal directly with a qualified and licensed disposal company at a lawful disposal sight (subject to scheduling and approval by Landlord), and shall ensure that disposal occurs frequently enough to prevent unnecessary storage of such substances in or about the Premises, and (d) any of such substances remaining on the Premises shall be completely, properly and lawfully removed from the Premises upon expiration or early termination of this Lease.
- 24.2 Tenant shall promptly notify Landlord of: (i) any enforcement, cleanup or other regulatory action taken or threatened against either party by any governmental or regulatory authority with respect to the presence of any Hazardous Material on the Premises or the migration thereof from or to other property; (ii) any demands or claims made or threatened by any party against the Tenant the Premises, or the Shopping Center, relating to any loss or injury resulting from any Hazardous Material; (iii) any release, discharge or non-routine, improper or unlawful disposal for transportation of any Hazardous Material on or from the Premises; and (iv)

any matters where Tenant is required by law to give a notice to any governmental or regulatory authority respecting any Hazardous Materials 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, health or safety law. At such times as Landlord may reasonably request, Tenant shall provide Landlord with a written list identifying any Hazardous Material then used, stored, or maintained upon the Premises, the use and approximate quantity of each material, a copy of any material data sheet ("MSDS") issued by the manufacturer therefore, written information concerning the removal, transportation and disposal of the same, and any such other information as Landlord may reasonably require or as may be required by law. The term "Hazardous Material" for purposes hereof shall mean any chemical, substance, material or waste or component thereof which is now or hereafter listed, defined or regulated as a hazardous or toxic chemical, substance, material or waste or component thereof by any federal, state, or local governing or regulatory body having jurisdiction, or which would trigger any employee or community "right-to-know" requirements adopted by any such body, or for which any such body has adopted any requirements for the preparation or distribution of an MSDS.

- 24.3 If any Hazardous Materials are released, discharged or disposed of by Tenant or any other occupant of the Premises, or their employees, agents or contractors, on or about the Premises in violation of the foregoing provisions, Tenant shall immediately, properly and in compliance with applicable law, clean up and remove the Hazardous Material from the Premises and any other affected areas, and clean or replace any affected personal property (whether or not owned by Landlord), at Tenant's expense. Such cleanup 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 Article XXIV within five (5) 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). If any Hazardous Material is released, discharged or disposed of on or about the Premises and such release, discharge or disposal is not caused by Tenant or other occupants of the Premises, or their employees, agents, or contractors, such release, discharge, or disposal shall be deemed casualty damage under Article XVI to the extent that the Premises or common areas serving the Premises are affected thereby; in such case, Landlord and Tenant shall have the obligations and rights respecting such casualty damage provided under Article XVI. The provisions of this Article XXIV, including all remedies of Landlord hereunder (as well as the provisions of Article X as it applies hereto), shall survive the termination of this Lease. In connection with this Article, Landlord shall have no obligation to inspect or monitor the operations of Tenant within the Premises, or to determine whether or not Tenant is violating any environmental laws, statutes, ordinances or regulations described or referred to herein.

#### ARTICLE XXV MISCELLANEOUS

- 25.1 The provisions hereof shall be binding upon and inure to the benefit of the respective heirs, personal representatives, successors and assigns of the parties hereto; provided, that nothing in this section shall be construed to permit Tenant to assign this Lease or sublet the Premises, in whole or in part, without the prior written consent of Landlord.
- 25.2 The articles headings in this Lease are for convenience and reference only and shall not be held to explain, modify, amplify or aid in the interpretation or construction of the provisions of this Lease.
- 25.3 If any term or provision of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease and the application of such term or provision to person or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term and provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.
- 25.4 No receipt of money by Landlord from Tenant after the termination of this Lease or any other act or inaction on the part of Landlord shall reinstate, confirm or extend this Lease, or affect any prior notice by Landlord to Tenant. No extension of this Lease shall be valid unless specifically stipulated in writing by Landlord in the manner strictly set forth in this Lease. Waiver of or failure by Landlord to exercise any right (including requiring strict compliance with the terms hereof) or remedy available to Landlord by reason of Tenant's failure to discharge any obligation hereunder shall not constitute a waiver of such right or remedy with respect to any subsequent failure by Tenant to discharge such obligation or to discharge any other obligation hereunder. The rights and remedies provided by this Lease to Landlord are cumulative, and the use of any one right or remedy by Landlord shall not preclude or waive Landlord's right to use any or all other remedies. Landlord's rights and remedies provided in this Lease are in addition to any other right or remedy which Landlord may have by law, statute, ordinance or otherwise.
- 25.5 Tenant shall not record this Lease or a memorandum thereof. Tenant's failure to comply with this Section 25.5 shall constitute an Act of Default hereunder.
- 25.6 Tenant represents to Landlord that Tenant has not employed a broker or realtor with regard to this Lease and in that regard, agrees to indemnify, defend and save the Landlord harmless from any claim or cause of action asserted against Landlord by such a broker or realtor, together with attorneys' fees, costs of court and any other expenses incurred in defending against same.
- 25.7 This Lease constitutes the entire agreement between Landlord and Tenant, no other prior or contemporaneous promises or representations, whether written or oral, expressly or implied, shall be binding on them and this



Agreement shall not be amended, modified or changed in any way except by written instrument signed by the parties hereto.

