

LEASE AGREEMENT

ARTICLE I. BASIC LEASE PROVISIONS AND LIST OF EXHIBITS.

1.1 Basic Lease Provisions.

- (a) DATE OF THIS LEASE: January 4, 2022
- (b) LANDLORD NAME: R1 Rogers Rd, LLC
- (c) ADDRESS OF LANDLORD FOR NOTICES:

6510 FM 359 STR 100
Fulshear, TX 77441

(d) TENANT NAME: _____

(e) ADDRESS OF TENANT FOR NOTICES:

Fort Bend County
Attn: County Judge
401 Jackson Street, 1st Floor
Richmond, Texas 77469

With a copy to:

Facilities Management and Planning
Attn: Director
301 Jackson Street, Suite 301
Richmond, Texas 77469

, or the Leased Premises

(f) TENANT'S TRADE NAME: _____

(g) PREMISES: An area of approximately 3,000 square feet of Floor Area known as Suite _____ located at 6610 FM 359 Road South Fulshear, Texas 77441 (the "Premises") within the Shopping Center (the "Center"), located as shown on Exhibit "A-1" hereto. The Center is located on a tract of land described in Exhibit "A." The land, and the buildings and other improvements thereon are sometimes referred to herein as the "Project."

(h) LEASE TERM: This Lease shall become effective upon execution hereof by Landlord [notwithstanding the date indicated in Article 1.1(a) above]. The Commencement Date ("Commencement Date") is after tender of possession of the Leased Premises to Tenant. The Termination Date ("Termination Date") is defined as last day of the 24th full calendar month after the commencement.

(i) MINIMUM RENT: Commencing on the Commencement Date, Minimum Rent shall be the following sums (due and payable as provided in Article III of this Lease):

<u>Lease Months</u>	<u>Monthly Rent</u>
1-24	\$3,250.00

(j) TENANT'S PROPORTIONATE SHARE: 7.8%

(k) COMMON AREA FEE: \$630.00 (See Article 4.5)

(l) SECURITY DEPOSIT: \$3,250.00

(m) PREPAID RENT (TO BE APPLIED TO THE FIRST MONTHS RENT AND CAM): \$ 3,880.00

(n) CONSTRUCTION ALLOWANCE: Landlord will provide \$100,000.00 towards buildout and Tenant will pay the additional \$70,000.00.

(o) PERMITTED USE: The Premises shall be used only for the following: Fort Bend County Office and no other purpose (See Article V).

(r) INITIAL ESTIMATED MONTHLY OPERATING EXPENSE PAYMENTS: (estimates only and subject to adjustment to actual costs and expenses according to the remaining provisions of this Lease):

- 1. Common Area Charges \$.06 PSF
- 2. Taxes: \$.08 PSF
- 3. Insurance: \$.07PSF

- Total \$.21 PSF

(s) BROKER(S): Landlord will pay commissions based on listing agreement. Tenant has only had dealing with Landlords representatives.

(t) Definitions of certain words, terms or provisions in this Lease are set out in Article XXIII below.

1.2 List of Exhibits. The Exhibits and/or Addenda listed below as being part of this Lease are attached to and are to be construed as part of, and covenants under, this Lease.

- "A" Legal Description
- "A-1" Site Plan
- "B" Rules and Regulations
- "C-1" Construction Rider
- "C-2" Construction Rules
- "C-3" Tenant Draw Request
- "C-4" Affidavit of Contractors, Subcontractors, & Materialmen
- "C-5" Release of Lien
- "D" Sign Specifications
- "E" Guaranty

1.3 Landlord's Work. (See Exhibit C-1, paragraph A)

ARTICLE II. LEASED PREMISES; TERM; CONSTRUCTION.

2.1 Landlord hereby leases and demises to Tenant and Tenant hereby accepts from Landlord on the terms set forth herein, the Premises together with all appurtenances specifically granted in this Lease. Landlord, without limiting its rights hereunder, (a) retains and excludes from this demise (i) the exterior faces of the walls of the Premises (except as otherwise expressly set out in this Lease), (ii) the roof and, as applicable, the area, if any, between the ceiling or drop ceiling and the floor or roof above and (iii) the land under the Premises, and (b)

Initial Landlord _____ Initial Tenant _____

reserves unto itself the right to install, connect, maintain, use, repair, remove, and replace the Utility Facilities located in the Premises, in locations which will not materially interfere with Tenant's use of the Premises, and the right to enter into the Premises in connection therewith.

2.2 Tenant shall have and hold the Premises for the Lease Term set forth in Section 1.1(i), unless sooner terminated as hereinafter provided.

2.3 Landlord shall perform Landlord's Work (as set out in paragraph A of Exhibit "C-1"), and Tenant shall with due diligence cause to be performed the Tenant's Work, pursuant to the plans and specifications therefor subject to approval in writing by Landlord, and install in the Premises its trade fixtures, furniture and equipment (as provided for on Exhibit "C"-1 Tenant's Work); Tenant shall open the Premises to the public for business not later than 180 days after the Premises is delivered by Landlord to Tenant.

ARTICLE III. RENT AND SECURITY DEPOSIT.

3.1 The Rent specified in Section 3.2 shall accrue hereunder from the Commencement Date.

3.2 Tenant promises and agrees to pay to Landlord by mail or in person at the address of Landlord as set forth in Section 1.1(c), or such other place as Landlord may from time to time designate in writing, the following Rent:

- (a) Minimum Rent as set forth in Section 1.1(j);
- (b) The Common Area Maintenance Fee as set forth in Section 4.5; and
- (c) All other sums and charges due by Tenant to Landlord under the terms of this Lease.

All such sums (and other charges or payments provided to be paid to Landlord herein) are sometimes referred to herein as "Rent."

3.3 Except as otherwise expressly provided herein, all Rent shall be due and payable monthly, in advance, beginning on the Commencement Date, without demand, notice, deduction or setoff, and continuing thereafter, on the first day of each month during the Lease Term. In the event any installment of Rent is not received within five days after the date on which such amount is due, Tenant shall pay as additional rent, and as a late charge, ten percent (10%) of the amount past due, plus the amount of any attorneys' fees reasonably incurred by Landlord in connection therewith for each such late payment. Tenant shall also pay an administrative charge of \$50.00 for each check returned unpaid for any reason. If Tenant is late in making payments due hereunder (including, but not limited to, Minimum Rent), Landlord may at any time thereafter, upon written notice to Tenant, require that (until further notice) all payments of Rent be made by certified or cashier's check. The first month's Rent and other charges or fees shall be prorated from the Commencement Date through and including the last day of the month in which the Commencement Date occurs and shall be paid in advance on the Commencement Date. Contemporaneously with the execution of this Lease by Tenant, Tenant shall pay to Landlord the Prepaid Rent (in the amount set forth in Section 1.1(n)) which shall be applied to the Rent and CAM for the first full month of the Term.

3.4 Tenant shall, contemporaneously with the execution of this Lease, deposit with Landlord the Security Deposit. If Tenant shall fail to pay any installment of Rent when due, said Security Deposit may, at the option of Landlord, be applied to any such sums due and unpaid, and if Tenant violates any of the other terms, covenants and conditions of this Lease, said Security Deposit may be applied to any damages suffered as a result of Tenant's default to the extent of the amount of the damages suffered. Should any of the Security Deposit be used to pay sums due for any reason, and if this Lease is kept in full force and effect at the option of Landlord, Tenant shall reimburse Landlord the amount of such depletion, within 10 days after notice to Tenant by Landlord of such depletion. Should Tenant comply with all of the terms, covenants and conditions of this Lease, and promptly pay all of the Rent herein provided as it falls due, the Security Deposit shall be returned to Tenant in

full (but without interest) within 60 days after Tenant requests in writing the return of the Security Deposit, which request shall include the forwarding address of Tenant and the warranty and representation of Tenant (and the officer, partner or agent signing on behalf of Tenant) that Tenant has fulfilled all of its obligations hereunder. Landlord may deliver the Security Deposit to the assignee of Landlord's interest in the Premises in the event that such interest be sold or assigned, and thereupon Landlord shall be discharged from further liability with respect to such Security Deposit.

ARTICLE IV. COMMON AREA.

4.1 Common Area: All portions of the Center which Landlord may from time to time make available (or designate) for the general, non-exclusive use, and benefit of Tenant, other tenants and their Permittees. The Common Areas shall include without limitation the following, to the extent same are made available to serve more than one occupant: parking areas, traffic lanes, traffic control facilities, entrances and exits from and to public streets, sidewalks, landscaping, lighting facilities, Utility Facilities, fire corridors, restrooms, truck ramps, loading facilities and docks, as the same may exist from time to time.

4.2 Common Area Expenses: Landlord's actual costs of owning, operating, maintaining and repairing the Common Areas with respect to periods within the Lease Term, including but not limited to, all costs with respect to such periods incurred by Landlord with respect to the following: security services, if any, (except that Landlord shall not be required to provide any security services at any time); lighting, cleaning, removing debris from, maintaining, restriping and repairing the parking areas; providing signs or personnel for traffic control; providing and maintaining landscaping in the Common Area; maintaining, repairing and lighting traffic islands, loading and service areas, service drives, and drainage facilities; cleaning, maintaining, repainting and repairing exterior walls of buildings within the Center; maintaining and repairing Utility Facilities; maintaining, repairing and replacing roofs; any fees, dues or other charges required to be paid to any person, association or entity pursuant to the terms of any covenants, conditions or restrictions of record affecting the Center; maintenance, repair, inspection and depreciation (solely in Landlord's discretion) of all machinery and equipment used in the operation or maintenance of the Common Area; Insurance Charges and Tax Charges; the cost of any item used in connection with the operation, maintenance or repair of the Common Area, provided that if any such item costs more than \$10,000.00 and is, in Landlord's reasonable judgment, properly considered a capital item, the cost of such item (including financing costs) shall be spread over the life of such item (as reasonably determined by Landlord) and only the portion of such cost which pertains to the period in question shall be included in the Common Area Expenses for such period; and wages and salaries of all personnel engaged in the operation, reasonable management fees, maintenance, traffic control or access control of the Center, including taxes, insurance, and benefits relating thereto (provided, however, that if during the Lease Term such personnel or entities are working on projects being periodically developed or operated by Landlord as well as the Center, their wages, salaries, fees, and related expenses, shall be appropriately allocated by Landlord among all of such projects and only that portion of such expenses reasonably allocable to the Center shall be included in the calculation of the Common Area Maintenance Fee); plus an amount equal to 15% of all of the foregoing costs (excluding salaries and expenses of such property managers for purposes of such calculation only) to cover Landlord's administrative costs. Common Area Expenses shall not increase by more than 7% per year, excluding Taxes and Insurance costs.

4.3 Landlord shall operate and maintain the Common Area in such manner as Landlord in its sole discretion determines to be in the best interests of the Center. Landlord reserves the right at its sole discretion to change from time to time the size, dimensions and location of the Common Area as shown on Exhibit "A-1," including without limitation, the entrances, exits, lanes, size, boundaries and location of the parking areas; and the size, dimensions, identity and type of any building(s) shown on Exhibit "A-1"; and has the further right to construct any structure, or improvements, temporary or permanent, on any part of the Common Area without the consent of the Tenant subject to no restriction except that without the prior consent of Tenant (subject to the provisions of Articles XIII and XIV hereof), there shall be no material reduction of the size and dimension of, or access to the Premises. So long as Tenant is not in default hereunder, Tenant and its Permittees shall have the nonexclusive license to use the Common Area as constituted from time to time in common with Landlord, other tenants of the Center and other persons entitled to use the same, which license shall be subject to reasonable rules

and regulations as Landlord may from time to time prescribe. Tenant shall not solicit any business within the Common Area or take any action which would interfere with the rights of other persons to use the Common Area.

4.4 The use of the Common Area by employees of Tenant may be restricted by Landlord from time to time. Landlord shall have the right to maintain and operate lighting facilities on all the parking areas and to control all the parking and other Common Area, and to make reasonable rules regulating the use thereof, including, without limitation, the right to designate and regulate employee parking areas, and to do and perform such other reasonable acts with respect to the Common Area as in the judgment of Landlord and Landlord's counsel may be legally necessary, including temporarily closing any part of the Common Area to prevent a dedication thereof to the public or to prevent the public from obtaining prescriptive rights. Without limitation of the foregoing, Landlord expressly reserves the right to require that Tenant and other tenants in the Shopping Center cause their employees to park only in areas specifically designated by Landlord.

4.5 Tenant's "Common Area Maintenance Fee" (sometimes herein referred to as "CAM") for the period commencing on the Commencement Date, and ending on the Termination Date. During December of each calendar year or as soon as possible thereafter as practicable, Landlord will give Tenant written notice of its estimated of CAM rent payable for the ensuing calendar year. On or before the first of each month during the ensuing calendar year, Tenant will pay to Landlord 1/12th of such estimated amounts, provided that if such notice is not given in December, Tenant will continue to pay on the basis of the prior's estimate until the month after notice is given. Within one hundred twenty (120) days after the end of each year during the Lease Term, Landlord shall compute and determine the actual Common Area Expenses for the relevant prior calendar year. Landlord shall give Tenant notice of such Common Area Expenses and notice of Tenant's Common Area Maintenance Fees payable with respect to such period. If Tenant's actual Common Area Maintenance Fee with respect to such period exceeds the amount therefor previously paid by Tenant, Tenant shall pay Landlord the deficiency in each such case within 30 days following notice from Landlord; however, if the aforesaid amount previously paid by Tenant towards Tenant's actual Common Area Maintenance Fee is in excess of Tenant's actual Common Area Maintenance Fee with respect to such period, then the balance thereof shall be held by Landlord and applied to the payment of Tenant's Common Area Maintenance Fee next due; except that any amounts remaining at the termination of this Lease shall be offset against any amounts then owing by Tenant to Landlord under any of the terms of this Lease, and any remaining net surplus shall then be refunded by Landlord to Tenant.

