

**7OFFICE LEASE**

THIS OFFICE LEASE ("Lease") is made effective the 1st day of October, 2022 (the "Effective Date"), by and between LANDLORD and TENANT, in consideration of the mutual covenants and agreements herein set forth, and any other consideration, Landlord leases to Tenant and Tenant leases from Landlord the area generally outlined on the plan attached hereto as Exhibit "B", hereinafter referred to as the 'Premises' which is part of the Building (hereinafter referred to as the "Building").

**Basic Lease Provisions and Enumeration of Exhibits**

**LANDLORD:** SLS WEST LOOP, LP, a Texas limited partnership

**TENANT:** HARRIS COUNTY TOLL ROAD AUTHORITY

**PERMITTED USE:** Office Space

**BUILDING COMPLEX:** 4900 Fournace Place, Bellaire TX 77401

**SUITES:** 300 and 660

**LEASED PREMISES (SUITE SIZE):** 26,000 (+/-) Rentable Square Feet

**Pro-rata Share:** 27.4%

**BUILDING COMPLEX ADDRESSES:** 4900 Fournace Place, Bellaire TX 77401

**BUILDING COMPLEX AREA :** 95,000 (+/-) Rentable Square Feet

**BASE YEAR OPERATING EXPENSES:** 2022

**PRIMARY LEASE TERM:** 60 months

**RENT COMMENCEMENT DATE:** October 1, 2022

**LEASE EXPIRATION DATE:** September 30, 2027

**BASIC RENT FOR PRIMARY TERM:**

<u>Lease Period (Months)</u>	<u>Monthly Base Rent</u>
10/01/2022 – 09/30/2024	\$52,000.00 (\$24.00 psf/yr)
10/01/2024 – 09/30/2026	\$54,166.67 (\$25.00 psf/yr)
10/01/2026 – 09/30/2027	\$56,333.33 (\$26.00 psf/yr)

**SECURITY DEPOSIT:** None

**HOLDOVER RENT:** 125%

**PORTER FEE:** Landlord shall provide a Day Porter from 7:00 am until 3:00 pm Monday-Friday at a rate of \$3,700.00 per month to service the Leased Premises

**TENANT NOTICE ADDRESS:** Harris County Toll Road Authority  
Attn: Legal Department  
7701 Wilshire Place  
Houston, Texas 77040

**LANDLORD NOTIVE ADDRESS:** SLS WEST LOOP II, LP  
4900 Fournace Place, Suite 618  
Bellaire, Texas 77401

**EXHIBITS TO LEASE**

<b>Exhibit A</b>	Additional Provisions
<b>Exhibit B</b>	Floor Plan of Premises
<b>Exhibit C</b>	Building Rules and Regulations

**WITNESSETH:**

1. **DEFINITIONS.** The terms used in the Basic Lease Provisions, above, are hereby incorporated into this Lease by reference and shall have the meanings given in such Basic Lease Provisions for all purposes of this Lease. In addition to the foregoing and other terms which are defined elsewhere in this Lease, the terms defined in the following subparagraphs of this Paragraph 1 shall have the meanings set forth in such subparagraph whenever used in this Lease with the first letter of each capitalized.

A. **"BASE YEAR OPERATING EXPENSES"** shall mean an amount equal to the actual Operating Expenses incurred by Landlord during the calendar year in which the Lease commenced.

B. **"COMMON AREAS"** shall mean portions of the Building Complex, which are made available on a non-exclusive basis for general use in common of tenants, their employees, agents and invitees. Landlord shall have the right, from time to time and in its sole discretion, to change the location of, character of, and to make alterations of or additions to, the Common Areas, and to repair and reconstruct the Common Areas, so long as the same do not materially and adversely affect Tenant's use of or access to the Premises.

B. **"BUILDING COMPLEX"** shall mean the Building(s) of which the Premises are a part, the real property on which the same is located, all plazas, common areas and any other areas located on said real property and designated by Landlord for use by all tenants in the Building.

C. **"BUILDING COMPLEX RENTABLE AREA"** shall mean the rentable space in the Building Complex as set forth above. If there is a significant change in the aggregate Rentable Area as a result of an addition to the Building Complex, partial destruction thereof, modification to Building Complex design, a re-measurement of the Building Complex performed in the sole discretion of Landlord, or any similar cause which causes a reduction or increase thereto, Landlord shall make such adjustment in the computations as Landlord shall deem necessary to provide for any such change. Tenant agrees that the Rentable Area may be recalculated in the event that the Building Complex is re-measured. Notwithstanding such re-measurement any statement of square footage that may be issued by Landlord determining Rent and Tenant's Pro Rata Share is an approximation, which Landlord and Tenant agree is reasonable.