- 25.8 This Lease is performable in Brazoria County. The considerations herein are due and payable in Houston Harris County Texas. Pursuant to Texas Civil Practice and Remedies Code Section 15.05 venue and jurisdiction shall lie in Brazoria County, Texas in all matters affecting this Lease. This Lease is to be governed by and construed in accordance with the laws of the State of Texas.
- 25.9 Time is of the essence with respect to all obligations hereunder.
- 25.10 Notwithstanding anything to the contrary, all agreements between Tenant and Landlord are hereby limited so that in no event shall any interest or late charges or other sums paid, or agreed to be paid, to Landlord for the use, forbearance or detention of money or otherwise under applicable law deemed to be interest exceed the maximum non-usurious amount permissible under applicable law. If from any circumstances whatsoever, fulfillment of any provision herein shall involve transcending the limit of validity prescribed by law, then *ipso facto* the obligation to be fulfilled shall be reduced to the limit of such validity, and all sums paid or agreed to be paid to Landlord for the use, forbearance or detention of money shall, to the extent permitted by applicable law, be amortized, prorated, allocated, and spread throughout the full term of any such indebtedness until payment in full so that the rate of interest on account of such indebtedness is uniform throughout the full term thereof.
- 25.11 The parties hereto specifically agree that no provision of this Lease or any Exhibit attached hereto shall be construed in any manner as to violate the Americans with Disabilities Act of 1990 (the "ADA"), and neither party has any intent, and disclaims any intent, to violate the ADA, and no activities of the Landlord or Tenant otherwise prohibited by this Lease or any Exhibit hereto shall be prohibited to the extent such prohibition is construed as a violation of the ADA.
- 25.12 The parties acknowledge that each party and its counsel have had an opportunity to review and revise this Lease and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Lease or any amendments or exhibits hereto.
- 25.13 THE PREMISES ARE BEING LEASED AND ACCEPTED BY TENANT "AS IS", WITHOUT WARRANTIES OF ANY NATURE, EXPRESSED OR IMPLIED. TENANT WAIVES ALL IMPLIED WARRANTIES OF ANY NATURE RELATING TO THE PREMISES OR THE SHOPPING CENTER. WITHOUT LIMITING THE FOREGOING, TENANT WAIVES AN IMPLIED WARRANTY THAT THE PREMISES AND SHOPPING CENTER AS SUITABLE FOR TENANT'S USE.

LANDLORD AND TENANT ACKNOWLEDGE THAT EACH HAS HAD AN OPPORTUNITY TO MAKE SUCH INDEPENDENT INVESTIGATIONS AS EACH DEEMED NECESSARY TO ENTER INTO THIS LEASE. LANDLORD AND TENANT HAVE NOT RELIED ON VERBAL STATEMENTS MADE BY ANY PERSON. THE PARTIES HEREBY WAIVE ALL CLAIMS OF FRAUDULENT INDUCEMENT THE OTHER RELATING TO EACH PARTY'S DECISION TO ENTER INTO THIS LEASE.

"LANDLORD" Festival Properties, Inc.