ARTICLE V. USE AND CARE OF PREMISES.

5.1 The Premises shall be used and occupied by Tenant only for the Permitted Use under Tenant's Trade Name, and for no other purpose or use, and under no other trade name, without the prior written consent of Landlord. Tenant acknowledges that actual and substantial detriment will result to Landlord and the other tenants of the Center in the event there is a deviation from the Permitted Use without the prior written consent of Landlord. Tenant shall not make or permit any unlawful use of the Premises. Tenant shall not at any time leave the Premises vacant, but shall in good faith continuously throughout the term of this Lease conduct and carry on in the Premises the type of business for which the Premises are leased, in accordance with the best standards of operation of such business, for at least 40 hours of every week. In the event the exterior lights for the Premises are individually controlled by Tenant from the Premises, then Tenant, at Tenant's sole cost and expense, shall keep all lights illuminating its exterior sign, if any, and all lights on the canopy in front of the Premises illuminated from dusk through 10 o'clock P.M. every day, Monday through Sunday. If Landlord controls all exterior lighting, all costs incurred by Landlord in connection therewith shall be included in the Common Area Maintenance Fee.

5.2 Tenant shall not, without Landlord's prior written consent, perform any act or fail to perform any act, keep anything within the Premises or use the Premises for any purpose that increases the insurance premium cost or invalidates any insurance policy carried on the Premises or on other parts of the Center. If Landlord does give written consent to Tenant pursuant to the above sentence, then Tenant shall be liable, at its sole cost and expense, for the amount of any increase in the insurance premium cost resulting from such act or omission to which Landlord has consented.

5.3 The term "Hazardous Substances," as used in this Lease, shall mean pollutants, contaminants, toxic or hazardous wastes, radioactive materials or any other substances, the use and/or the removal of which is required or the use of which is restricted, prohibited or penalized by any "Environmental Law," which term shall mean any federal, state or local statute, ordinance, regulation or other law of a governmental or quasi-governmental authority relating to pollution or protection of human health or the environment or the regulation of the storage or handling of Hazardous Substances. Tenant hereby agrees that: (i) no activity will be conducted on the Premises that will produce any Hazardous Substance; (ii) the Premises will not be used in any manner for the storage of any Hazardous Substances; (iii) Tenant will not permit any Hazardous Substances to be brought onto the Premises or the Center. If at any time during or after the term of this Lease, any Hazardous Substance is found located on the Premises, or on the Center resulting from the actions of Tenant, Tenant's agents, employees or contractors, or anyone for whose actions Tenant is liable, the same shall at Landlord's election either (x) be immediately removed by Tenant, with proper disposal, and all required clean-up procedures shall be diligently undertaken by Tenant at its sole cost pursuant to all Environmental Laws or (y) Landlord may remove the same, and Tenant shall, within 10 days after a demand from Landlord, reimburse Landlord for all actual costs of inspection, monitoring and/or remediation. Tenant shall make all notifications and shall obtain and maintain in full force all permits, licenses, registrations, or similar authorizations required under any Environmental Law for the operations or activities of Tenant at the Premises. Tenant shall store, use, handle or dispose of all permitted Hazardous Substances, necessary for use and operation of Tenant's business, used on the Premises in the ordinary course of Tenant's business in strict compliance with all Environmental Laws. The terms of this Section 5.3 shall survive the termination or expiration of this Lease.

5.4 Tenant shall not, without Landlord's prior written consent, conduct or permit to be conducted within the Premises any fire, auction, bankruptcy, "lost-our-lease," "going-out-of-business," or similar sales; nor permit any objectionable or unpleasant odors or loud noises to emanate from the Premises; nor place or permit any radio, television or other antenna, loud speaker or amplifier, or flashing lights on the roof or outside the Premises or where the same can be seen or heard outside the building; nor place or display any signs, advertisements or other items (other than permitted under Section 8.1) in any windows or glass store fronts. In no event shall Tenant take any other action which would disturb or endanger other tenants of the Center, or unreasonably interfere with their use of their respective premises or create a nuisance, or omit an unreasonable odor from the Premises or create an annoyance to Landlord or to other tenants.

5.5 Tenant, at its sole cost and expense, shall obtain (and upon request deliver to Landlord) all permits and licenses and pay all fees required for the transaction of its business in the Premises. Tenant shall not violate any applicable laws, ordinances, rules, governmental regulations, or restrictive covenants now in force or which may hereafter be in force pertaining to the Premises or the operation of Tenant's business therein. Tenant acknowledges that the Center may be subject to restrictive covenants that may affect Tenant's business at the Premises. Tenant hereby waives any claims or causes of action against Landlord arising out of any violation by Tenant of any applicable restrictive covenants. Tenant shall reimburse Landlord for Tenant's Proportionate Share of property owners' association dues and assessments, if any, within 30 days after a request for payment from Landlord.

5.6 Tenant shall take good care of the Premises and keep the same free from waste or nuisance at all times. Tenant shall not locate or install or cause to be located or installed on the sidewalks, service area, service corridors or other portions of the Common Area (as applicable) immediately adjoining the Premises or on the storefront any bicycle racks, newspaper holder stands, vending machines of any kind, mailboxes, telephone booths, trash or refuse receptacles, "no parking" or "reserved parking" signs or any other device of a similar nature without the prior written approval of Landlord. Tenant shall keep the Premises, including windows and signs and service ways, loading areas and other portions of the Common Area immediately adjacent to the Premises neat, clean, and free from dirt or rubbish at all times and shall store all trash within the Premises, and shall arrange for the regular pickup of such trash and garbage at Tenant's expense. In the event Tenant fails to do so, then Landlord shall have the right to cause such trash to be picked up at the sole cost and expense of Tenant. Tenant shall on demand pay any cost and expense of picking up such trash incurred by Landlord plus 10% of such cost and expense (to cover Landlord's overhead and administrative costs with respect thereto). All trash receptacles or dumpsters installed by Tenant must comply with any statute, ordinance, rule, regulation, or restrictive covenant

now or hereafter in force governing the location, use or manner of their placement or Landlord shall have the right to remove from the Center without notice any such receptacles that do not so comply. Tenant shall also maintain its grease traps (if any), and keep all pipes and drains free from obstruction and shall be responsible for all damages or loss resulting from Tenant's failure to do so. Tenant shall be solely responsible for any fine, penalty or damage that may result from its failure to comply with this Section. Receipt and delivery of goods and merchandise and removal of trash shall be made only by way of the service entrance, and shall be subject to such regulations as Landlord may from time to time prescribe. Without limitation of the foregoing, Landlord shall have the right to require that Tenant share a dumpster with one or more other tenants in the Shopping Center; in such event, Landlord shall make arrangements for such dumpster to be emptied on a regular basis and Tenant shall pay to Landlord as Rent, Tenant's Proportionate Share of such dumpster charges.

ARTICLE VI. MAINTENANCE AND REPAIR OF PREMISES.

6.1 Landlord shall maintain only the foundation, the structural portions of the exterior walls (except store front, windows, plate glass, doors, door closure devices, window and door frames, moldings, locks, hardware and painting and other treatment of interior walls, which shall all be maintained by Tenant) and roof of the Premises in good repair; provided, however, that Landlord shall not be required to make any repairs occasioned by the act, omission or negligence of Tenant, or its Permittees, it being expressly agreed that any loss, damage or injury arising out of, or as a result of Tenant's acts or omissions, shall be the sole obligation of Tenant. In the event that the Premises should become in need of repairs required to be made by Landlord hereunder, Tenant shall give immediate written notice thereof to Landlord; and Landlord shall not be responsible in any way for failure to make any such repairs until a reasonable time shall have elapsed after delivery of such written notice.

6.2 Tenant shall maintain the Premises clean, and in good order and condition and shall make all needed repairs thereto (except only for repairs required to be made by Landlord under the provisions of Section 6.1 above), including, without limitation, mechanical, electrical and plumbing, HVAC, maintenance of all doors and doorways, all utility connections and replacement of cracked or broken glass. Tenant shall comply at its sole cost and expense with all governmental laws, ordinances and regulations applicable to the Premises. If any repairs required to be made by Tenant hereunder are not made within 10 days after written notice has been delivered to Tenant by Landlord, Landlord may at its option, in addition to its other remedies hereunder, make such repairs without liability to Tenant for any loss or damage which may result to Tenant's stock or business by reason of such repairs. Tenant shall pay to Landlord upon demand the actual cost of such repairs plus 10% of such cost (to cover Landlord's overhead and administrative costs with respect thereto). Without limitation of the foregoing, Tenant, at Tenant's cost, shall have sole responsibility for maintenance and upkeep of the heating, ventilating and air conditioning system, the sprinkler system (if any), that portion of the sewer system which exclusively serves the Premises (unless damage to the Center's sewer system is caused by Tenant's use or misuse, in which event Tenant shall be responsible for the repair of all damage caused thereby).

6.3 Any Tenant Work or other alterations or modifications of the Premises causing venting, opening, sealing, waterproofing or in any way penetrating or altering of the roof ("Roof Modifications") shall be performed at Tenant's expense by Landlord's contractor ("Roof Contractor"). In the event any such Roof Modifications are to be made, Tenant shall notify Landlord thereof, and shall furnish Landlord a reasonably detailed statement of the work to be performed on the roof, and must first receive Landlord's written consent to Tenant's proposed work on or through the roof.

6.4 Tenant has inspected the Premises, is familiar with its condition and accepts same in its present "AS IS" condition, including any latent defects. Tenant acknowledges that Landlord is not obligated to do any further construction or make any additional improvements to the Premises except which is set out in Exhibit C-1.

ARTICLE VII. ALTERATIONS AND FIXTURES.

7.1 Tenant shall not, without on each occasion obtaining Landlord's prior written consent: (a) alter or change the exterior or architectural treatment of the Premises; (b) paint or decorate any part of the exterior of the

Premises; (c) make any alterations or additions to the Premises or permit the making of any holes in the walls, ceilings or floors thereof or in the roof of any of the building; (d) injure, overload, deface or otherwise harm the Premises or any part thereof; or (e) permit the use of any forklift or tow truck, or any other mechanically powered machine or equipment for handling freight in the Premises or other portion of the Center; provided, however, that Tenant may perform Tenant's Work and install unattached, movable furniture and trade fixtures and equipment. All repairs, replacements, alterations, additions, improvements, plate glass, exterior doors, overhead sprinkler systems (if any), floor coverings and fixtures (other than unattached, movable trade fixtures) including all air conditioning, electrical, mechanical and plumbing machinery and equipment, exhaust hoods and water heaters, which may be made or installed by either party hereto upon the interior or exterior of the Premises shall become the property of Landlord without credit or compensation to Tenant at the termination of this Lease for any reason whatsoever, and at the termination of this Lease shall remain upon and be surrendered with the Premises, unless Landlord requests their removal, in which event Tenant shall, prior to such termination, remove the same and restore the Premises to their original condition, normal wear and tear excepted, at Tenant's expense. At the expiration of the Lease Term (and provided Tenant is not then in default under this Lease), all moveable trade fixtures and equipment owned by Tenant used at (and not permanently attached to) the Premises shall be promptly removed by Tenant.

ARTICLE VIII. SIGNS AND STORE FRONTS.

8.1 Tenant, at Tenant's cost, shall install a storefront sign on the fascia above the Premises, provided however Tenant shall first furnish Landlord with specifications of such sign, and Tenant must first receive Landlord's written approval of such sign before installing the same. Tenant shall not, without Landlord's prior written consent in each instance: (a) make any changes to the store front, (b) install any exterior lighting, shades or awnings, or any exterior decorations or paintings, (c) place or install any reflective material on the doors, windows or store front, or (d) erect or install any signs, window or door lettering, placards, decorations, banners or advertising media of any type which can be viewed from the exterior of the Premises, except only dignified displays which comply with all applicable statutes, codes, ordinances, orders, regulations and restrictive covenants and which are first approved by Landlord. Tenant shall, at its sole cost and expense, install on or before the Commencement Date a sign (first approved by Landlord, in writing, and at a location approved by Landlord), displaying the Tenant's trade name, and Tenant shall maintain the same in good order and repair at all times during the Lease Term. All signs shall comply with all applicable statutes, codes, ordinances, rules, regulations and restrictive covenants and the sign specifications approved by Landlord, in writing, and in accordance with Exhibit "D" hereto. No portable or trailer signs nor any grand opening signs or banners of any kind shall be permitted. Landlord shall have the right to enter the Premises, if necessary, and remove any items placed by Tenant on the Premises or in the Center in violation of this Section. Use of the roof is reserved exclusively to Landlord.

8.2 All of Tenant's signage shall be paid for and installed at Tenant's sole cost and expense. Tenant shall have the sole responsibility to obtain all necessary licenses and permits for Tenant's sign.

8.3 Landlord may provide a multi-tenant pylon sign, and in such event shall provide space for Tenant's individual sign thereon, at a location approved by Landlord. Tenant shall furnish, at Tenant's cost, the panel to be placed on the pylon sign and Tenant shall pay Tenant's Proportionate Share of electricity (if the sign is electric) to light Tenant's panel on the sign. Tenant's Proportionate Share of the pylon shall be the number of square feet of Tenant's sign as it bears to the number of square feet of all tenant signs on the pylon. Tenant shall also pay, at Tenant's cost, the actual charges incurred for maintenance, repair and replacement (if necessary) of Tenant's sign panel.