D. **"LANDLORD'S ACCOUNTANTS"** shall mean the individual or firm employed or contracted with Landlord from time to time to keep the books and records for the Building Complex.

E. **"LEASE YEAR"** shall mean each twelve (12) month period beginning with the date the Primary Lease Term commenced, or any anniversary thereof, and ending on the same date one (1) year later.

F. **"OPERATING EXPENSES"** shall have the meaning given thereto in Section 4 of the Lease.

**2. GRANT & TERM.**

In consideration of the payment of rent and the keeping and performance of the covenants and agreements by Tenant, as hereinafter set forth, Landlord hereby leases and demises unto Tenant the Premises, together with a non-exclusive right, subject to the provisions hereof, to use all appurtenances thereto, including, but not limited to, any plazas, easement areas, Common Areas, or other areas on the Real Property hereto designated by Landlord for the exclusive or non-exclusive use of the tenants of the Building. Notwithstanding anything to the contrary herein, Landlord does not grant in this Lease any rights to or easements for light, air or view in connection with Project. Landlord hereby reserves to itself the land on which the Building is situated, the Building below the improved floor of each floor of the Premises, the Building above the ceiling of each floor of the Premises (except that Tenant shall have the right to install its low voltage voice and data communications' cabling, and audio visual cabling in the ceiling plenum, consistent with the terms and conditions contained herein), the exterior of the Premises (other than the doors thereto) and the areas on the same floor outside the Premises, along with the areas within the Premises to the extent required for the installation and repair of utility lines and other items required to serve other tenants of the Building. Landlord and Tenant hereby stipulate and agree that the rentable square footage of the Premises and the rentable square footage of the Building set forth in the Basic Lease Provisions, above, are correct and shall not be subject to remeasurement.

A. The Primary Lease Term of the Lease shall commence at 12:01 a.m. on the Lease Commencement Date set forth above and shall terminate at midnight on the Lease Expiration Date set forth above. Landlord shall deliver possession of the Premises to Tenant on or before the Rent Commencement Date set forth above.

B. Landlord shall deliver possession of the Premises to Tenant on or before the Rent Commencement Date set forth above.

### **3. BASIC RENT**

Except as provided for in this Lease, Tenant will pay to Landlord without deduction or setoff, Basic Rent, along with "Additional Rent – Rent Adjustment" listed below in paragraph 4, for each month of the entire Lease Term. The term "Rent" shall mean the amounts so payable plus all other amounts payable by Tenant under this Lease. Basic Rent for any fractional month at the beginning or end of the Term shall be prorated.

### **4. ADDITIONAL RENT - RENT ADJUSTMENT - OPERATING EXPENSES (ABOVE BASE YEAR).**

A. For purposes of the Lease, "Operating Expenses" shall mean all operating expenses of any kind or nature which are necessary, ordinary, or customarily incurred in connection with the operation, maintenance or repair of the Building Complex as determined by Landlord in its sole discretion, above the Base Year Operating Expenses. Operating Expenses shall include, but not be limited to:

- (a) all real property taxes and assessments levied against the Building Complex by any governmental or quasi-governmental authority. The foregoing shall include any taxes, assessments, surcharges, or service or other fees of a nature not presently in effect which shall hereafter be levied on the Building Complex as a result of the use, ownership or operation of the Building Complex or any other reason, whether in lieu of, or in addition to any current real estate taxes and assessments; PROVIDED HOWEVER, any taxes which shall be levied on the rentals of the Building Complex shall be determined as if the Building Complex were Landlord's only property, and provided further that in no event shall the term "taxes or assessment," as used herein, include any net federal or state income taxes levied or assessed on Landlord, unless such taxes are a specific substitute for real property taxes. Expenses incurred by Landlord for tax consultants and in contesting the amount or validity of any such taxes or assessments shall be included in such computations (all of the foregoing area collectively referred to herein as the "Taxes"). "Assessments" shall include so-called special assessments, levy, charge, penalty or tax imposed by any authority having the direct power to tax, including any city, county, state, or federal government, or any school, agricultural, lighting, water, drainage, or other improvement or special district thereof, against the Premises, the Building or Building Complex or any legal or equitable interest of Landlord therein. For the purposes of this Lease, if the Building Complex has not been fully assessed as a completed project, for the purpose of computing the Operating Expenses for any adjustment required herein, the Tax shall be adjusted by Landlord, as of the date on which the adjustment is to be made, to reflect full completion of the Building including all standard tenant finish work;
- (b) costs of supplies, including, but not limited to, the cost of re-lamping all Building lighting, as the same may be required from time to time;
- (c) costs incurred in connection with obtaining and providing energy for the Building Complex, including, but not limited to, costs of propane, butane, natural gas, steam, electricity, solar energy and fuel oils, coal or any other energy or fuel sources;
- (d) costs of water and sanitary and storm drainage services;
- (e) costs of janitorial service and supplies, concierge, "day porter" and security services;
- (f) costs of general maintenance and repairs, including costs under HVAC and other mechanical maintenance contracts and maintenance, repairs and replacement of equipment and tools used to comply with the American with Disabilities Act and in connection with operating the Building Complex;
- (g) costs of maintenance and replacement of landscaping;
- (h) insurance premiums, including fire and all-risk coverage, together with loss of rent endorsements, the part of any claim required to be paid under the deductible portion of any insurance policies carried by Landlord in connection with the Building Complex (where Landlord is unable to obtain insurance without such deductible from a major insurance carrier at reasonable rates), provided that such deductibles are in commercially reasonable amounts, public liability insurance and any other insurance carried by Landlord on the Building Complex or any component parts thereof (all such insurance shall be in such amounts as may be required by any holder of a Mortgage and/or Trust Deed affecting all or any portion of the Building Complex or as Landlord may reasonably determine);
- (i) labor costs, including wages and other payments, costs to Landlord of worker's compensation and disability insurance, payroll taxes, welfare fringe benefits, and all legal fees, and other costs or expenses incurred in resolving any labor dispute;
- (j) building management fees including costs of storage space required by management of building;

(k) legal, accounting, inspection, and other consultation fees (including, without limitation, fees charged by consultants retained by Landlord for services that are designed to produce a reduction in Operating Expenses or to reasonably improve the operation, maintenance or state of repair of the Building Complex) incurred in the ordinary course of operating the Building Complex or in connection with making the computations required hereunder or in any audit of operations or the Building;

(l) the costs of capital improvements or structural repairs or replacements made in or to the Building Complex in order to conform to the Americans with Disabilities Act and changes subsequent to the date of this lease in any applicable laws, ordinances, rules, regulations or orders of any governmental or quasi-governmental authority having jurisdiction over the Building Complex (herein "Required Capital Improvements"). The expenditures for Required Capital Improvements shall be amortized over the useful life of such capital improvement or structural repair or replacement (as determined by Landlord's Accountants). All costs so amortized shall bear interest on the amortized balance at the rate of twelve percent (12%) per annum or such higher rate as may have been paid by Landlord on funds borrowed for the purpose of constructing these capital improvements.

(m) Leasing commissions paid to outside brokers shall not be included.

Notwithstanding anything herein to the contrary, Operating Expenses shall not include costs for (i) capital improvements incurred in connection with the construction or remodeling of the Building Complex's tenants, (ii) repair, replacements and general maintenance paid by proceeds of insurance or by Tenant or other third parties; (iii) interest, amortization or other payments on loans to Landlord or any ground lease payments; (iv) depreciation; (v) leasing commissions; (vi) legal expenses for services, other than those that benefit the Building Complex tenants generally (e.g., tax disputes); (vii) renovating or otherwise improving space for other tenants or occupants of the Building Complex or vacant space in the Building Complex; (viii) federal income taxes imposed on or measured by the income of Landlord from the operation of the Property, and any franchise, margin, estate, gift and inheritance taxes of the Landlord; (ix) expenses which Landlord receives reimbursement from any source, (x) any bad debt loss, rent loss or reserves for any bad debts, rent loss, replacements or refurbishment.