By: Michael Tones  
Name: Michael Tones, Authorized Representative

Date 7/19/22

"TENANT" Brazoria County

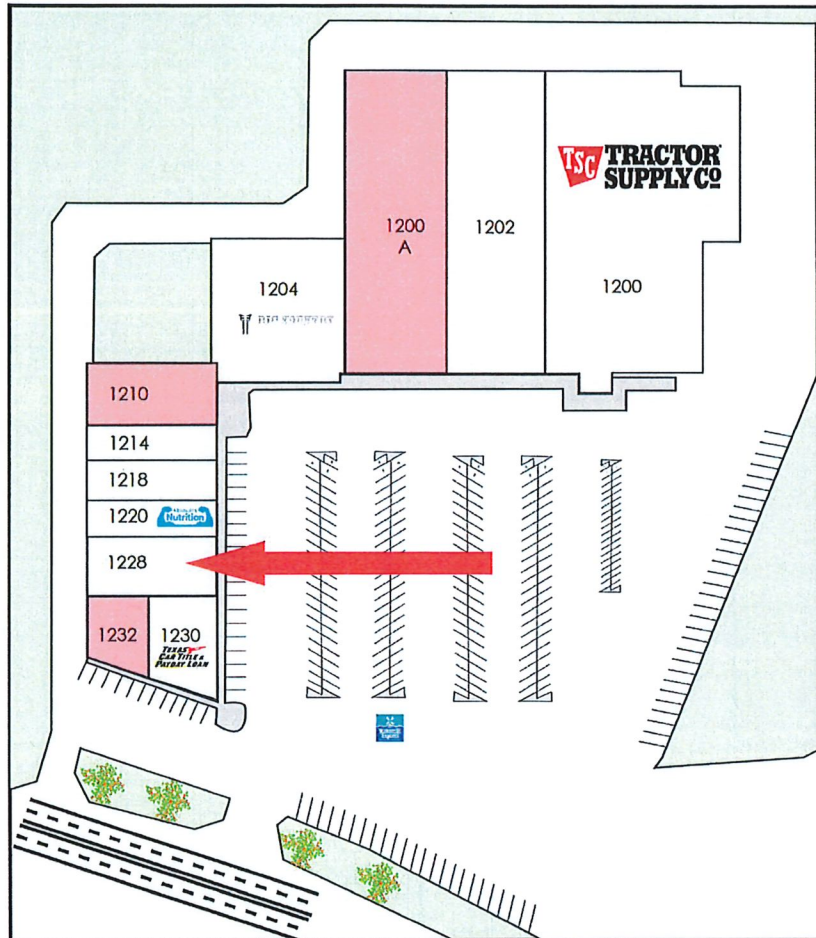
By: L. M. "Matt" Sebesta, Jr.  
Name: L. M. "Matt" Sebesta, Jr.  
Title: County Judge

Date 07/01/2022

EXHIBIT "A"

DRAWING OF THE PREMISES (NOT DRAWN TO SCALE)

Landlord hereby reserves the right at any time and from time to time to alter or otherwise modify the buildings, parking areas, roads, entrances, exits, walls and other facilities drawn hereon and to construct, lease, operate and maintain buildings, structures and other facilities not shown hereon. The designation of any present or proposed occupant of any space shown hereon is for information only and shall not constitute any agreement or covenant on the part of Landlord as to future use or occupancy of any such space.



*MA* *fr*

EXHIBIT "B"  
LEGAL DESCRIPTION OF THE SHOPPING CENTER

Initialed: 

## EXHIBIT "C"

### RULES AND REGULATIONS

The rules and regulations for the Shopping Center at the time of the execution of this Lease are as follows:

1. Exterior doors shall not remain braced open while the air conditioning is functioning. All doors braced open must use door stops or hooks manufactured expressly for that purpose.
2. Use of the roof is reserved for Landlord, except to the extent required for the installation and maintenance of heating, ventilation and air conditioning equipment by Tenant with the prior written approval of Landlord.
3. Use of Common Areas for display rack, tables, sign standards, boxes or other purposes is expressly forbidden unless authorized in writing by Landlord.
4. Loud speakers, televisions, phonographs, radios, flashing lights, or other similar devices shall not be used in a manner so as to be heard or seen outside the Premises. Handbills or other printed matter may not be distributed by Tenant in the Common Areas. Tenant or its agents shall not solicit or canvas business in the Common Areas.
5. Tenant shall at all times keep the Premises in an orderly and sanitary condition and shall promptly remove all trash and garbage to the appropriate collection areas designated by Landlord. Common Areas shall not be used by Tenant for temporary trash storage, nor shall trash containers located in the Common Areas be used for trash disposal.
6. No animals of any kind are allowed in the Shopping Center by Tenant (except for "seeing eye" dogs and those in pet stores).
7. Seasonal decorations are not to be attached to the exterior storefronts without Landlord's prior written consent.
8. All deliveries shall be accepted as quickly as possible in the designated loading zones.
9. Tenant shall keep the Premises at temperatures sufficiently high to prevent freezing of water pipes and fixtures.
10. Plumbing facilities will not be used for any purpose other than that for which they are constructed. No foreign substance of any kind shall be deposited therein. The expense of any breakage, stoppage, or damages resulting from a violation of this rule shall be borne by Tenant if Tenant or its employees or invitees shall have caused the breakage, stoppage or damage. Any restaurant facilities shall be responsible for the cost of regular maintenance in cleaning of the grease traps servicing their Premises.
11. Tenant's employees shall use only those portions of the parking areas of the Shopping Center as may be designated by Landlord. Tenant shall, if requested by Landlord, furnish a complete list of the license plate numbers of all vehicles operated by Tenant's employees. Such vehicles may be towed at Tenant's expense if parked in areas other than those designated by Landlord.
12. There shall be no cooking or preparation of food on the Premises or the sale or use of alcoholic beverages from or on the Premises other than as permitted pursuant to the Lease without the prior written consent of the Landlord.
13. Landlord reserves the right to amend or add new additional rules and regulations for the use and care of the Shopping Center, the Premises and the Common Areas.
14. The entrance doors to the Premises shall remain locked at all times when the Premises are not in use.
15. Tenant shall maintain control of, and be responsible for; all keys issued to Tenant for the Shopping Center and Premises, and shall return all such keys to Landlord upon termination of this Lease. No duplicate or copy keys shall be made or obtained by Tenant without the prior written consent of Landlord. The loss or theft of any key shall be reported to Landlord as soon as possible (but in the event within one business day) after Tenant becomes aware of same.
  - a) Tenant is responsible to re-key the premises at his sole cost.
16. Landlord shall have the right to control and operate the Common Areas and all facilities furnished for the common use of Landlord's tenants, in such manner as it deems best for the benefit of such tenants generally. No tenant shall invite to its premises, or permit the visit of, persons in such numbers or under such conditions as to interfere with the use and enjoyment of the entrances, corridors, elevators, if any, and facilities of the Shopping Center by other tenants.
17. Freight, furniture, business equipment, merchandise and bulky matter of any description ordinarily shall be delivered to and removed from the Premises only at times and through the entrances and corridors designated by Landlord. Special arrangements shall be made for moving large quantities of furniture and equipment into or out of the Shopping Center.