ARTICLE IX. UTILITIES.

Tenant shall pay at its sole cost and expense the sums required to have connected all utility services to the Premises, including, but not limited to, any and all utility deposits and tap and meter fees, impact fees and any other fees applicable as assessed by any governing authorities. Tenant shall reimburse Landlord for its Proportionate Share of the above referenced fees which may be advanced by Landlord. Tenant shall promptly

pay all charges for electricity, water, gas, telephone service and all other utilities furnished to the Premises. Any or all utility service(s) furnished to the Premises will, at Landlord's election, be separately metered. If separate metering is so used, Tenant shall, at Landlord's election, either make payments for use of such utility service(s) directly to the public utility which provides the service(s) or to Landlord who (provided Tenant is not in default hereunder) shall make the required payments to the public utility. If separate metering is not used for any or all utility service(s), Tenant shall pay to Landlord Tenant's Proportionate Share of the actual cost of providing such service(s) to the Center. Landlord shall not be liable for any interruption whatsoever in utility services. No interruption of utility service shall be construed as either a constructive or actual eviction of Tenant, nor work an abatement of Rent, nor relieve Tenant from fulfilling any covenant or condition of this Lease.

ARTICLE X. INSURANCE AND INDEMNITY.

10.1 Tenant shall indemnify and hold Landlord harmless from and against any and all claims, actions, demands, liens, costs, damages, expenses and liabilities whatsoever including, but not limited to, attorneys' fees and court costs, arising out of any claims of any person or persons on account of or by reason of: (a) any occurrence in the Premises from the date the Premises are delivered to Tenant, until Tenant fully vacates the Premises; (b) the negligence or willful misconduct of Tenant or its Permittees in, on or about the Premises and/or Center; (c) any default by Tenant hereunder; and/or (d) any violation of any Environmental Law, or release of Hazardous Substances, by Tenant or its Permittees. This Section shall survive the termination of this Lease.

10.2 (a) Tenant shall throughout the Lease Term carry and maintain, at Tenant's cost and expense, the following types of insurance, in the amounts specified and in the forms hereinafter provided:

(i) Commercial general liability insurance on an "occurrence" basis against all claims on account of liability of Tenant, with limits of not less than \$1,000,000.00 per occurrence and \$2,000,000.00 as a general aggregate. Tenant's commercial general liability insurance shall include Broad Form Property Damage, Personal Injury Liability Insurance (with the Employee's Exclusion deleted) with a limit of \$300,000.00 per occurrence, Products Liability Insurance, Independent Contractor's Liability Insurance and Blanket Broad Form Contractual Liability Insurance.

(ii) Property insurance written on the broadest available "all-risk" policy form covering all the items in, on, or upon the Premises (exclusive only of the Building Shell), and all alterations, additions or changes made by Tenant pursuant to the terms of this Lease, in an amount not less than the full replacement cost thereof from time to time during the Lease Term, providing protection against perils included within the standard Texas form of fire and extended coverage insurance policy with a broad form endorsement covering sprinkler damage (but Landlord makes no representation that the Premises or any other portion of the Center is equipped with a sprinkler system), vandalism and malicious mischief;

(iii) Plate glass insurance covering all plate glass, if any, in the Premises other than interior display cases; and

(iv) Worker's compensation insurance as required by law; and

(v) Such other insurance against other insurable hazards as Landlord may from time to time reasonably require.

(b) All policies of insurance described in this Section shall be issued in form acceptable to Landlord by solvent insurance companies and qualified to do business in the State of Texas. Each such policy shall name Landlord [and any other party in interest from time to time designated by written notice by Landlord to Tenant (including Landlord's lender)] as an additional insured. Each such policy shall be primary insurance for all claims under such policy and provide that any insurance carried by Landlord or any other party in interest is strictly excess, secondary and non-contributing with any insurance carried by Tenant.

Executed copies of each such policy of insurance or a certificate thereof shall be delivered to each of Landlord and such other parties in interest within ten (10) days after the date the Premises is delivered to Tenant, and thereafter within 30 days prior to the expiration of each such policy. Tenant's liability policies will be endorsed as needed to provide cross-liability coverage for Tenant, Landlord and any lender of Landlord, and will provide for severability of interests. All such policies shall contain a provision that the company writing said policy will give to Landlord and such other parties in interest at least 30 days notice in writing in advance of any cancellation, change, modification, lapse, or the effective date of any reduction in the amount of insurance. In addition, Tenant shall furnish Landlord a copy of the policy (policies) within seven (7) days after Landlord requests the same.

(c) If Tenant fails to have a certificate of such policy on deposit with Landlord at any time during the Lease Term (and prior thereto in the event of any entry into possession by Tenant prior to the Commencement Date or subsequent to the date of termination hereof in the event of a holdover), then Landlord shall have the right (but no obligation) to take out and maintain such an insurance policy, and if Landlord does so Tenant shall pay to Landlord on demand the amount of the premium applicable to such policy of insurance plus 10% of the cost thereof (to cover Landlord's overhead and administrative costs in connection therewith).

ARTICLE XI. NON-LIABILITY FOR CERTAIN DAMAGES.

Landlord shall not be liable to Tenant for any injury to person or damage to property caused by the Premises becoming out of repair or by gas, water, steam, electricity or oil leaking or escaping into the Premises (except where due to Landlord's willful failure to make repairs required to be made by Landlord hereunder, after the expiration of a reasonable time after written notice to Landlord of the need for such repairs), nor shall Landlord be liable to Tenant for any loss or damage that may be occasioned by or through the acts or omissions of other tenants of the Center or of any other persons whatsoever, except only willful acts of duly authorized employees and agents of Landlord. All property left, stored or maintained within the Premises shall be at Tenant's sole risk. Tenant shall insure all of its furniture, fixtures, equipment and personal property in the Premises, Landlord shall have no obligation therefor.

ARTICLE XII. ACCESS TO PREMISES.

Landlord shall have the right to enter upon the Premises at all reasonable hours for the purpose of inspecting them, making repairs to the Premises, making repairs, alterations or additions to adjacent premises, conducting environmental inspections, or curing any default of Tenant hereunder that Landlord elects to cure. Landlord shall not be liable to Tenant for any expense, loss or damage from any such entry upon the Premises. Tenant shall permit Landlord, at any time within 180 days prior to the expiration of this Lease, to place upon the Premises a "For Lease" sign, and during such 180 day period, Landlord or its agent may, during normal business hours, enter upon the Premises and exhibit same to prospective tenants.

ARTICLE XIII. DAMAGE BY CASUALTY.

13.1 Tenant shall give immediate written notice to Landlord of any damage caused to the Premises by fire or other casualty.

13.2 In the event the Premises are damaged or destroyed by fire or other casualty insured or insurable under standard fire and extended coverage insurance and Landlord does not elect to terminate this Lease as hereinafter provided, Landlord shall proceed with reasonable diligence, and at its cost and expense, to rebuild and repair the Premises as set forth in Section 13.3 hereof. If the building in which the Premises is located is damaged or destroyed by fire or other casualty so as to render untenable more than 15% of the entire Floor Area of such building, then Landlord may elect either to terminate this Lease or proceed to rebuild and repair the Premises. Landlord shall give written notice to Tenant of such election within 60 days after the occurrence of such casualty, and, if it elects to rebuild and repair, shall proceed to do so with reasonable diligence.

13.3 Notwithstanding any provisions herein to the contrary, Landlord's obligation to rebuild and repair under this Article XIII shall be limited to construction of the Building Shell, normal wear and tear excepted. Further, Landlord shall have no obligation to repair and rebuild the Premises unless and until insurance proceeds are made available therefor by all mortgagees of Landlord and all insurance companies with policies on the Premises or the building in which the Premises are located. Promptly after completion by Landlord of such construction Tenant will proceed with due diligence, and at its sole cost and expense, to rebuild, restore and repair its signs, fixtures, equipment and other items and to restore the Premises to a condition similar to its condition prior to the casualty, and re-open for business.

13.4 During any period of reconstruction or repair of the Premises, this Lease shall continue in full force and effect, except that Minimum Rent shall be abated for the length of time necessary for the reconstruction or repairs by Landlord as provided in Section 13.3, in proportion to the amount of Floor Area of the Premises rendered unusable; provided that such abatement shall not operate to extend the Lease Term. If the damage to the Premises is caused by the negligence or willful misconduct of Tenant or its Permittees, no Rent shall abate. To the extent not prohibited by applicable law, Tenant waives the provisions of any rule of law or statute now or hereafter in force giving Tenant any right to terminate this Lease or abate Rent hereunder or claim partial or total (constructive or actual) eviction because of fire or other casualty.

13.5 In the event the Lease is terminated pursuant to this Article XIII, Tenant shall prior to such termination pay and/or assign to Landlord any insurance proceeds received or to be received by Tenant with respect to damage to any leasehold improvements in the Premises.

13.6 Notwithstanding anything herein to the contrary, neither Landlord nor Tenant shall be liable (by way of subrogation or otherwise) to the other party (or to any insurance company insuring the other party) for any loss or damage to any of the property of Landlord or Tenant, as the case may be, to the extent such loss or damage is covered by insurance even though such loss or damage might have been caused by the negligence of the Landlord or Tenant or their respective employees, agents, servants or invitees. Nothing herein shall relieve either party from damages resulting from malicious or intentional acts of such party, its agents, representatives, employees or invitees.

13.7 Notwithstanding anything herein to the contrary, in the event of damage to the Building or the Premises (i) to such an extent that the remaining Term of this Lease is not sufficient, in Landlord's reasonable judgment, to amortize the cost of reconstruction, or (ii) insurance proceeds received by Landlord are not sufficient (in Landlord's judgment) to restore the Premises to its condition immediately prior to the casualty or damage, or (iii) any damage or destruction to the Building or the Premises occurs during the last twelve (12) months of the Term of this Lease, Landlord may elect to terminate this Lease and thereupon the parties shall be relieved from all obligations hereunder, each to the other.

ARTICLE XIV. EMINENT DOMAIN.

14.1 If the whole or any part equal to or greater than 15% of the Floor Area of the Premises should be taken for any public or quasi-public use under any governmental law or regulation or by right of eminent domain or by private purchase in lieu thereof, then at the option of either party hereto this Lease shall be cancelled and both parties shall be relieved of all obligations herein imposed. Should this Lease be so cancelled, then Tenant shall have no claim against Landlord to any portion of the amount that may be awarded as damages or paid as a result of such involuntary conversion whether brought about by suit or agreement for the cancellation of this Lease or for Tenant's leasehold interest or leasehold improvements; any and all of such amounts shall belong to Landlord and all rights of Tenant to damages therefor, if any, are hereby assigned by Tenant to Landlord. Tenant shall, however, have the right to claim and recover from the condemning authority, but not from Landlord (and only to the extent that such recovery by Tenant shall not diminish the amounts recoverable by Landlord), such compensation as may be separately awarded or recoverable by Tenant in Tenant's own right on account of any and all damage to Tenant's business by reason of the condemnation and for or on account of any cost or loss which Tenant might incur in removing Tenant's merchandise, furniture, trade fixtures, or equipment from the Premises.

14.2 If less than 15% of the Floor Area of the Premises should be taken for any public or quasi-public use under any governmental law, ordinance or regulations or by right of eminent domain or by private purchase in lieu thereof, this Lease shall not terminate but Minimum Rent payable hereunder during the unexpired portion of this Lease shall be reduced in proportion to the reduction of the Floor Area in the Premises resulting from such taking from and after the date of such taking. In the event of such a taking, Tenant shall have the right to recover damages suffered or sustained by Tenant as a result of such taking only with respect to property which upon the termination of this Lease would belong to the Tenant, but Tenant shall have no claim against Landlord and shall not have any claim or right to any portion of the amount that may be awarded as damages or paid as a result of such taking for the loss of any part of Tenant's leasehold interest, leasehold improvements, and any and all of such amounts shall belong to Landlord and all rights of Tenant to damages therefor, if any, are hereby assigned by Tenant to Landlord.

14.3 If any part of the Common Area should be taken for any public or quasi-public use under any governmental law, ordinance or regulation, or by right of eminent domain, or by private purchase in lieu thereof, this Lease shall not terminate, nor shall Rent payable hereunder be reduced, nor shall Tenant be entitled to any part of the award made for such taking.

ARTICLE XV. ASSIGNMENT AND SUBLETTING; SALE OF PREMISES.

15.1 Tenant shall not assign, mortgage, pledge or in any manner transfer this Lease or any estate or interest therein, or sublet the Premises or any part thereof, without the prior written consent of Landlord. Tenant acknowledges that this Lease is personal to Tenant for the Permitted Use under the Tenant's Trade Name, and that Landlord may withhold its consent in its sole discretion for any reason whatsoever and may further condition any consent on an increase in Rent or any other changes in the terms and conditions hereof. Consent by Landlord to one or more assignments, sublettings or other transfers shall not operate as a waiver of Landlord's rights as to any subsequent assignments, sublettings or other transfers. Notwithstanding any permitted assignment, subletting or other transfer, Tenant shall at all times remain fully responsible and liable for the payment of all Rent and for compliance with all its other obligations under this Lease.

15.2 Any transfer of this Lease from Tenant by merger, consolidation or dissolution or any change in ownership or power to vote a majority of the voting stock in Tenant outstanding at the time of execution of this Lease shall constitute an assignment for the purpose of this Lease. 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, any merger, consolidation or dissolution of any such corporation or any change in ownership or power to vote a majority of the voting stock in any such corporation outstanding on the Effective Date shall constitute an assignment for the purpose of the Lease. If Tenant is a general partnership (whether or not 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.