B. If any increase occurs in Operating Expenses during any Lease Year during the Primary Lease Term, or any extension thereof, including the first Lease Year, in excess of the Base Year Operating Expenses, Tenant shall pay to Landlord Tenant's Pro Rata Share of the amount of such increase (the "Operating Expense Escalation") within sixty (60) days following billing therefore by Landlord. In addition to the foregoing, it is agreed that, during each Lease Year beginning with the first month of the second Lease Year and each month thereafter during the Primary Lease Term, or any extension thereof, Tenant shall pay to Landlord, at the same time as the Basic Rent is paid, an amount equal to one-twelfth (1/12) of Landlord's estimate (as determined by Landlord's Accountants) of Tenant's Pro Rata Share of any projected increase in the Operating Expenses for the particular Lease Year in excess of the Base Year Operating Expenses (the "Estimated Escalation Increase"), with a final adjustment (the "Escalation Reconciliation") to be made between the parties within ninety (90) days after the end of each Lease Year. In computing the increase in the monthly rental payments based upon the Estimated Escalation increase for any particular Lease Year, Landlord's Accountants shall take into account any prior increases in the monthly rental payment attributable to Tenant's Pro Rata Share of previously estimated increases. If during any Lease Year the Estimated Escalation Increase is less than the Estimated Escalation Increase for the previous Lease Year on which Tenant's monthly rental payments were based for said year, the rental payments, attributable to Estimated Escalation increase, to be paid by Tenant for the new Lease Year shall be decreased accordingly; provided, however, in no event will the rental to be paid by Tenant hereunder ever be less than the Basic Rent plus all amounts of Additional Rent.

At Landlord's sole discretion, at any time following the end of a Lease Year during the Primary Lease Term, or any extension thereof, including the first Lease Year, Landlord shall submit to Tenant a statement prepared by Landlord's Accountants, in the first year setting forth the Operating Expense Escalation, if any beginning with said statement for the second Lease Year, it shall also set forth the Escalation Reconciliation for the Lease Year just completed and the Operating Expense Escalation for the next lease year. To the extent that the Operating Expense Escalation is different from the Estimated Escalation increase upon which Tenant paid rent during the Lease Year just completed, Tenant shall pay Landlord the difference in cash within sixty (60) days following receipt by Tenant of such statement from Landlord, or receive a credit on future rental owing hereunder as the case may be. Until Tenant receives such statement, Tenant's monthly rent for the new Lease Year shall continue to be paid at the rate being paid for the particular Lease Year just completed, but Tenant shall commence payment to Landlord of the monthly installments of rent on the basis of said statement beginning on the first day of the month following the month in which Tenant receives such statement. Moreover, Tenant shall pay to Landlord, or deduct from the rent, as the case may be, on the date required for the first payment of rent as adjusted, the difference, if any, between the monthly installments of rent so adjusted for the new Lease Year to date and the monthly installments of rent actually paid

during the new Lease Year to date. In addition to the above, if, during any particular Lease Year, there is a change in the information on which Landlord's Accountants based the estimate upon which Tenant is then making its estimated rental payment so that such estimate furnished to Tenant is no longer accurate, Landlord shall be permitted to revise such estimate by notifying Tenant, and there shall be such adjustments made in the monthly rental on the first day of the month following the serving of such statement on Tenant as shall be necessary by either increasing or decreasing, as the case may be, the amount of monthly rent then being paid by Tenant for the balance of the Lease Year (but in no event shall any such decrease result in a reduction of the rent below the Basic Rent and all amounts of Additional Rent), as well as a payment by Tenant or credit to the Tenant as appropriate based upon the amount theretofore paid by Tenant during such particular Lease Year pursuant to the prior estimate.

Landlord's and Tenant's responsibilities with respect to the Operating Expense adjustment described herein shall survive the expiration or early termination of this lease.