18. Canvassing, soliciting or peddling in the Shopping Center or Common Areas is prohibited and each tenant shall cooperate to prevent same.
19. All deliveries or shipments of any kind to and from the Premises, including loading and unloading of goods, shall be made only by way of the rear of the Shopping Center or at any other location designated by Landlord, and only at such time as may be designated for such purpose by Landlord.
20. Garbage and refuse shall be kept in the kind of container specified by Landlord and shall be placed at the location within the Shopping Center designated by Landlord for collection at the time specified by Landlord from time to time. Tenant shall pay the cost of removal of garbage and refuse. Tenant shall store soiled or dirty linen in approved fire rating organization containers.
21. The outside areas immediately adjoining the Premises shall be kept clean and free from dirt and rubbish by Tenant, and Tenant shall not place, suffer or permit any obstructions or merchandise in such areas.
22. Tenant shall use, at Tenant's cost, a pest extermination contractor at such intervals as Landlord may require from time to time. Tenant will use the extermination service procured as required by the Government Code.
23. Tenant shall not place, suffer or permit displays, decorations or shopping carts in any Common Areas or on the sidewalk in front of or adjoining the Premises.
24. Tenant shall at all times maintain the heating and air-conditioning equipment within the Premises and at all times maintain temperatures in the Premises consistent with the temperatures in the enclosed Common Areas, if any, and in a manner which will not cause any decrease in the Common Area temperature while the areas are being heated or any increase in the Common Area temperatures while those areas are being cooled.
25. Tenant shall not use, permit or suffer the use of any portion of the Premises as living, sleeping or lodging quarters.
26. Defined Terms used herein shall have the same meaning as set forth in the Lease unless the context indicates to the contrary.

EXHIBIT "D"  
ENVIRONMENTAL NOTICE

SUBJECT: New OSHA Guidelines

Dear Tenant:

The Occupational Safety and Health Administration ("OSHA") recently published regulations requiring building owners to notify tenants and tenants to notify their employees of the presence, location and quantity of materials, which contain or are presumed to contain asbestos. The regulations also require that any contractors or employees performing repair, maintenance or other work within the building be notified of the presence, location and quantity of these materials. Accordingly, you must provide a copy of this notification letter to your employees and to your contractor and/or subcontractor (if any) performing any type of work for you within the shopping center.

Although we have not performed an asbestos survey of your premises or the common areas of the shopping center, the new OSHA regulations contain a presumption that certain materials contain asbestos. These presumed asbestos containing materials ("PACM") include thermal system insulation, sprayed-on and troweled-on surfacing materials and vinyl/asphalt floor tile installed before 1981. Our records indicate that the shopping center was constructed before 1981, so it is possible that any thermal system insulation, sprayed-on and troweled-on surfacing materials and vinyl/asphalt floor tile in the shopping center were installed before 1981. If any of these materials are present within your premises or the other areas of the shopping center, you should presume that they contain asbestos and treat them accordingly.

The information provided in this notice should assist you in complying with your obligations under the new OSHA regulations. We cannot advise you further concerning your obligations. If you wish to obtain further information regarding these regulations, please contact your legal advisor, Federal OSHA, or its state or local counterpart.



EXHIBIT "E"

ADDENDUM TO SHOPPING CENTER LEASE AGREEMENT

This is an Addendum ("Addendum") to a Shopping Center Lease Agreement ("Lease") dated 19 day of June, 2022 and executed by Festival Properties, Inc. (Landlord) and Brazoria County, a political subdivision (Tenant).

In consideration for the mutual covenants and obligations contained in the Lease, Landlord and Tenant agree that the following terms and conditions shall supplement, and become a part of the Lease.