15.3 In the event of the sale or transfer or assignment by Landlord of its interest in the Center, or in this Lease to any person or entity assuming Landlord's obligations under this Lease, Landlord shall thereby be released from further obligations hereunder and Tenant shall look solely to the successor-in-interest of the Landlord for any responsibility hereunder after the date of the assignment. Any security given by Tenant to secure performance of its obligations hereunder may be assigned and transferred by Landlord to such successor-in-interest of Landlord and Landlord shall thereby be discharged of any further obligation relating thereto. In the event of a transfer, assignment or of the Project and/or this Lease, Tenant agrees to be bound to attorn to such transferee, assignee or purchaser as if such transferee, assignee or purchaser were the original Landlord hereunder.

15.4 Should Tenant request of Landlord the right to assign or sublet, Tenant shall pay Landlord \$750.00 as part of Landlord's administration fee upon the request for assignment presented to Landlord.

ARTICLE XVI. PROPERTY TAXES.

16.1 Landlord shall pay, or cause to be paid, all Real Estate Taxes which may be lawfully charged, assessed or imposed on the Center; provided, however, that if authorities having jurisdiction assess Real Estate Taxes which Landlord deems excessive, Landlord may defer compliance therewith to the extent permitted by applicable laws so long as the validity or amount thereof is contested by Landlord in good faith and so long as Tenant's occupancy of the Premises is not disturbed or threatened.

16.2 Tenant shall pay, as and when due, all taxes which may be lawfully charged, assessed or imposed upon all trade fixtures, equipment and other personal property of every type in the Premises, and all license fees which may be lawfully imposed upon the business of Tenant conducted upon the Premises. If any such taxes for which Tenant is liable are levied against Landlord or Landlord's property and if Landlord elects to pay the same or if the assessed value of Landlord's property is increased by inclusion of personal property and trade fixtures placed by Tenant in the Premises and Landlord elects to pay the taxes based on such increase, Tenant shall pay to Landlord upon demand that part of such taxes for which Tenant is primarily liable hereunder.

ARTICLE XVII. EVENTS OF DEFAULT AND REMEDIES.

17.1 Landlord has entered into this Lease upon the condition that Tenant shall punctually and faithfully perform all of Tenant's covenants, conditions and agreements. Each of the following events shall be deemed to be an event of default of Tenant hereunder (each of which is sometimes referred to herein as an "Event of Default"):

- (a) failure of Tenant to pay any installment of Rent hereunder on or before the 5th day after written notice from Landlord to Tenant of such failure to pay; PROVIDED HOWEVER, if Landlord has given to Tenant two (2) such notices within any one consecutive twelve (12) month period during the Term of this Lease, Landlord shall not be required to give any further notices, and any further (third, with any 12 consecutive month period) default shall be considered and uncurable default, Tenant hereby expressly waiving all further notices;
- (b) failure of Tenant to keep the Premises open for business during the hours provided for herein and such failure occurs on seven (7) or more days in any calendar year;
- (c) the vacation or abandonment of the Premises by Tenant for more than ten (10) consecutive days;
- (d) failure of Tenant to observe or perform any other covenant, term or condition set forth in this Lease and Tenant has failed to commence to cure such default (and to thereafter prosecute cure of such default to completion with reasonable diligence) within 15 days from the date of written notice thereof from Landlord to Tenant; provided, in all events Tenant shall cure such default not later than 30 days after receipt of notice thereof from Landlord;
- (e) Tenant or any Guarantor shall generally not pay its debts as they become due or shall admit in writing its inability to pay its debts, or shall make a general assignment for the benefit of creditors; or Tenant or any Guarantor shall commence any case, proceeding or other action seeking to have an order for relief entered on its behalf as debtor or to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, or seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its property; or Tenant or any Guarantor shall take any corporate action to authorize, or in contemplation of, any of the actions set forth above in this subsection (e);
- (f) any case, proceeding or other action against the Tenant or any Guarantor shall be commenced seeking to have an order for relief entered against it as debtor or to have it adjudicated a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of

it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, or seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its property, and such case, proceeding or other action (i) results in the entry of an order for relief against it which is not fully stayed within seven business days after the entry thereof, or (ii) shall remain undismissed for a period of 30 days; or

(g) any other failure or default of any covenant of Tenant which is required pursuant to any other provision of this Lease.

17.2 Upon the occurrence of any of such Events of Default, Landlord shall have the option to pursue any one or more of the following remedies without any notice or demand whatsoever:

(a) Terminate this Lease, or terminate Tenant's rights (including, but not limited to, Tenant's right of possession) under this Lease (but not its obligations), and in either event Landlord shall have the right to immediate possession of the Premises and may reenter the Premises, and remove all persons and property there from by any lawful means, without being guilty in any manner of trespass or otherwise; and any and all damages to Tenant, or persons holding under Tenant, by reason of such re-entry are hereby expressly waived; and any such termination or re-entry on the part of Landlord shall be without prejudice to any remedy available to Landlord for arrears of Rent, breach of contract, damages or otherwise, nor shall the termination of this Lease or of Tenant's rights under this Lease by Landlord acting under this subsection be deemed in any manner to relieve Tenant from the obligation to pay the Rent and all other amounts due or to become due as provided in this Lease for and during the entire unexpired portion then remaining of the Lease Term. In the event of termination of this Lease or of Tenant's rights under this Lease by Landlord as provided in this subsection, Landlord shall use reasonable efforts to relet the Premises upon such terms, conditions and covenants as are deemed proper by Landlord for the account of Tenant, and in such event, Tenant shall pay to Landlord all costs of renovating and altering the Premises for a new tenant or tenants in addition to all brokerage and/or legal fees incurred by Landlord in connection therewith, and Landlord shall credit Tenant only for such amounts as are actually received from such relating during the remainder of the Lease Term. Alternatively, at the election of Landlord, Tenant covenants and agrees to pay as damages to Landlord, upon any such termination by Landlord of this Lease or of Tenant's rights under this Lease, such sum as at the time of such termination equals the amount of the excess, if any, of the then present value of all the Rent which would have been due and payable hereunder during the remainder of the full Lease Term (had Tenant kept and performed all agreements and covenants of Tenant set forth in this Lease) over and above the then present rental value of the Premises for said remainder of the Lease Term. For purposes of present value calculations, Landlord and Tenant stipulate and agree to a discount rate of six (6%) percent per annum.

(b) Without terminating this Lease, enter upon the Premises, by any lawful means, and without being guilty in any manner of trespass or otherwise and without liability for any damage to Tenant or persons holding under Tenant by reason of such re-entry, all of which are hereby expressly waived, and do or perform whatever Tenant is obligated hereunder to do or perform under the terms of this Lease; and Tenant shall reimburse Landlord on demand for any expenses or other sums which Landlord may incur or expend (plus 15% thereof to cover Landlord's overhead and administrative costs), pursuant to this Subsection (b), and Landlord shall not be liable for any damages resulting to Tenant from such action, whether caused by the negligence of Landlord or otherwise; provided, however, nothing in this subsection shall be deemed an obligation or undertaking by Landlord to remedy any such defaults of Tenant.

(c) Without waiving such Event of Default, apply all or any part of the Security Deposit to cure the Event of Default or to any damages suffered as a result of the Event of Default to the extent of the amount of damages suffered.

(d) Without waiving such Event of Default, apply to the cure thereof any overpayment by Tenant of Common Area Maintenance Fee, Insurance Charge or Tax Charge, in lieu of refunding or crediting same to Tenant.

(e) Pursuit of any of the foregoing remedies by Landlord shall not preclude pursuit of any other remedies herein provided Landlord or any other remedies provided by law, nor shall pursuit of any of the other remedies herein provided constitute a forfeiture or waiver of any Rent due Landlord hereunder or of any damages accruing to Landlord by reason of the violation of any of the terms, provisions and covenants herein contained. Forbearance by Landlord to enforce one or more of the remedies herein provided upon an Event of Default shall not be deemed or construed to constitute a waiver of such default.

(f) In the event of termination of this Lease, or termination of Tenant's right of possession of the Premises, Landlord shall use reasonable efforts to relet the Premises on such terms and conditions as Landlord in its good faith judgment may determine (including without limitation a term different than the Term, rental concessions, alterations and repair of the Premises) provided, however, that Landlord shall not be obligated to relet the Premises before leasing other unoccupied portions of the Center. In addition, Landlord shall have the right to decline to relet the Premises at rental rates below the then prevailing market rental rates for similar properties within a three (3) mile radius of the Center, or may decline to relet to a prospective tenant if the nature of such tenant's business is inconsistent with the overall tenant mix in the Center, or if the creditworthiness or reputation of a replacement tenant is not satisfactory to Landlord (in Landlord's reasonable discretion), or if Landlord is required to incur out of pocket expenses which are not acceptable to Landlord. In no event shall Tenant be entitled to any excess rents which may be received by Landlord from such reletting.

(g) In the event Tenant fails or refuses to make timely and punctual payment of any Minimum Rent, additional rent or other sums payable or charges due under this Lease as and when the same shall become due and payable, or in the event of any breach of any of the terms or provisions of this Lease by Tenant, in addition to the other remedies available to Landlord, Landlord at its option, shall be entitled, and is hereby authorized, without any notice to Tenant whatsoever, to enter into and upon the Leased Premises by use of a master key, a duplicate key or any other peaceable means, and to change, alter and/or modify the doors locks on all entry doors of the Leased Premises, permanently excluding Tenant and its officers, principals, agents, employees, representatives and invitees therefrom. In the event that Landlord has repossessed the Leased Premises as aforesaid or has elected to terminate this Lease by reason of Tenant's default, Landlord shall not thereafter be obligated to provide Tenant with a key to the Leased Premises at any time, regardless of amounts subsequently paid by Tenant; provided, that in any such instance, during Landlord's normal business hours and at the convenience of Landlord, and upon receipt of a written request from Tenant accompanied by such written waivers and releases as Landlord may require, Landlord may, at its option, (1) escort Tenant or its authorized representative to the Leased Premises to retrieve any personal belongings or other property of Tenant not subject to the Landlord's lien or security interest described herein, or (2) obtain a list from Tenant of such personal property Tenant intends to remove, whereupon Landlord shall remove such property and make it available to Tenant at a time and place designated by Landlord. In the event Landlord elects option (2) above, Tenant shall pay, in cash and in advance, all costs and expenses estimated by Landlord to be incurred in removing such property and making it available to Tenant, including, but not limited to all moving and/ or storage charges theretofore incurred by Landlord. If Landlord elects to exclude Tenant from the Leased Premises without permanently repossessing the Leased Premises or terminating this Lease pursuant to the foregoing, then Landlord shall not be obligated to permit Tenant entry into the Leased Premises or provide Tenant with a key to re-enter the Leased Premises until such time as all delinquent rental and other sums, including interest and late charges thereon, if any, due under this Lease have been fully paid, and all other defaults, if any, have been completely cured to Landlord's satisfaction, and Landlord has been given assurances by Tenant reasonably satisfactory to Landlord evidencing Tenant's ability to satisfy its remaining obligations under this Lease. Landlord's remedies hereunder 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. It is intended that this paragraph, and the provisions herein contained, shall supersede and be paramount to any conflicting provisions of the Texas Property Code, as well as any successor statute governing the rights of landlords to change locks of commercial tenants.

ARTICLE XVIII. LANDLORD'S LIEN, SECURITY AGREEMENT AND ATTORNEY'S FEES.

18.1 To secure the payment of all Rent and the performance of all other obligations of Tenant hereunder, Tenant hereby grants to Landlord a security interest (as that term is defined in the Uniform Commercial Code as adopted in the State in which the Center is located) in all equipment, trade fixtures and other personal property which are now or hereafter located on or within the Premises, including all proceeds thereof. All lawful exemptions of such property or any part thereof are hereby waived by Tenant and such security interest shall be in addition to any statutory lien provided to landlords under the laws of the State of Texas. This Lease shall constitute a security agreement, as that term is defined in the Uniform Commercial Code as adopted in the State in which the Center is located. Tenant acknowledges that 10 days written notice of a sale under this security agreement shall be reasonable notice. Tenant, upon demand, shall execute and return to Landlord any financing statement or other document necessary to perfect the security interest granted herein, and Tenant hereby irrevocably appoints Landlord as Tenant's attorney-in-fact to execute and file any such financing statement or other document. Such power of attorney is coupled with an interest.

18.2 Landlord agrees to execute an agreement subordinating the security interest granted in Section 18.1 to that of a bona fide third party lender of Tenant for the purpose of financing Tenant's furniture, fixtures and equipment to be used by Tenant in connection with its business in the Premises, provided that:

- (a) such lender is not affiliated with Tenant or any Guarantor;
- (b) there is no Event of Default in existence at the time the subordination is requested;
- (c) Tenant discloses to Landlord the amount and terms of such lender's loan to Tenant; and
- (d) such subordination agreement describes with particularity the Collateral, and is in form reasonably acceptable to Landlord.

18.3 In the event Tenant defaults in the performance of any of the terms, covenants, agreements or conditions contained in this Lease and Landlord places the enforcement of this Lease, or any part thereof, or the collection of any Rent due or to become due hereunder, or recovery of possession of the Premises in the hands of an attorney, or files suit upon the same, Tenant agrees to pay to Landlord all costs of suit and/or other enforcement of Landlord's rights hereunder, including court costs and reasonable attorney's fees.

ARTICLE XIX. HOLDING OVER.