C. If Tenant disputes the amount of an adjustment or the proposed estimated increase or decrease related to the Operating Expense Escalation, the Estimated Escalation Increase or the Escalation Reconciliation submitted by Landlord's Accountants, on the basis of which Tenant's rent is to be adjusted as provided in Subparagraph 4 above, Tenant shall give Landlord written notice of such dispute within ninety (90) days after Landlord's Accountant's advise Tenant of such adjustment or proposed increase or decrease. Tenant's failure to give such notice shall waive its right to dispute the amounts so determined. If Tenant timely objects, Tenant shall have the right to engage its own certified public accountants ("Tenant's Accountants") for the purpose of verifying the accuracy of the statement complained of, or the reasonableness of the adjustment or estimated increase or decrease. If Tenant's Accountants determine that an error has been made, Landlord's Accountants and Tenant's Accountants shall endeavor to agree upon the matter, failing which Landlord's Accountants and Tenant's Accountants shall jointly select a third certified public accounting firm (the "Third Accountant") which firm shall conclusively determine whether the adjustment or estimated increase or decrease is reasonable, and if not, what amount is reasonable. The cost of the Third Accountant shall be borne equally by Landlord and Tenant and both parties shall be bound by such determination. If Tenant's Accountants do not participate in choosing the Third Accountant within 20 days' notice by Landlord, then Landlord's determination of the adjustment or estimated increase or decrease shall be conclusively determined to be reasonable and Tenant shall be bound thereby. All costs incurred by Tenant in obtaining Tenant's Accountants shall be paid by Tenant unless Tenant's Accountants disclose an error, acknowledged by Landlord's Accountants (or found to have occurred by the Third Accountant), of more than five percent (5%) in the computation of the total amount of Operating Expenses as set forth in the statement submitted by Landlord's Accountants with respect to the matter complained of, in which event Landlord shall pay the reasonable costs incurred by Tenant in obtaining such audits.

Tenant shall continue to timely pay Landlord the amount of the prior year adjustment and adjusted monthly installments of rent determined by Landlord's Accountants until the adjustment has been determined to be incorrect as aforesaid. Landlord's or Landlord's Accountants' delay in submitting any statement contemplated herein for any Lease Year shall not affect the provisions of this Paragraph 2, nor constitute a waiver of Landlord's rights as set forth herein for said Lease Year or any subsequent Lease Years during the Primary Lease Term or any extensions thereof.

## **5. LANDLORD'S OBLIGATIONS.**

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

- (1) hot and cold water at those points of supply provided for the general use of tenants of the Building;
- (2) heated and refrigerated air conditioning in season, at such times as Landlord determines, and at such temperatures and in such amounts as is typical for comparable office buildings and locations in the Bellaire submarket area; service on Saturdays, Sundays, and legal holidays are optional on the part of the Landlord;
- (3) Janitorial services (vacuum floor and empty trash) to the Premises on weekdays other than holidays;
- (4) passenger elevators for ingress to and egress from the Premises, in common with other tenants;
- (5) replacement of Building standard light bulbs; and
- (6) electric lighting for public areas and special service areas of the Building to the extent deemed by the Landlord to be reasonable.

b. Tenant shall have access to the Premises and Common Areas twenty-four (24) hours a day, seven (7) days a week, subject to any limitations set forth in Exhibit "C" attached hereto or which may be imposed by Landlord in the case

of an emergency. HVAC service and utilities to the Premises and Common Areas shall be provided Monday through Friday from 7:00 a.m. to 6:00 p.m. and Saturdays from 8:00 a.m. to 1:00 p.m. Janitorial services shall be provided Monday through Friday. HVAC service and janitorial services shall not be provided at other times or on nationally recognized holidays. Tenant acknowledges that there will be no air circulation or temperature control within the Premises when the HVAC is not operating and, consequently, during such times the Premises may not be comfortable for human occupation or suitable for the operation of computers and other heat sensitive equipment. As used herein, nationally recognized holidays shall mean New Year's Day, Martin Luther King Jr. Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. Landlord shall use commercially reasonable efforts to provide seasonably comfortable and balanced HVAC services to Tenant at times other than those set forth above subject to (a) the payment by Tenant of Landlord's standard charge at the rate of \$60 per hour with a 4 hour minimum for after-hours HVAC services; and (b) Tenant providing to Landlord at least one (1) business day's advance written notice of Tenant's need for after hours HVAC.