1. In addition to any charges and amounts to be paid to Landlord by Tenant pursuant to the Lease, Tenant agrees to pay Landlord an administrative and collection charge in the amount of Fifty and No/100 Dollars (\$50.00) for each check and/or other negotiable instrument returned to Landlord unpaid for any reason by the bank and/or financial institution from which such check and/or negotiable instrument was issued. Within three (3) days following notification by Landlord to Tenant that such check and/or negotiable instrument has been returned to Landlord unpaid, Tenant agrees to tender to Landlord the amount of the check and/or negotiable instrument, as indicated on the face of such check or instrument, together with the \$50.00 charge set forth herein, by certified check, cashier's check or money order. It is expressly agreed by Landlord and Tenant, for the purpose of computing any late charges provided by the Lease, that any payments provided by the Lease shall not be deemed paid on the date upon which Landlord receives a check and/or other negotiable instrument issued by Tenant which is returned to Landlord unpaid; and that any such late charges shall continue to accrue until and unless Tenant performs the obligations described herein.
2. In the event that it becomes necessary for Landlord to secure the premises and/or change the locking device or mechanism relating to the premises in accordance with the provisions of the Lease and/or Texas law, Tenant agrees to pay Landlord, in addition to any amounts and/or charges provided by the Lease, a lock-out charge in the amount of Two Hundred Fifty and No/100 Dollars (\$250.00), which Tenant acknowledges to be a reasonable charge to compensate Landlord for the cost and administrative expense of securing the premises in the manner set forth herein.
3. All additions, alterations, fixtures, and other improvements ("Improvements") to the premises (except for unattached, movable trade fixtures of Tenant), whether made by Landlord or Tenant, shall become a part of and remain with the premises throughout the term of the Lease and thereafter, unless Landlord notifies Tenant in writing within ten (10) days following Landlord's receipt of Tenant's notice to vacate (or, if no notice is required prior to the expiration of the term of the Lease, 20 days prior to the expiration of the term of the Lease), of Landlord's desire for Tenant to remove all or a portion of the Improvements. Upon such notification by Landlord, Tenant agrees to remove such Improvements from the premises prior to the expiration of the term of the Lease; and to repair all damage caused by the removal of such Improvements and otherwise to restore the premises to its original condition. "Original condition" shall mean the condition of the premises existing as of the effective date of the Lease.
4. Landlord and Tenant agree that all terms and conditions of this Addendum have been set forth herein, and that this Addendum shall not otherwise supplement, amend or modify the terms of the Lease. The terms and conditions of this Addendum shall not be amended, modified and/or nullified except by written instrument executed by Landlord and Tenant.
5. Sign Criteria to be determined by the Landlord.

(Special Provisions).

- (1) Landlord will deliver Tenant the space in As Is condition.
- (2) Tenant will abide by all sign criteria and rules and regulations and by-laws as required by Landlord. Landlord prior to installation must approve all signage and signage costs will be at Tenant's sole expense.
- (3) Tenant will provide the landlord insurance pursuant to Article XI of lease agreement upon execution of lease agreement on annual basis., unless Tenant is self-insured as a governmental entity.
- (4) Tenant will abide by all city codes and requirements during the duration of the lease term. Tenant is responsible for any costs that may be incurred to comply with any applicable city, state, national or other codes, regulations, etc. as may apply.
- (5) Tenant has a 1 year option to renewal at a 15% increase of the base rent at the end of the lease so long as the tenant is not in default or in good standing with the Landlord.
- (6) Landlord shall warranty the HVAC for 60 Days at the start of the commencement date.

(7). The tenant will bring in the form of a cashier's check or money order in the total sum listed below. The funds will be payable to Festival Properties, Inc.

First Month's Rent: \$ 4,680.00  
First Month's NNN: \$ 720.00  
First Month's Water: \$ 75.00  
Security Deposit: \$ 5,475.00

Total amount to be collected at the lease execution: \$10,950.00

"LANDLORD" Festival Properties

By: Michael Tones  
Name: Michael Tones, Authorized Representative

Date 7/19/22

"TENANT" Brazoria County

By: L. M. Sebesta, Jr.  
Name: L. M. "Matt" Sebesta, Jr.  
Title: County Judge

Date 07/01/2022

**EXHIBIT "F"**  
**ADDENDUM**

1. **Equipment.** Tenant shall install equipment within the Premises as described on the attached Exhibit "H". Such equipment shall be environmentally safe and maintained in accordance to all environmental requirements and governmental regulations.
2. **Environmental Liability Insurance.** INTENTIONALLY DELETED.
3. **Hazardous Materials.** The term "Hazardous Materials" for purposes hereof shall mean any chemical, substance, material or waste or component thereof which is now hereafter listed, defined or regulated as a hazardous or toxic chemical, substance, material or waste or component thereof by any federal, state or local governing or regulatory body having jurisdiction, or which would trigger any employee or community "right-to-know" requirements adopted by any such body, or for which any such body has adopted any requirements for the preparation or distribution of a material safety data sheet ("MSDS").