In the event Tenant remains in possession of the Premises after the expiration of this Lease and without the execution of a new lease, it shall be deemed to be occupying the Premises as a tenant at sufferance at a monthly Minimum Rent equal to 200% of the monthly Minimum Rent applicable hereunder during the last month of the Lease Term and otherwise subject to all the conditions, provisions and obligations of this Lease insofar as the same are applicable to a tenancy at sufferance.

ARTICLE XX. FINANCING; SUBORDINATION.

20.1 Tenant accepts this Lease subject and subordinate to any mortgage, deed of trust or other lien now or hereafter existing upon the Premises or the Center and any and all renewals, modifications and extensions thereof. Landlord is hereby irrevocably vested with full power and authority to subordinate this Lease to any mortgage, deed of trust or other lien now or hereafter placed upon the Premises or the Center, and Tenant shall upon demand execute such further instruments subordinating this Lease as Landlord may request. After receipt of a written request from Tenant, Landlord shall use reasonable efforts to furnish (but shall not be obligated to furnish) Tenant with an agreement from any Landlord's mortgagee to the effect that the rights of Tenant shall remain in full force and effect during the Lease Term, and Tenant's possession of the Premises shall not be disturbed, so long as Tenant is not in default hereunder, and shall continue to perform all the covenants and conditions of this Lease. At any time and from time to time, upon not less than 10 days' prior notice by Landlord,

Initial Landlord _____

Initial Tenant _____

Tenant shall execute, acknowledge and deliver to Landlord a statement of the Tenant in writing (the "Estoppel") certifying that this Lease is in full force and effect (or if there have been modifications hereto, that the same is in full force and effect as modified and stating the modifications), and the dates to which the Rent has been paid in advance, if any, stating whether or not, to the best knowledge of Tenant, Landlord is in default in the keeping, observance or performance of any covenant, agreement, term, provision or condition contained in this Lease and, if so, specifying each such default of which Tenant may have knowledge, and stating such other matters as Landlord shall reasonably request, it being intended that such statement may be relied upon by Landlord and any prospective purchaser, lessee, mortgagee or assignee of any mortgage of the Center or of the Landlord's interest therein. If Tenant fails to deliver such written statement to Landlord within such 10 days (and without limitation of any other rights or remedies), it shall be deemed, for all purposes, the language contained in the Estoppel is true, correct and complete in all respects, and Landlord, any lender of, or purchaser from Landlord shall be entitled to rely thereon.

20.2 Notwithstanding anything contained herein to the contrary, in the event of any default by Landlord in performing its covenants or obligations hereunder, Tenant shall not exercise any rights it may have on account of such default until (a) Tenant gives written notice of such default (which notice shall specify the exact nature of said default and how the same may be cured) to Landlord, and to each holder of any such mortgage or deed of trust who has theretofore notified Tenant in writing of its interest and the address to which notices are to be sent, and (b) Landlord or any such holder fails to cure or cause to be cured said default within 45 days from the receipt by Landlord or by such holder of such notice by Tenant, and shall be entitled (and is hereby appointed as Tenant's attorney-in-fact) to execute such estoppel on behalf of Tenant.

ARTICLE XXI. NOTICES.

21.1 All notices or requests provided for herein must be in writing and must be given by (i) depositing the same in the United States mail, addressed to the party to be notified, postpaid, and registered or certified with return receipt requested; (ii) hand delivery or (iii) overnight express courier service. Notices shall be deemed given and received upon the second day following deposit of the same in the United States mail, or the second day after delivery to an overnight express courier service in accordance with the foregoing. Notice hand delivered shall be deemed delivered on the date of delivery. All notices to be sent to either of the parties shall be sent to the addresses for notice set out in the Basic Lease Provisions, as applicable, or at any other address subsequently specified in writing by the parties hereto in accordance with the foregoing notice procedure.

ARTICLE XXII. MISCELLANEOUS.

22.1 Whenever herein the singular number is used, the same shall include the plural, and the neuter gender shall include the feminine and masculine genders. Unless otherwise specifically provided, the phrase "on demand" shall mean within 10 days of written demand. Unless otherwise specifically provided, any consent or approval by Landlord required hereunder may be withheld by Landlord in its sole discretion.

22.2 Tenant shall not record this Lease. Any such recordation shall constitute an Event of Default hereunder. If, however, Landlord shall so request, Tenant shall execute and deliver a recordable short form lease as provided by Landlord reciting the exact Commencement Date and Termination Date of this Lease, and such other provisions of this Lease as Landlord may include.

22.3 This Lease and the rights and obligations of the parties hereto shall be interpreted, construed and enforced in accordance with the laws of the State of Texas. If any clause or provision of this Lease is illegal, invalid or unenforceable under present or future laws effective during the Lease Term, it is the intention of the parties hereto that the remainder of this Lease shall not be affected thereby.

22.4 This Lease may not be altered, changed or amended, except by instrument in writing signed by both parties hereto. The terms, provisions, covenants and conditions contained in this Lease shall apply to, inure to the benefit of and be binding upon the parties hereto and upon their respective successors, legal representatives and assigns subject to Article XV.

22.5 The captions used in this Lease are for convenience only and do not in any way limit or amplify the terms and provisions hereof.

22.6 One or more waivers of or the failure to enforce any covenant, term or condition of this Lease by either party shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition or a waiver of the right to enforce such covenant, term or condition. The consent or approval by either party to or of any act by the other party requiring such consent or approval shall not be deemed to waive or render unnecessary consent to or approval of any subsequent or similar act.

22.7 Time is of the essence with respect to Tenant's obligations under this Lease.

22.8 In the event Tenant shall request Landlord to review any documents (and/or to execute the same) including, but not limited to, requests for assignment or subletting, estoppel type letters, requests from lenders to Tenant or otherwise, and if Landlord submits such documents to Landlord's attorney for review, Tenant agrees to pay all reasonable attorney's fees actually incurred by Landlord up to, but not excess of, the sum of \$500.

22.9 All Rent hereunder shall bear interest from the date due until paid at the lesser of 18 percent per annum or the highest non-usurious rate allowed by applicable law. Interest due hereunder shall not exceed the maximum amount of non-usurious interest that may be contracted for, taken, reserved, charged or received under law. Any interest in excess of that maximum amount shall be credited to Rent due or to become due, or if Rent for the entire Term has been paid in full, refunded.

22.10 The voluntary or other surrender of this Lease by Tenant or a mutual cancellation hereof shall not work a merger and shall, at Landlord's option, terminate all or any existing subleases or subtenancies, or may, at Landlord's option, operate as an assignment to it of Tenant's interest in any or all such subleases or subtenancies.

22.11 Notwithstanding anything herein to the contrary, Landlord shall in no event be liable to Tenant for any indirect or consequential damages, and no personal liability of any kind or character whatsoever now attaches or at any time hereafter under any conditions shall attach to Landlord or any partners, officers, directors, or shareholders of Landlord as applicable for payment of any amounts due under this Lease or for the performance of any obligation under this Lease. The exclusive remedies of Tenant for the failure of Landlord to perform any of its obligations under this Lease shall be to proceed against the interest of Landlord in and to the Center, it being understood that in no event shall a judgment for any deficiency or monetary claim be sought, obtained or enforced against any partner, officer, director or shareholder of Landlord as applicable.

22.12 On the last day of the Lease Term, or upon the earlier termination of this Lease, Tenant shall peaceably and quietly leave, surrender and yield to Landlord the Premises, free of all claims, broom-clean and in good condition and repair (subject to Articles XIII and XIV), except for normal wear and tear. Prior to surrender of the Premises to Landlord, Tenant, at its sole cost and expense, shall remove all liens and other encumbrances that have resulted from the acts or omissions of Tenant. If Tenant fails to do any of the foregoing, Landlord, in addition to other remedies available to it at law or in equity, may, without notice, enter upon, reenter, possess and repossess itself thereof by any lawful means, summary proceedings, or otherwise and may dispossess and remove Tenant and all persons and property from the Premises; and Tenant waives any and all damages or claims for damages as a result thereof. Such dispossession and removal of Tenant shall not constitute a waiver by Landlord of any claims by Landlord against Tenant. If the Tenant is not in default hereunder, Tenant shall retain the ownership of all movable equipment, furniture and supplies prior to termination of this Lease if Tenant repairs any injury to the Premises or Center resulting from such removal. If Tenant does not remove such movable equipment, furniture and supplies prior to termination, then in addition to its other remedies at law or in equity, Landlord shall have the right (but not the obligation) to elect either (a) to have such items removed and stored, and all damage to the Premises or Center resulting therefrom repaired, at Tenant's cost and expense; or (b) to have such movable equipment, furniture and supplies automatically become the property of the Landlord upon termination of this Lease, in which event Tenant shall not have any further right with respect thereto or reimbursement therefor.

22.13 Tenant warrants and represents that any financial statements, operating statements or other financial data at any time given to Landlord by or on behalf of Tenant is, or will be, as of their respective dates, true and correct in all material respects and do not (or will not) omit any material liability, direct or contingent. A breach of any of the foregoing warranties and representations shall, at the election of Landlord, be deemed an Event of Default under this Lease.

22.14 TENANT SPECIFICALLY ACKNOWLEDGES THAT LANDLORD HAS NO DUTY TO PROVIDE SECURITY FOR ANY PORTION OF THE CENTER, INCLUDING WITHOUT LIMITATION THE PREMISES AND THE COMMON AREA, AND TENANT HEREBY AGREES TO ASSUME SOLE RESPONSIBILITY AND LIABILITY FOR THE SECURITY OF ITSELF, ITS PERMITEES AND THEIR RESPECTIVE PROPERTY, IN, ON OR ABOUT THE CENTER, INCLUDING WITHOUT LIMITATION THE PREMISES AND THE COMMON AREA.

22.15 This Lease contains the entire agreement of the parties hereto and supersedes all prior oral or written and contemporaneous oral agreements of the parties hereto, their agents, affiliates or employees. Tenant warrants and represents to Landlord that there are no such prior or contemporaneous oral or written agreements or representations upon which Tenant is relying in entering this Lease. Tenant acknowledges that Landlord is relying upon the foregoing representation and warranty of Tenant in entering this Lease

22.16 Intentionally Omitted

22.17 The parties represent and warrant to each other that they have had no dealings with any broker or agent other than Brokers, to whom Landlord has agreed to pay a commission pursuant to a separate written agreement between Landlord and Brokers.

22.18 Tenant, provided it pays all Rent and performs all of its obligations under this Lease, shall and may peaceably and quietly have, hold and enjoy the Premises for the term hereof.

22.19 Tenant shall not enter into any agreement to install a pay phone, automated teller machine or any other kind of dispensing machine in the Premises and/or Center. Landlord reserves the exclusive right to enter into an agreement to install a pay phone, automated teller machine and/or any other kind of dispensing machine with respect to the Center.

22.20 Notwithstanding the fact that this Lease (in its original form) was prepared by Landlord, this Lease has been reviewed by Tenant and its legal counsel and the terms and provisions hereof have been negotiated by both parties and this Lease shall not be construed more strongly against the drafting party.

22.21 Landlord and Tenant agree that each provision of the Lease for determining charges, amounts, and expenses payable by Tenant is commercially reasonable and, as to each such charge or amount, constitutes a "method by which the charge is to be computed" for purposes of Section 93.012 of the Texas Property Code.

22.22 To facilitate execution, this Lease may be executed in as many counterparts as may be convenient or required. All counterparts shall collectively constitute a single instrument. Any signature page to any counterpart may be detached from such counterpart without impairing the legal effect of the signatures thereon and thereafter attached to another counterpart identical thereto except having attached to it additional signature pages.

22.23 Tenant agrees to comply with the Rules and Regulations attached hereto as Exhibit "B."

ARTICLE XXIII. DEFINITIONS.

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

23.1 Building Shell: The concrete floor, and exterior walls, store front (including a glass door), roof, and water, sanitary sewer service to the rear of the Premises, electrical service to a central gutter, and no other improvements.

23.2 Center: The tract of land described on Exhibit "A" attached hereto and made a part hereof, the building or buildings located thereon which contains the Premises, and any further improvements to such land, as they may from time to time be constituted.

23.3 Commencement Date: defined in Article 1, Section 1.1(h).

23.4 Effective Date: The date of execution of this Lease by Landlord, as indicated on the signature page hereof.

23.5 Environmental Law. Any federal, state or local law, statute, ordinance, rule, regulation or order or determination of any Governmental Authority pertaining to health, safety or the environment, whether now in existence or hereafter enacted in effect in the jurisdiction in which the Premises is located.

23.6 Floor Area: The actual number of square feet of floor space on all levels or floors contained within a store at the time of determination thereof by Landlord (whether or not such store shall then be occupied), including the area occupied by walls, columns, elevators, dumbwaiters, stairs, escalators, conveyors or other interior construction and equipment within the exterior face of the exterior walls of a Store (except party walls, as to which the center line instead of the exterior face shall be used).

23.7 Force Majeure: Acts of God, unanticipated adverse weather, strikes, riots, shortages of labor or materials, war, governmental laws, regulations or restrictions, or other causes beyond the control of the applicable party hereto.

23.8 Gross Leasable Area: The aggregate area of Floor Area (measured in square feet) in the Center, including the Premises.

23.9 Guarantor: Any guarantor of Tenant's obligations hereunder.

23.10 Insurance Charge: Tenant's Proportionate Share of the insurance premiums payable by Landlord for any insurance obtained by Landlord with respect to the operation, ownership or use of the Center for any calendar year during the Term.