## **6. COMPLETION OR REMODELING OF THE PREMISES.**

a. Landlord shall have no obligation for completion or remodeling of the Premises and the Tenant shall accept the Premises in its "as is" condition on the Effective Date. If Landlord is to complete or remodel the Premises, or for any other reason, the Premises are not "Ready for Occupancy" as hereinafter defined on the date the Primary Lease Term is to begin, other than due to delays caused by Tenant, its agents or employees, Tenant's obligations to pay Base Rent, its Pro Rata Share of Operating Expenses, and other sums owing hereunder shall not commence until the Premises are Ready for Occupancy; provided, however, this Lease and all of the covenants, conditions and agreements herein contained other than Tenant's obligations to pay Base Rent and other sums owing hereunder shall be in full force and effect. If Tenant takes possession of all or any part of the Premises prior to the date the Premises are Ready for Occupancy, Tenant shall pay all Base Rent and other amounts owing hereunder. "Ready for Occupancy" as used herein shall mean the date that Landlord has substantially completed the Premises or any remodeling work to be performed by Landlord to the extent agreed to in the Work Agreement and all necessary governmental approvals have been obtained or the date Landlord otherwise makes the Premises available to Tenant if Landlord has no obligation for the completion or remodeling of the Premises. The certificate of the architect (or other representative of the Landlord) in charge of supervising the completion or remodeling of the Premises shall control conclusively the date upon which the Premises are Ready for Occupancy, and the obligation to pay Rent begins. In addition to the above, if Landlord is delayed in delivering the Premises to Tenant, in spite of Landlord's prompt, diligent and expeditious efforts, due to the failure of a prior occupant to vacate the same, then the obligation for the payment of Rent and the commencement of the Term hereof shall also be postponed and such postponement shall be in full satisfaction of all claims which Tenant might otherwise have by reason of such delay of delivery.

b. Taking possession of the Premises by Tenant shall be conclusive evidence as against Tenant that the Premises as of the date of taking possession were in the condition agreed upon between Landlord and Tenant.

## **7. INTENTIONALLY DELETED.**

## **8. USE OF PREMISES.**

Tenant will use the Premises for office purposes consistent with the Permitted Use set forth in the Basic Lease Provisions, above, and for no other purpose. Tenant shall not: permit more than four (4) employees per 1,000 square feet to occupy the premises at any time; use or occupy the Building for any purpose which is unlawful or dangerous; permit the maintenance of any nuisance, disturb the quiet enjoyment for all of the Building, emit offensive odors or conditions into other portions of the Building; sell, purchase, or give away, or permit the sale, purchase or gift of food in the Building, or use any apparatus which might create undue noise or vibrations in the Building. Tenant shall not permit anything to be done which would increase any insurance rates on the Building or its contents, and if there is any increase, then Tenant agrees to pay such increase promptly upon demand therefore by Landlord; however, any such payment shall not waive Tenant's duty to comply with this Lease. Tenant shall not inscribe, paint, affix or display any signs, advertisements or notices on or in the Building except for such tenant identification information as Landlord permits to be included or shown on the directory in the main lobby.

## **9. TENANT'S OBLIGATIONS.**

Tenant will not damage the Building and will pay the cost of repairing any damage done to the Building by Tenant or Tenant's agents, employees, or invitees. Tenant shall take good care of the Premises and keep them free of waste and nuisance. Tenant will keep the Premises, including all fixtures installed by Tenant, in good condition and repair. If Tenant fails to make necessary repairs within fifteen (15) days after notice from Landlord, Landlord may, at its option, make such repairs and Tenant shall, upon demand, pay Landlord the actual cost thereof. At the end of the Term, Tenant shall deliver to Landlord the Premises with all improvements located thereon in good repair and condition, normal wear and tear and casualty excepted, and all keys to the Premises in Tenant's possession. Tenant

will not make or allow to be made any alterations or physical additions in or to the Premises without the prior written consent of Landlord, first had and obtained; provided, however, Tenant shall not be required to obtain Landlord's prior written consent for alterations of less than \$10,000.00 and which do not affect the structure of the Building or the Building systems or which are purely cosmetic such as paint and carpet. At the end of the Term, Tenant shall, if Landlord so elects, remove all alterations, physical additions or improvements as directed by Landlord and restore the Premises to substantially the same condition as they existed on the date hereof, normal wear and tear and casualty excepted. All of Tenant's moveable trade fixtures and personal property not removed from the Premises at the end of the Term shall be presumed to have been abandoned by Tenant and shall become the property of the Landlord.

#### **10. INDEMNITY.**

Landlord shall not be liable for and Tenant will defend, indemnify and hold harmless Landlord from all fines, suits, claims, demands, losses, and actions, including attorney's fees, for any injury to persons or damage to or loss of property on or about the Premises or in or about the Building caused by the Tenant, its employees, invitees, licensees, or by another person entering the Premises or the Building under express or implied invitation of the Tenant, or arising out of Tenant's use of Premises or Landlord's maintenance of the Premises.