Tenant shall not transport, use, store, maintain, generate, manufacture, handle, dispose, release or discharge any Hazardous Materials. However, the foregoing provision shall not prohibit the transportation to and from, and use, storage, maintenance and handling within the Premises, or Hazardous Materials customarily used in the business or activity expressly permitted to be undertaken in the Premises as provided for in **Section 1.14** of the Lease provided: (a) such Hazardous Materials shall be used and maintained only in such quantities as are reasonably necessary for such permitted use of the premises in the ordinary course of Tenant's business therein, strictly in accordance with applicable Law, highest prevailing standards, and the manufacturers' instructions therefore, (b) such Hazardous Materials shall not be disposed of, released or discharged in the Center, and shall be transported to and from the Premises in compliance with all applicable Laws, and as Landlord shall reasonably require, (c) if any applicable Law or Landlord's trash removal contractor requires that any such Hazardous Material's be disposed of separately from ordinary trash, Tenant shall make arrangements at Tenant's expense for such disposal directly with a qualified and licensed disposal company at a lawful disposal site (subject to scheduling and approval by Landlord), and (d) any remaining such Hazardous Materials shall be completely, properly and lawfully removed from the Center upon expiration or earlier termination of the Lease.

Tenant shall promptly notify Landlord of: (i) any enforcement, cleanup or other regulatory action taken or threatened by any governmental or regulatory authority with respect to the presence of any Hazardous Materials on the Premises or the migration thereof from or to other property, (ii) any demands or claims made or threatened by any party relating to any loss or injury resulting from any Hazardous Materials on the Premises; (iii) any release, discharge or non-routine, improper or unlawful disposal or transportation of any Hazardous Materials on or from the Premises or in violation of this paragraph, and (iv) any matters where Tenant is required by Law to give a notice to any governmental or regulatory authority respecting any Hazardous Materials on the Premises. Landlord shall have the right (but not the obligation) to join and participate, as a party, in any legal proceeding or actions affecting the Premises initiated in connection with any environmental, health or safety law. At such times as Landlord may reasonably request, Tenant shall provide Landlord with a written list, certified to be true and complete, identifying any Hazardous Materials then used, stored, or maintained upon the Premises, the use and approximate quantity of each such material, a copy of any MSDS issued by the manufacturer therefore, and such other information as Landlord may reasonably require or as may be required by law.

If any Hazardous Materials are released, discharged or disposed of by Tenant or any other occupant of the Premises or their employees, agents, invitees or contractors, on or about the Center in violation of the foregoing provisions, Tenant shall immediately properly and in compliance with applicable Laws, clean up, remediate and remove the Hazardous Materials from the Center and any other affected property and clean or replace any affected personal property (whether or not owned by Landlord, at Tenant's expense (without limiting Landlord's other remedies therefore). Tenant shall further be required to indemnify and hold Landlord, Landlord's directors, officers, employees and agents harmless from and against any and all claims, demands liabilities, losses, damages, penalties and judgments directly or indirectly arising out of or attributable to a violation of the provisions of this paragraph by Tenant, Tenant's occupants, employees, contractors or agents. Any clean up, remediation and removal work shall be subject to 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 Landlord or any Lender or governmental body arranges for any tests or studies showing that this Paragraph has been violated, Tenant shall pay for the costs of such tests. The provisions of this paragraph shall survive the expiration or earlier termination of this Lease.

IN WITNESS WHEREOF, the parties hereto have executed this ADDENDUM TO LEASE as of the day and year first above written.

EXECUTED effective as of 19 day of July, 2022

TENANT: Brazoria County

SIGNATURE: [Signature]  
Name: L. M. "Matt" Sebesta, Jr.  
County Judge



**EXHIBIT G**

**CONSTRUCTION WORK TO BE PERFORMED IN LEASED PREMISES**

**LANDLORD'S WORK:** Except for any applicable work to be done by Landlord at Landlord's sole cost unless, herein otherwise specified, Tenant accepts space in AS IS condition.