23.11 Landlord: The party named as "Landlord" in Section 1.1(b), its successors, legal representatives and assigns.

23.12 Landlord's Work: The work (if any) to be performed by Landlord pursuant to Exhibit "C-1," Paragraph A, attached hereto.

23.13 Lease Term or Term or Term of this Lease: The period set forth in Section 1.1(h).

23.14 Lease Year: The term "Lease Year" as used herein, shall, in the case of the first Lease Year, mean the period which commences with the Commencement Date of the lease term and terminates on the last day of the twelfth (12th) full calendar month after such commencement, and such first Lease Year shall, therefore, include twelve (12) full calendar months plus the partial month, if any, if the Commencement Date of this lease term does not occur on the first day of a calendar month. Each subsequent "Lease Year" shall mean a period of twelve (12) full calendar months commencing with the date following the last day of the first Lease Year, and commencing with each subsequent annual anniversary of such day.

23.15 Minimum Rent: As set forth in Section 1.1(i), payable in accordance with Article III.

23.16 Intentionally Omitted

23.17 Permitees: Partners, officers, directors, employees, agents, contractors, customers, visitors, invitees, licensees, permitted subtenants and concessionaires of Landlord, Tenant or any occupant of the Center.

23.18 Permitted Use: As set forth in Section 1.1(o).

23.19 Premises or Leased Premises: As described in Section 1.1(g).

23.20 Real Estate Taxes: All real estate taxes, assessments, improvements or benefits, water, sewer or other rents, occupancy taxes and other governmental impositions and charges of every kind and nature whatsoever, whether foreseen or unforeseen (including all interest and penalties thereon unless the same result from Landlord's negligence), which at any time during the Lease Term may be levied, assessed, become due and payable or create liens upon, or arise in connection with the use, occupancy or possession of the Center. Landlord may, at its option, avail itself of the benefit of the provisions of any statute or ordinance permitting any assessment for public betterments or improvements to be paid over a period of time and, if Landlord so elects, Real Estate Taxes shall include only the current annual installment of any such assessment and the interest on unpaid (but not delinquent) installments. A tax bill or copy thereof submitted by Landlord to Tenant shall be conclusive evidence of the amount of the Real Estate Taxes or installment thereof. Real Estate Taxes shall not include any inheritance, estate, succession, transfer, gift, franchise, corporation, income or profit tax or capital levy that is or may be imposed upon Landlord; provided, however, that if at any time during the Lease Term the methods of taxation prevailing on the Effective Date shall be altered so that in lieu of or as a substitute for the whole or any part of the Real Estate Taxes then levied, assessed or imposed on real estate there shall be levied, assessed or imposed (a) a tax on the rents received from such real estate, or (b) a license fee measured by the rents received or receivable by Landlord from the Center or any portion thereof, or (c) a tax or license fee imposed upon Landlord which is otherwise measured by or based in whole or in part upon the economic value of the Center, or any portion thereof, then the same shall be included in the computation of Tax Charge hereunder.

23.21 Rent or Rental: All monetary obligations of any kind or character of Tenant to Landlord under the terms of this Lease.

23.22 Security Deposit: As set forth in Section 1.1(l) and Section 3.4.

23.23 Store: Any portion of a building (including the Premises) located in the Center intended to be used for the sale of goods or services.

23.24 Tax Charge: Tenant's Proportionate Share of the Real Estate Taxes, affecting the Center, with respect to any calendar year during the Term, together with any costs incurred by Landlord in such year to contest or seek reductions in Real Estate Taxes (including fees of tax consultants and reasonable attorneys' fees).

23.25 Tenant: The party named as "Tenant" in Section 1.1(d), its permitted successors, legal representative and assigns (subject to Article XV). Where "Tenant" has assumed obligations or duties hereunder, such term shall also include Tenant's employees, agents and/or contractors.

23.26 Tenant's Proportionate Share: The percentage stated in Section 1.1(l).

23.27 Tenant's Trade Name: As set forth in Section 1.1(f).

23.28 Tenant's Work: The work (if any) to be performed by Tenant pursuant to Exhibit "C," if attached hereto.

23.29 Utility Facilities: The network of pipes, lines, conduits, wires and other interconnecting facilities within the Center through which heat, air conditioning, water, sewage, storm drainage, telephone,

EXHIBIT "A-1"

SITE PLAN OF CENTER

Approximate location within Center.

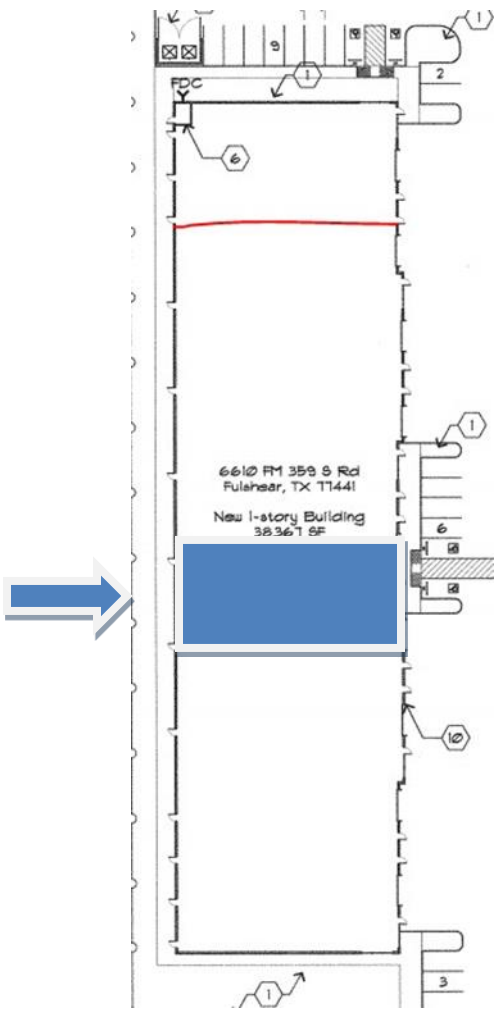


EXHIBIT "B"
RULES AND REGULATIONS

1. No storage outside the Premises of any material, pallets, disabled vehicles, showcases or other items will be permitted, including but not limited to trash, except in containers approved by Landlord. Tenant, its officers, agents, servants and employees shall not allow anything to remain in any common area passageway, hallway, stairway, sidewalk, court, corridor, ramp, entrance, exit, loading area, or other area outside the Premises, or permit such areas to be used at any time except for ingress or egress of Tenant, its officers, agents, servants, employees, patrons, licensees, customers, visitors or invitees. Common utility closets, telephone closets, and other such closets, rooms and areas shall be used only for the purposes and in the manner designated by Landlord, and may not be used by Tenant, or its contractors, agents, employees, or other parties without Landlord's prior written consent.

2. The movement of furniture, equipment, machines, merchandise or materials within, into or out of the Premises or the Center not in the ordinary course of Tenant's business as permitted herein, shall be restricted to time, method and routing of movement as determined by Landlord upon request from Tenant and Tenant shall assume all liability and risk to property, the Premises, the Center and, if applicable, the Project in such movement. The movement of furniture, equipment, machines, merchandise or materials within, into or out of the Premises in the ordinary course of Tenant's permitted business shall also be at Tenant's sole risk and responsibility and shall be conducted in such a fashion as not to cause damage or injury to the Premises or the Center or to disturb other occupants thereof. Tenant shall not move furniture, machines, equipment, merchandise or materials within, into or out of the Premises or the Center not in the ordinary course of Tenant's permitted business without having first obtained a written permit from Landlord twenty-four (24) hours in advance. Safes and other heavy fixtures, equipment or machines intended to be kept permanently in the Premises shall be moved into the Premises or the Center only with Landlord's written consent and placed where directed by Landlord.

3. Landlord will not be responsible for lost or stolen personal property, equipment, money or any article taken from Premises, regardless of how or when loss occurs.

4. Tenant, its officers, agents, servants and employees shall not install or operate any refrigerating or HVAC apparatus or carry on any mechanical operation without written permission of Landlord. Tenant shall give Landlord prompt notice of all damage to or defects in HVAC equipment, plumbing, electric facilities or any part of appurtenance of the Premises.

5. Tenant, its officers, agents, servants or employees shall not use the Premises for housing, lodging or sleeping purposes or for the cooking or preparation of food without written permission of Landlord.

6. Tenant, its officers, agents, servants, employees, patrons, licensees, customers, visitors or invitees shall not bring into the Premises or keep on Premises any fish, fowl, reptile, insect or animal without the prior written consent of the Landlord.

7. No locks shall be placed on any door in the Center without the prior written consent of Landlord. Landlord will furnish two keys to each lock on doors in the Premises and Landlord, upon request of Tenant, shall provide additional duplicate keys at Tenant's expense. Tenant, its officers, agents, servants and employees shall, before leaving the Premises unattended, close and lock all doors and shut off all lights, business equipment and machinery. Damage to the Premises or Center resulting from the failure to do so shall be paid by Tenant.

8. Tenant, its officers, agents, servants or employees shall do no painting or decorating in the Premises; or mark, paint or cut into, drive nails or screw into nor in any way deface any part of the Premises or the Center without the prior written consent of Landlord. If Tenant desires signal, communication, alarm or other utility or service connection installed or changed, such work shall only be done at expense of Tenant, with the written approval and under the direction of Landlord. Tenant, without the prior written consent of Landlord, shall not lay linoleum or other similar floor covering within the Premises. Tenant shall not install any antenna, satellite dish or aerial wires, radio or television equipment or any other type of equipment inside or outside of the Center, without Landlord's prior approval in writing. No showcases, awnings or other articles or projections shall be affixed to any part of the exterior of the Center, without the prior written consent of Landlord.

9. Tenant, its officers, agents, servants and employees shall not permit the operation of any musical or sound-producing instruments or device which may be heard outside the Premises, or which may emanate electrical waves or x-rays or other emissions which will be hazardous to health, well-being or condition of persons or property.

10. All plate and other glass now in the Premises or Center which is broken through cause attributable to Tenant, its officers, agents, servants, employees, patrons, licensees, customers, visitors or invitees shall be replaced by and at expense of Tenant under the direction of Landlord.

11. The plumbing facilities (including, without limitation, toilet rooms, urinals, wash bowls, drains and sewers) shall not be used for any other purpose than that for which they are constructed, and no foreign substance of any kind shall be thrown therein. The expense of any breakage, stoppage or damage resulting from a violation of this provision shall be borne by Tenant, who shall, or whose officers, employees, agents, servants, patrons, customers, licensees, visitors or invitees shall, have caused it. Landlord shall not be responsible for any damage due to stoppage, backup or overflow of the drains or other plumbing fixtures.

12. All contractors and/or technicians performing work for Tenant within the Premises, Center or Project shall be referred to Landlord for written approval before performing such work. This shall apply to all work including, but not limited to, installation of telephones, telegraph equipment, electrical devices and attachments, and all installations affecting floors, walls,

windows, doors, ceilings, equipment or any other physical feature of the Center, the Premises or the Project. Tenant shall do no work without Landlord's prior written approval.

13. Neither Tenant nor any officer, agent, employee, servant, patron, customer, visitor, licensee or invitee of any Tenant shall go upon the roof of the Center, without the written consent of the Landlord.

14. Canvassing, soliciting, distribution of hand-bills or any other written material peddling in the Center or the Project are prohibited, and Tenant shall cooperate to prevent the same. Tenant shall not advertise the business, profession or activities of Tenant in any manner which violates the letter or spirit of any code of ethics adopted by any recognized association or organization pertaining thereto, use the name of the Center for any purpose other than that of the business address of Tenant or use any picture or likeness of the Center or the Project name in any letterheads, envelopes, circulars, notices, advertisements, containers or wrapping material without Landlord's express consent in writing.

15. Tenant shall not conduct its business and/or control its officers, agents, employees, servants, patrons, customers, licensees and visitors in such a manner as to commit waste or suffer or permit waste to be committed in Premises. Tenant shall not do or permit anything in or about the Premises that is immoral, obscene, pornographic, disreputable or dangerous to life, limb or property, or do any act tending to injure the reputation of the Project. No activity creating dust or fumes that may be hazardous shall be performed in the Premises except in an environment controlled by air-handling equipment properly and lawfully designed and utilized, which shall be maintained and operated at all times to prevent hazardous accumulations of pollutants in the atmosphere within the Premises or Project.

16. Tenant shall not install in the Premises any equipment which uses a substantial amount of electricity without the advance written consent of the Landlord. Tenant shall ascertain from the Landlord the maximum amount of electrical current which can safely be used in the Premises, taking into account the capacity of the electric wiring in the Center and the Premises and the needs of other tenants in the Center and the Project. Tenant agrees not to use more than such safe capacity. The Landlord's consent to the installation of electric equipment shall not relieve the Tenant from the obligation not to use more electricity than such safe capacity.

17. Tenant shall not use, or permit any other party to use, the Premises for any distress, fire, bankruptcy, close-out, "lost our lease" or going-out-of-business sale or auction. Tenant shall not display any signs advertising the foregoing anywhere in or about the Premises. This prohibition shall also apply to Tenant's creditors.

18. Tenant agrees to park in only those parking stalls designated as tenant parking. Tenant shall hold Landlord harmless for the removal and charges related thereto when Tenant, or its employees, park in spaces designated as reserved parking (other than reserved for Tenant), visitor parking, handicapped parking, or red or yellow curb areas. Tenant shall not park or allow

to be kept any vehicle on the Premises, either company or personnel, which is not being used on a daily basis.

19. Tenant shall not maintain armed security in or about the Premises nor possess any weapons, explosives, combustibles or other hazardous devices in or about the Center and/or Premises.

20. All of Tenant's signs shall: (i) be professionally designed, prepared and installed, (ii) not advertise any product, (iii) comply with any sign criteria developed by Landlord from time to time, and (iv) be subject to all Applicable Laws and any covenants, conditions and restrictions applicable to the Project or Center. Tenant shall maintain all signs hereunder in good repair and slightly first class condition. Tenant shall not use strobe or flashing lights in or on the Premises or in any signs therefor.

21. Tenant shall conduct its labor relations and relations with employees so as to avoid strikes, picketing, and boycotts of, on or about the Premises or Project. If any employees strike, or if picket lines or boycotts or other visible activities objectionable to Landlord are established, conducted or carried out against Tenant, other occupants of the Premises or their employees, agents, transferees or contractors in or about the Premises or Project, Tenant shall immediately close the Premises and remove or cause to be removed all such occupants, employees, agents, transferees and contractors until the dispute has been settled.

22. Upon expiration or earlier termination of this Lease, in addition to the requirements under the terms the Lease, Tenant shall ensure that:

- a. All interior and exterior lights and bulbs are operational.
- b. All exhaust, ceiling and overhead fans are operational.
- c. All floor areas are broom swept and clean of all trash and materials.
- d. All floor areas are cleaned of oils, fluids and other foreign materials.
- e. All electrical, plumbing and other utilities which are terminated are disconnected, capped and/or terminated according to applicable building codes and all other governmental requirements.
- f. All electrical and telecommunications conduit and wiring installed by or for Tenant specifically for Tenant's equipment is removed to the originating panel if Landlord so requires.
- g. Overhead interior and exterior doors are operational and in good condition.
- h. Any bolts secured to the floor are cut off flush and sealed with epoxy.

- i. All furniture, trash and debris are removed.
- j. All signs and pictures, posters, signage, stickers and all similar items of Tenant and any other occupant of the Premises are removed from all walls, windows, doors and all other interior and exterior surfaces of the Premises and other locations of the Project.
- k. All carpet areas are vacuumed.
- l. All uncarpeted office floors are swept, and any excess wax build-up on tile and vinyl floors is properly removed.
- m. All computer cable and conduit installed by or for Tenant is removed to point of origin.
- n. All windows and miscellaneous hardware are operational and in good condition.
- o. All HVAC and mechanical systems and equipment are operational and in good condition.
- p. Ceiling tiles, grid, light lenses, air grills and diffusers are in place with no holes or stains.
- q. There are no broken windows or other glass items.
- r. Bathroom walls, floors, and fixtures are clean and in good condition.
- s. All plumbing fixtures are intact, operational free of leaks and in good condition.
- t. All gutters and downspouts are undamaged and operational.
- u. Walls (internal and external) are clean and any holes are properly and permanently patched.

23. Landlord may waive any one or more of these Rules and Regulations for the benefit of any particular tenant or landlords, but no such waiver by Landlord shall be construed as a waiver of such Rules and Regulations in favor of any other tenant or landlords, nor prevent Landlord from thereafter enforcing any such Rules and Regulations against any or all of the tenants of the Project.

24. These Rules and Regulations are in addition to, and shall not be construed to in any way modify or amend, in whole or in part, the terms, covenants, agreements and conditions of any lease on premises in the Center or the Project. Tenant shall be responsible for ensuring compliance with these Rules and Regulations as they may be amended, by Tenant's employees and as applicable, by Tenant, any other occupant of the Premises and their respective agents, employees, invitees, transferees and contractors.

EXHIBIT "C-1"
CONSTRUCTION RIDER
(Construction by Tenant)

A. Landlord shall deliver the Leased Premises to Tenant in the condition currently existing. The work to be performed by Landlord with respect to the Building Shell and Leased Premises shall be deemed to be substantially complete when Tenant takes possession of the Leased Premises.

B. Tenant, at Tenant's sole cost and expense subject to Paragraph I hereof, shall construct the improvements ("Tenant's Work") within the Leased Premises substantially in accordance with the plans and specifications to be prepared by Tenant and approved by Landlord as hereinafter provided. If, at the time of execution of this Lease, Landlord and Tenant have not agreed upon such plans and specifications for construction of the Leased Premises by Tenant, Tenant shall furnish preliminary plans to Landlord within 30 days from the date of execution of the Lease by Landlord. Such preliminary plans shall be prepared in accordance with Landlord's or Landlord's agent's written Construction Specifications (the "Specifications"), a copy of which has been provided to Tenant.

Landlord shall have ten days from the later of (i) receipt of such preliminary plans or (ii) the date of execution of this Lease by Landlord, within which to submit to Tenant a request for any changes Landlord desires in such preliminary plans. Landlord may request a change in such preliminary plans based on any reason in Landlord's sole discretion including, without limitation, a failure by Tenant to prepare such plans in accordance with the Specifications. Tenant shall have 20 days from the date of Landlord's request within which to amend the plans and specifications in accordance with the modifications so requested by Landlord. If Landlord and Tenant shall fail to agree upon a mutually acceptable set of proposed plans and specifications within 60 days from the date of execution of the Lease by Landlord, then Landlord shall have the right to terminate this Lease by providing written notice to the other party prior to (i) agreement by both parties upon a mutually acceptable set of plans or (ii) the expiration of five days after the end of such 60-day period. When Landlord and Tenant have mutually agreed upon plans and specifications for construction of the improvements, said plans and specifications (the "Plans") shall be signed or initialed by both Landlord and Tenant and dated, and incorporated herein by reference but need not be attached to this Lease. All plans and specifications to be provided hereunder shall be at the sole cost and expense of Tenant.

C. Tenant shall cause Tenant's Work to be completed in accordance with the Plans within 180 days after the Leased Premises are Ready for Occupancy. If the Tenant, for any reason, fails to complete construction and open for business within such period then Landlord, in addition to all other rights and remedies herein provided, shall have the right to terminate the Lease by giving written notice to Tenant of such termination. Upon termination of the Lease pursuant to the terms of this Exhibit "C-1," (i) Tenant shall immediately vacate and relinquish possession of the Leased Premises to Landlord, (ii) all obligations of the parties to this Lease shall cease except as may be specifically provided to the contrary in the Lease or in this Exhibit "C-1", (iii) Tenant's right to the Construction Allowance provided under Paragraph I hereof shall terminate and Tenant

shall have no further right or claim against Landlord on account of improvements, if any, constructed by Tenant at the Leased Premises and (iv) Landlord shall have the right to retain Tenant's Security Deposit and the Prepaid Rent as liquidated damages, which amount has been agreed upon by Landlord and Tenant because of the difficulty and uncertainty of determining the damages Landlord will sustain as a result of delay and administrative expenses incurred by Landlord.

D. With respect to any labor performed or materials furnished by Tenant at the Leased Premises, the following shall apply: All such labor shall be performed and materials furnished at Tenant's own cost, expense, and risk. Labor and materials used in the installation of Tenant's equipment, fixtures, and furnishings, and in any other work at the Leased Premises performed by Tenant, will be subject to Landlord's prior written approval. Any such approval by Landlord of Tenant's labor shall constitute a license authorizing Tenant to permit such labor to enter upon the Center and the Leased Premises prior to the Commencement Date; however, such license is conditioned upon Tenant's labor working in harmony with and not interfering with either Landlord's or the other tenant's labor, mechanics, or contractors. Accordingly, if at any time, Tenant's labor shall cause disharmony or interference therewith, the license granted herein may be withdrawn by Landlord upon 48 hours written notice to Tenant, and upon expiration of such 48-hours, Tenant shall have caused all of Tenant's labor (with respect to which Landlord shall have given such notice to Tenant) to have been removed from the Leased Premises and the Center. With respect to any contract for labor or materials, Tenant shall act as principal and not as an agent of Landlord. All of Tenant's construction at the Leased Premises shall be performed in a good and workmanlike manner satisfactory to Landlord's architect, construction manager and/or agent and in accordance with applicable building codes, regulations and all other legal requirements, and with the Construction Rules attached hereto and made a part hereof for all purposes, and shall not interfere with or delay any work being done by Landlord or Landlord's contractor. Unless otherwise approved in writing by Landlord, Tenant shall perform its construction of the Leased Premises only during the normal working hours of the building trades involved.

E. Tenant shall not allow the Leased Premises or the Center to suffer any lien to be filed against it. With respect to any contract for labor or materials, Tenant acts as principal and not as the agent of Landlord. Tenant shall, at the request of Landlord, cause its general contractor to furnish a payment and performance bond in a form and with a company acceptable to Landlord securing the faithful performance of the work to be performed by Tenant. Landlord expressly disclaims liability for the cost of labor performed or materials furnished at the request, or for the benefit, of Tenant. If, because of any actual or alleged act or omission of Tenant, any lien, affidavit, charge or order for the payment of money shall be filed against Landlord, the Center, the Leased Premises, or any portion thereof or interest therein, whether or not same is valid or enforceable, Tenant shall, at its own expense, cause same to be discharged of record by payment, bonding or otherwise, at the option of Landlord, no later than 15 days after notice to Tenant of the filing thereof; and in the event Tenant fails to discharge same within such time, Landlord may, but shall not be obligated to, discharge same and Tenant shall pay to Landlord all amounts required to discharge same within ten days of receipt of Landlord's statement of such amounts. The provisions of this paragraph shall survive the termination or expiration of the Lease.

F. The provisions of this paragraph shall survive the termination or expiration of the Lease.

G. No work is to be done at the Leased Premises or the Center that will affect the appearance or use of such without the prior written approval of the Landlord.

H. No work is to be done at the Leased Premises or the Center that will diminish the structural integrity of the improvements located thereon.

I. Landlord has agreed to pay Tenant a Construction Allowance in the amount indicated in Article 1.1(n) of the Lease, provided, however, that notwithstanding anything contained in this Exhibit "C-1" or in the Lease to which this Exhibit "C-1" is attached to the contrary, Landlord shall not be obligated to pay any portion of the Construction Allowance until after all of the provisions of this Paragraph I have been satisfied. In addition, Tenant shall be in default under the Lease if Tenant fails to comply with any or all of the provisions of paragraph I.

1. Prior to starting construction, Tenant shall submit Tenant's plans and specifications for Landlord's approval, in accordance with the terms of this Exhibit "C-1."

2. Prior to starting construction, Tenant's general contractor shall submit evidence satisfactory to Landlord of contractor's insurance in accordance with the Construction Rules attached hereto and made a part hereof for all purposes.

3. Prior to starting construction, Tenant shall submit a copy of all required building permits to Landlord.

4. Tenant shall execute Landlord's standard acceptance of Leased Premises section of Exhibit "C-3."

5. Tenant shall submit an affidavit of all contractors, subcontractors, and materialmen who may have a claim to the Leased Premises, in compliance with the form attached hereto (the "Affidavit of Contractors, Subcontractors and Materialmen").

6. Tenant shall complete all work in accordance with the Plans and Tenant's architect shall certify the completion in writing using AIA Form G704 Certificate of Substantial Completion.

7. Tenant shall obtain all building permits and furnish Landlord with copies of the occupancy certificate.

8. Tenant shall open for business.

9. Tenant shall furnish Landlord with lien releases in compliance with the form attached hereto from all contractors and subcontractors listed on the Affidavit of Contractors, Subcontractors, and Materialmen. 10. Tenant shall not be in default under the Lease.

11. Tenant shall cooperate with Landlord's agent and lender's right to inspect and approve the Tenant's Work.

12. Tenant shall execute Landlord's standard estoppel certificate.

13. Tenant shall submit the Tenant Draw Request in the form attached hereto, including:

- a) Draw Request Form
- b) Affidavit of Contractors, Subcontractors, and Materialmen
- c) Final Lien Releases
- d) Copies of Permits and Occupancy Certificate
- e) Architect's Letter certifying completion of all work

J. Landlord shall withhold ten percent of the sum payable by Landlord to Tenant pursuant to the foregoing paragraph I for a period of 30 days following the satisfaction of all requirements set forth in such paragraph. Landlord shall also have the right to withhold from the Construction Allowance any amounts owing to Landlord by Tenant under the terms of the Lease. In the event that the cost of Tenant's Work exceeds the amount of the Construction Allowance, Tenant shall nonetheless complete Tenant's Work in accordance with the terms of the Lease and this Exhibit and shall be solely responsible for and shall pay any and all of such excess promptly as it becomes due.

EXHIBIT "C-2"
CONSTRUCTION RULES

1. Check-in

All of Tenant's contractors are required to check-in with Landlord, or his designated representative ("Property Manager"). Tenant's contractors will not be permitted to start work until they:

- a) furnish proper evidence of required insurance coverage;
- b) furnish names and proper numbers (office and home) of their supervisory personnel;
- c) furnish names and phone numbers of their prime subcontractors;

2. Insurance Requirements

- a) Each and every one of Tenant's contractors shall provide evidence of the following insurance coverage before commencing any work at the Leased Leased Premises:

General Liability Insurance:

Bodily Injury	\$500,000/\$1,000,000 (per occurrence)
Property Damage	\$500,000 (per occurrence)

Workmen's Compensation/Employer's Liability:

Insuring Contractor against liability under the Workers' Compensation and Occupational Disease Laws of the State of Texas and Employer's Liability coverage with a \$100,000 limit for

- (i) claims under workers' or workmen's compensation, disability benefit and other similar employee benefit acts; and
- (ii) claims for damages because of bodily injury, occupational sickness or disease, or death of the Contractor's employees.