**TENANT'S WORK:**

1. Tenant shall submit to Landlord, within fifteen (15) days from the Effective Date of this Lease, for Landlord's approval, complete plans and specifications ("Tenant's Plans") for Tenant's desired layout, improvement and Tenant finish of the Leased Premises, including electrical and mechanical drawings and decorating plans, showing the location of partitions, electrical outlets, telephone outlets, sprinklers, doors, wall finishes, floor coverings and other work required by Tenant in the Leased Premises. Tenant's Plans shall be prepared by a County employee with professional training and Tenant's Plans shall be in form sufficient to secure approval of all governmental authorities having jurisdiction over the approval thereof, all at Tenant's expense.
2. Landlord shall notify Tenant of its approval or disapproval of Tenant's Plans within fifteen (15) days after delivery thereof to Landlord. If Landlord disapproves of Tenant's Plans, or any portion thereof, Landlord shall promptly notify Tenant thereof, in writing, and shall indicate the revisions Landlord requires before approving Tenant's Plans. As promptly as reasonably possible thereafter, but in no event later than fifteen (15) days after Landlord's notice to Tenant, as aforesaid, Tenant shall revise Tenant's Plans and resubmit the same to Landlord. All revisions must be approved by Landlord in writing. The final plans and specifications approved by Landlord are referred to herein as the "Final Plans".
3. After the Final Plans have been approved (by initialing by Tenant and Landlord, or their duly appointed representatives), Tenant shall utilize County employees to perform the work to be done (the "Finish Out Work") in the Leased Premises according to the Final Plans.
4. Tenant shall receive toward completion of the Finish Out Work, a "Buildout Allowance" equal to 0 (0 psf) (which shall include all costs relating to the Tenant buildout, including "soft costs"). . . Landlord shall have the right to enter the Leased Premises from time to time to inspect the construction of the Tenant Finish Out Work to determine if the same is in compliance with the Final Plans. In no event shall the Buildout Allowance exceed the actual cost of improvements and Tenant's Finish Out Work. Landlord shall pay to Tenant the Tenant's Buildout Allowance within thirty (30) days after all of the following conditions are met:
  - (i) Tenant has performed Tenant's Work in accordance with the Final Plans and all other provisions of this Lease;
  - (ii) Tenant has obtained building permits for all of Tenant's Work and has furnished copies thereof to Landlord;
  - (iii) Tenant has obtained a Certificate of Occupancy with respect to the Leased Premises;
  - (iv) Tenant has furnished Landlord with Affidavits of Completion from Tenant and Tenant's contractors;
  - (v) Upon Landlord's request, Tenant has furnished to Landlord a Contractor's Affidavit listing all subcontractors, material men and suppliers involved in Tenant's Work.
  - (vi) Tenant has fully paid for all of Tenant's Work and has furnished to Landlord paid invoices from the general contractor and all other contractors, together with a certificate from Tenant stating that the work has been paid for in full and setting forth the total amount paid for Tenant's Work;
  - (vii) Tenant has furnished to Landlord mechanic's lien releases from the general contractor and all subcontractors covering all of Tenant's Work and such other evidence as Landlord may reasonably request evidence that no liens can arise as a result of Tenant's Work in the Leased Premises; and
  - (viii) Tenant has opened for business in the Leased Premises, no liens have been filed against the Leased Premises (or the Shopping Center), and Tenant is not in default under the Lease.Without limitation to any other rights or remedies Landlord may have on account thereof, if at any time Landlord is prepared to pay Tenant the Tenant Buildout Allowance, Tenant shall owe Landlord any sums under the Lease, Landlord may pay, at its election, the Tenant Buildout Allowance and deduct therefrom the amount of any such sums owed by Tenant to Landlord.
5. If, after commencement of construction, Tenant shall request, in writing, any changes, additions or alterations in the Final Plans or in the Finish Out Work, Tenant shall submit to Landlord complete plans and specifications relating to such change, addition or alteration, all of which shall be subject to Landlord's prior written approval.
6. Tenant shall, at Tenant's sole cost and expense, take whatever action necessary to obtain and maintain all authorizations, approvals and permits required by any governmental authority for the Finish Out Work.
7. Neither Tenant nor Tenant's agents, representatives, contractors or employees shall interfere with the conduct of business or activities of other Tenants in the Shopping Center. Landlord shall not be liable in any way for injury, loss or damage which may occur to Tenant, Tenant's property, or any agent, employee or representative of Tenant that may occur as a result of entry into the Leased Premises during the construction work as provided for herein, and it is recognized and understood by Tenant that such entry shall be solely at Tenant's risk.
8. A default by Tenant under the provisions of this Exhibit "G" is an event of default under the Lease Agreement and Landlord shall be entitled to any of the remedies provided for under the Lease Agreement.

EXHIBIT H  
Sign Criteria

A handwritten signature in blue ink, consisting of stylized initials and a surname, written over a horizontal line.

EXHIBIT "B"

LEGAL DESCRIPTION OF THE SHOPPING CENTER

A 8.52 tract of land being the same property described in a deed recorded in volume 1598, page 758 of the Brazoria County deed Records, located in the Myles O'Donnell Survey, abstract 488 and the Hooper and Wade survey, abstract 423, Brazoria County, Texas and being more particularly described by metes and bounds as follows:

BEGINNING at a 5/8 inch iron rod set marking the easterly southeast corner of the herein described tract from which the southeast corner of the said Myles O'Donnell survey is called to be S 18deg. 13" W. 65.0 feet;

THENCE, S 63 deg. 00' 00" W. along the north line of said lift station site (deed unavailable) for a distance of 59.81 feet to a 5/8 inch iron rod set for corner;