Builder's Risk Insurance:

Multi-peril, in full amount of such contractor's contract with Tenant

- b) All policies shall name Landlord as additional insured

- c) All policies shall provide for ten days' prior written notice of reduction in coverage, expiration or cancellation to the additional insureds.
- d) All policies shall show a Waiver of Subrogation in favor of Landlord.
- e) All coverages, whether written on an occurrence or claims-made basis, shall be maintained without interruption from the date of commencement of the Contractor's work at the Leased Premises until the date of final payment to the Contractor for such work.

3. Work Area

All of Tenant's contractor's work, storage of materials, construction office, etc., must be confined to within the Leased Premises.

4. Deliveries

Deliveries will be made only through entrances and routes established from time to time by Landlord or the Property Manager.

5. Service Areas

Service areas of the Center shall be kept clear of materials, equipment, debris, and trash at all times.

6. Trash Removal

Tenant, Tenant's contractors and all subcontractors and suppliers are required to remove trash and construction debris from the Leased Premises and the Center each day. Accumulations of trash and debris within the Leased Premises, at service areas or the parking lot not so removed may be removed by the Landlord at Tenant's expense. Tenant, General Contractor, Sub-Contractors or any associates or counterparts shall not use the Common Area dumpster at any time for construction debris of any kind.

7. Parking

Parking for construction personnel will be permitted only in the areas designated from time to time by the Property Manager.

8. Fire Protection

Tenant's contractor shall provide fire extinguishers (ten [10] lb. ABC.) within the Leased Premises as required by Landlord's insurance company or public safety officials, or any applicable code, rule, statute or regulation, or as requested by the Property Manager.

9. Work Practices

All work practices and personnel performing work in the Leased Premises must be compatible with the practices and personnel employed by Landlord and Landlord's contractor and its subcontractors. Upon notice that any work practices or personnel are not compatible, the Tenant shall be responsible for the immediate termination of said practices and/or the immediate removal of said personnel from the Center.

10. Protection of Work and Property

Tenant and Tenant's contractors shall protect their work from damage and shall protect the work of other tenants and Landlord from damage by Tenant, Tenant's contractors and their employees and subcontractors.

11. Strictly-Prohibited Work and Practices

- a) Any combustible materials above finished ceiling or in any other concealed space.
- b) Imposing any structural load, temporary or permanent, on any part of the Landlord's work or structure without the prior approval of the Landlord.
- c) Cutting any holes in Landlord-installed floor slab, roof, or walls without the prior consent of the Landlord.

EXHIBIT "C-3"
TENANT DRAW REQUEST



Inspection date:

Project location:

Tenant name:

Construction Contractor:

Tenant Improvement Construction Draw Request: 25% 50% 75% 100%

The Construction draw schedule is a detail payment plan for the construction project. The Tenant will notify R1, one week prior to the inspection date. R1 representative will have full range of the facility with a construction representative to inspect.

25% Draw

- Contract signed
- Permits acquired for the site
- Workers facilities on site Dumpster on site Materials on site
- Layout designated
- Demising wall constructed Demising wall insulated Demising wall gyp.bd.

50% Draw

- Plumbing concrete cut
- Plumbing tie-in complete Plumb conc. Complete Plumb rough installed
- Electrical panels installed Elec. transfmr. installed Elec. rough installed
- Mechanical installed on roof Mech. ducting installed Mech. register installed

75% Draw

- Partitions constructed Partitions wall gyp. bd. Partitions wall painted
- Ceiling grid / panels installed Ceiling lights installed Ceiling painted
- Floors made ready Floor material installed
-

100% Draw

- Walls complete Ceiling complete Flooring complete
- Mechanical complete Electrical complete Plumbing complete
- Fixtures complete Fire Systems

Occupancy approved **Date:** / /

Contractor / Representative: _____

Joseph F Sanchez / R1: _____

Date: / /

LIST CONTRACTORS AND SUBCONTRACTORS

CONTRACTOR NAME:

CONTRACTOR ADDRESS:

SUBCONTRACTOR NAME:

SUBCONTRACTOR ADDRESS:

EXHIBIT "D"

SIGN CRITERIA

All Exterior signage must be approved in writing by Landlord and Architectural Review Committee as set out in Article VIII. Tenant shall submit a rendering of proposed signage to Landlord.

Signage at the Project is subject to restrictions as noted below. This is controlled to maintain a consistent overall visual appeal of the project.

- A. Tenant shall have the right to install, at Tenant's sole expense, vinyl lettering on the entrance door to leased premises. The lettering may not exceed three inches in height. The letters, numerals, emblems, trademarks, insignia and any other designs will be subject to the prior approval of Landlord. Tenant shall, at Tenant's expense, remove all signs on entry doors upon termination of this Lease.

- B. Additionally, Tenant may install one exterior sign which meets Landlord's requirements.
 - 1. Tenant must provide a detailed drawing indicating the location, size, layout, design and color, all lettering and/or graphics (scale – ½ inch = 1 foot).
 - 2. All permits for signs and their installations shall be the responsibility of and obtained by Tenant or his representative.
 - 3. All costs for signs and permits shall be the responsibility of and paid by Tenant.
 - 4. All sign companies must be licensed under their name by the City of Fort Bend county local Missouri City, And must have proper liability insurance. The sign company's insurance shall name Landlord as Named Insured.

Furthermore, the sign company shall be held liable and shall bear all costs for the removal and/or corrections for improper sign installation, and any damage to building by signs that do not conform to sign specifications

EXHIBIT "E"
GUARANTY

In consideration of the making of that certain Lease by and between R1 Rogers Rd, LLC ("Landlord"), and _____, ("Tenant") covering space containing an area of approximately 3,000 square feet constituting a part of the retail space located at 6610 FM 359 S Rd Fulshear Tx 77441 (the "Lease"), and for the purpose of inducing Landlord to enter into and make the Lease, the undersigned hereby unconditionally guarantees the full and prompt payment of Rent (as defined in the Lease) and all other sums required to be paid by Tenant under the Lease (including without limitation all Rent payable thereunder, (the "Guaranteed Payments") and the full and faithful performance of all terms, conditions, covenants, obligations and agreements contained in the Lease on the Tenant's part to be performed (the "Guaranteed Obligations") and the undersigned further promises to pay all of Landlord's costs and expenses (including reasonable attorneys' fees) incurred in endeavoring to collect the Guaranteed Payments or to enforce the Guaranteed Obligations or incurred in enforcing this Guaranty. All capitalized terms not defined herein shall have the meaning assigned to them in the Lease.

1. Landlord may at any time and from time to time, without notice to or consent by the undersigned, take any or all of the following actions without affecting or impairing the liability and obligations of the undersigned on this Guaranty:
 - (a) grant an extension or extensions of time for payment of any Guaranteed Payment or time for performance of any Guaranteed Obligation;
 - (b) grant an indulgence or indulgences in any Guaranteed Payment or in the performance of any Guaranteed Obligation;
 - (c) modify or amend the Lease or any term thereof or any obligation of Tenant arising thereunder;
 - (d) consent to any assignment or assignments, sublease or subleases and successive assignments or subleases by Tenant;
 - (e) consent to an extension or extensions of the term of the Lease;
 - (f) accept other guarantors; and/or
 - (g) release any person primarily or secondarily liable hereunder or under the Lease or under any other guaranty of the Lease.

The liability of the undersigned under this Guaranty shall not be affected or impaired by any failure or delay by Landlord in enforcing any Guaranteed Payment or Guaranteed Obligation or this Guaranty or any security therefore or in exercising any right or power in respect thereto, or by any compromise, waiver, settlement, change, subordination, modification or disposition of any Guaranteed Payment or Guaranteed Obligation or of any security therefore. In order to hold the undersigned liable hereunder, there shall be no obligation on the part of Landlord, at any time, to resort for payment to Tenant or to any other guaranty or to any security or other rights and remedies, and Landlord shall have the right to enforce this Guaranty irrespective of whether or not other proceedings or actions are pending or being taken seeking resort to or realization upon or from any of the foregoing.

The Guaranteed Obligations of the undersigned shall be irrevocable and unconditional, irrespective of the genuineness, validity, regularity or enforceability of the Lease or any security given for the Guaranteed Obligations or any circumstances which might otherwise constitute a legal or equitable discharge of a surety or the undersigned. The undersigned waives the benefit of all principles or provisions of law, statutory or otherwise, which are or might be in conflict with the terms of this Guaranty, and agrees that the Guaranteed Obligations of the undersigned shall not be affected by any circumstances, whether or not referred to in this Guaranty, which might otherwise constitute a legal or equitable discharge of a surety or the undersigned, except for payment and performance in full of the Guaranteed Obligations. Specifically, the undersigned waives the benefits of any right of discharge under Chapter 34 of the Texas Business and Commerce Code and any other rights of sureties and the undersigned thereunder. Without limiting the generality of the foregoing, the undersigned agrees that the occurrence of any of the following events, whether they occur with or without notice or consent by the undersigned, will in no way release or impair any liability or obligation of the undersigned hereunder: (i) Landlord transfers Landlord's interest in the premises covered by the Lease or Landlord's rights under this Guaranty; (ii) the Lease or the premises described therein or the property within which the same are located are transferred in any foreclosure proceeding or deed in lieu of foreclosure; (iii) Tenant is released or discharged in any creditor's proceeding, receivership, bankruptcy or other proceeding; (iv) the liability of Tenant or Landlord's claim against the estate of Tenant in bankruptcy is impaired, limited or modified or any remedy for the enforcement of Tenant's said liability under the Lease, resulting from the operation of any present or future provision of the federal Bankruptcy Reform Act of 1978, as amended, or other statute or from the decision in any court, is impaired, limited, or modified; or (v) the Lease is rejected or disaffirmed in any such proceeding, or the Lease is assumed or assumed and assigned in any such bankruptcy proceeding. If, as a result of such proceedings, Landlord is forced to refund any payment made by Tenant to Landlord because it is found to be a preference or for any other reason, the undersigned hereby covenants to pay such amount on demand.

2. The undersigned waives all diligence in collection or in protection of any security, presentment, protest, demand, notice of dishonor or default, notice of acceptance of this Guaranty, notice of any extensions granted or other action taken in reliance hereon and all demands and notices of any kind in connection with this Guaranty or any Guaranteed Payment or Guaranteed Obligation.
3. The undersigned hereby acknowledges full and complete notice and knowledge of all the terms, conditions, covenants, obligations and agreements of the Lease.
4. The payment by the undersigned of any amount pursuant to this Guaranty shall not in any way entitle the undersigned to any right, title or interest (whether by subrogation or otherwise) of Tenant under the Lease or to any security being held for any Guaranteed Payment or Guaranteed Obligation.
5. This Guaranty shall be continuing, absolute and unconditional and remain in full force and effect until all Guaranteed Payments are made, all Guaranteed Obligations are performed and all obligations of the undersigned under this Guaranty are fulfilled.
6. This Guaranty also shall bind the heirs, personal representatives, successors and assigns of the undersigned and shall inure to the benefit of Landlord, its successors and assigns, including any successor in connection with any foreclosure affecting the Premises in which the Premises under the Lease are located.
7. This Guaranty shall be construed according to the laws of the State of Texas and shall be performed in the county in which the Premises is located. The situs for the resolutions (including any judicial proceedings) of any disputes arising under or relating to this Guaranty shall be the county in which the Premises is located.

8. If this Guaranty is executed by more than one (1) person or entity, all singular nouns and verbs herein relating to the undersigned shall include the plural number, the obligations of the several guarantors shall be joint and several and Landlord may enforce this Guaranty against any one (1) or more guarantors without joinder of any other guarantor hereunder.

9. Landlord and the undersigned intend and believe that each provision of this Guaranty comports with all applicable law. However, if any provision of this Guaranty is found by a court to be invalid for any reason, the remainder of this Guaranty shall continue in full force and effect and the invalid provision shall be construed as if it were not contained herein.

10. The undersigned hereby warrants and represents unto Landlord that: (a) this Guaranty is a legal, valid and binding obligation of the undersigned, enforceable against the undersigned in accordance with its terms; (b) the execution, delivery and performance by the undersigned of this Guaranty do not and will not violate any authority having the force of law or any indenture, agreement, or other instrument to which the undersigned is a party or by which the undersigned or any of the properties or assets of the undersigned are or may be bound; (c) all balance sheets, net worth statements, financial statements and reports, and other financial data which have heretofore been given to Landlord with respect to the undersigned and Tenant fairly and accurately present the financial condition of the undersigned and Tenant as of the date thereof, and, since the date thereof, there has been no material adverse change in the financial condition of the undersigned or Tenant; (d) there are no legal or arbitration proceedings, material adverse claims, or demands pending against, or to the knowledge of the undersigned threatened against the undersigned or Tenant or against any of the assets or properties of the undersigned or Tenant; (e) no event (including, specifically, the undersigned's execution and delivery of this Guaranty) has occurred which, with the lapse of time or action by a third party (or both), could result in the undersigned's breach or default under any agreement binding upon the undersigned.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Guaranty to Landlord as of the date of the Lease.

Address: <hr style="border: 0; border-top: 1px solid black; margin: 5px 0;"/> <hr style="border: 0; border-top: 1px solid black; margin: 5px 0;"/> <hr style="border: 0; border-top: 1px solid black; margin: 5px 0;"/>	<hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> Printed Name <hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> Signature SS #: _____ DOB: _____
Address: <hr style="border: 0; border-top: 1px solid black; margin: 5px 0;"/> <hr style="border: 0; border-top: 1px solid black; margin: 5px 0;"/> <hr style="border: 0; border-top: 1px solid black; margin: 5px 0;"/>	<hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> Printed Name <hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> Signature SS #: _____ DOB: _____