THENCE S 18 deg 03' 04" E. along the west line of said lift station site and the remainder of a 0.7077 acre tract described in a deed record in volume 1423, page 192 of the Brazoria County deed records for a distance of 65.00 feet to a PK nail set for corner;

THENCE S 63 deg. 10' 26" W. along a north line of the remainder of said 0.7077 acre tract for a distance of 10.11 feet to a PK nail set for corner;

THENCE, S 18 deg. 38' 30" E. along a west line of said 0.7077 acre tract for a distance of 178.06 feet (called 176.91 feet) to a 5/8 inch iron rod set for corner on the north line of FM 1462 (150 foot right-of-way per volume 1020, page 510 of the Brazoria County deed records) lying in a curve to the left having a central angle of 18 deg. 23' 27" and a radius of 1,030.37 feet;

THENCE, along the north line of FM 1462 curving to the left for an arc distance of 330.73 feet (called 315.2 feet, chord bears N 88 deg. 59' 32" W. 329.91 feet) to an "X" set in concrete for point of tangent;

THENCE, S 81 deg. 48' 45" W. across vacated Dozier Road as mentioned in a deed recorded in volume 1598, page 761 of the Brazoria County Deed Records for a distance of 172.56 feet (called 187.96 feet) to a 5/8 inch iron rod set for corner on the approximate north line of Dozier Road;

THENCE, N 27 deg. 07' 30" W. along the east line of the J.M. Subdivision (recorded in volume 19, page 703 and 704 of the Brazoria County Plat records) and a 1.504 acre tract record under Brazoria County Clerk file no. 94-007683 for a distance of 550.87 feet (called 550.6 feet) to a 5/8 inch iron rod set for corner.

THENCE, N 63 deg. 09' 07" E. along the south line of said 1.504 acre tract, Holy Subdivision (recorded in volume 14, page 25 of the Brazoria County Plat records) and a 0.160 acre tract (recorded in volume 1603, page 773 of the Brazoria County Deed Records) for a distance of 641.41 feet to a 5/8 inch iron rod set for corner;

THENCE, S 18 deg. 13' 00" E. along the west line of a 1.781 acre tract described in a deed recorded in volume 682, page 523 of the Official Records of Brazoria County for a distance of 525.24 feet to the POINT OF BEGINNING and contacting 8.52 acres of land.

## EXHIBIT H

### SIGNAGE CRITERIA

As provided by the Lease, the Landlord must approve in writing all signs of any type the Tenant wishes to install or display in the Common Areas or on the building. Any sign displayed in the Common Areas or on the building is subject to the Landlord's written approval. Unauthorized signs will be removed by the Landlord without notice. Any charge or expense incurred due to removal and/or to repair any damage occasioned by that removal will be paid by Tenant and collected as additional rent under this Lease.

#### TENANT SIGN BAND CRITERIA

##### TYPE OF SIGN

See Exhibit F-1

##### SIZE OF SIGN

Maximum letter size is 24"; minimum letter size is 10" in height.  
Multiple rows are not to exceed 36" total height including space.  
Minimum stroke is 1 1/2".  
Depth of letters is to be 4 1/2".  
Overall length is based on 80% of frontage measurement.  
Size must conform to Local City/County requirements.

##### STYLE, COLORS & MATERIALS

The following styles may be used; others subject to Landlord approval.

1. Garamond Italic
2. Caxton Roman Book

Logos are allowed; subject to Landlord approval.  
All signs to have Plexiglass, faces with black sides.  
All signs will have gold trimcaps.

##### PLACEMENT & INSTALLATION

Final electrical hook-up to be performed by licensed electrician.

#### NUMBER OF SIGNS

One sign per store frontage.

If lease space fronts on more than one side, another sign may be allowed on other wall, and size of sign will be determined by that wall on which it is mounted, subject to Landlord approval.

#### IMPORTANT NOTE

Three (3) sets of drawings are to be submitted and approved by Landlord prior to fabrication. Any variations of the above specifications must be approved by Landlord. Drawings must include cross section.





## **“Attachment 2”**

NEW LEASE SUMMARY

Alvin Shopping Center

Brazoria County Office

Existing

8/26/2025

Current Lease Price

EIGHT (8) YEAR TERM

		Monthly	Annual	Monthly	Annual	Water			
YEAR	SF	PSF	PSF	\$	\$	\$	Est. NNN	\$	TOTAL MONTHLY
1	3600	\$ 1.43	\$ 17.16	\$ 5,148.00	\$ 61,776.00	\$ 75.00	\$ 0.24	\$ 858.12	\$ 6,081.12

M2M Pricing

		Monthly	Annual	Monthly	Annual	Water				
YEAR	SF	PSF	PSF	\$	\$	\$	Est. NNN	\$	TOTAL MONTHLY	
1	3600	\$ 1.57	\$ 18.88	\$ 5,662.80	\$ 67,953.60	\$ 75.00	\$ 0.24	\$ 858.12	\$ 6,595.92	

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