#### **11. MORTGAGES.**

Tenant accepts this Lease subordinate to any deeds of trust, mortgages or other security interests which might now or hereafter constitute a lien upon the Building or the Premises. Tenant shall within ten (10) days, upon request by Landlord, execute such documents as may be reasonably required for the purposes of subordinating or verifying this Lease.

#### **12. ASSIGNMENT; SUBLEASING.**

A. Tenant shall not assign this Lease by operation of law or otherwise (including without limitation by transfer of stock, merger, or dissolution), mortgage or pledge the same, or sublet the Premises or any portion thereof, without the prior written consent of Landlord, first had and obtained, which Landlord shall not unreasonably withhold, condition or delay. Tenant hereby agrees that in the event it desires to sublease all or any portion of the Premises or assign this Lease to any party, in whole or in part, Tenant shall notify Landlord not less than thirty (30) days prior to the date Tenant desires to sublease such portion of the Premises or assign this Lease ("Tenant's Notice"). Tenant's Notice shall set forth the description of the portion of the Premises to be so sublet or assigned and the terms and conditions on which Tenant desires to sublet the Premises or assign this Lease. Tenant shall provide Landlord, within ten (10) days after Tenant's Notice, all information and documentation required by Landlord to fully assess the request set forth in Tenant's Notice, including, but not limited to, financial statements and similar financial information regarding the proposed sublessee or assignee, a copy of the proposed assignment or sublease and such information with respect thereto as Landlord requests to allow Landlord to make informed judgments as to the financial condition, reputation, operations, and general desirability of the proposed transferee. After such information has been received, Landlord shall have the option to:

- (1) Cancel the Lease as to the Premises or portion thereof proposed to be assigned or sublet, provided that Tenant shall have fifteen (15) days to rescind its assignment/sublet request in such instance; or,
- (2) Consent to the proposed assignment or sublease; If the assignment, transfer, or subletting is approved and rents under the sublease are greater than the rents provided for herein, then Landlord shall have the further option either (a) to convert the sublease into a prime lease and receive all of the rents, in which case Tenant shall be relieved of further liability hereunder and under the proposed sublease, or
- (3) to require Tenant to remain liable under this Lease, in which event Tenant shall be entitled to retain 50% of such excess rents (after deduction of all costs, fees and expenses incurred by Tenant in connection with such assignment/sublease); or,
- (4) withhold its consent to the proposed assignment or sublease, which option shall always be deemed to be elected unless Landlord gives Tenant written notice otherwise.

B. Landlord shall have forty-five (45) days following receipt of Tenant's Notice, the required information and documentation to be provided by Tenant and the receipt by Landlord of a five hundred dollar (\$500) nonrefundable application fee within which to give written notice of its agreement, to grant such consent, or such consent shall be deemed to be denied. If Tenant fails to provide the required information and documentation or fails to pay the \$500 nonrefundable application fee within the time required herein, consent to the request set forth in Tenant's Notice shall be deemed to be denied. If Landlord consents to such sublease or assignment and if for any reason Tenant is unable to sublet said portion of the Premises or assign the applicable portion of its interest in this Lease on the terms and conditions contained in Tenant's Notice within ninety (90) days following its original notice to Landlord, Tenant agrees to give new written notice to Landlord in accordance with the provisions hereof prior to leasing or assigning the same to any third party. Except as provided in item (3) above, Landlord's consent to an assignment or subletting

shall not release Tenant from any obligation hereunder, and Landlord's consent shall be required for any subsequent assignment or subletting.

C. All documents utilized by Tenant to evidence any subletting or assignment to which Landlord has consented shall be subject to prior approval by Landlord or its counsel, which shall not be unreasonably withheld, delayed, or conditioned. Any such documents shall specifically provide that, except as provided in item (3) above, Tenant and any Guarantor under this Lease is not released by such subletting or assignment and shall acknowledge that any renewal options, rights of first refusal for additional or substitute premises or any other similar rights are terminated as of the execution of such documentation by Tenant, Landlord and the sublessee or assignee.

D. If this Lease is assigned or if the Premises or any part thereof is sublet or occupied by anybody other than the Tenant, Landlord may, after default by Tenant, collect rent from the assignee, subtenant, or occupant, and apply the net amount collected to the Rent herein reserved, but no such assignment, subletting, occupancy or collection shall be deemed a waiver of any of the Tenant's covenants contained in this Lease or the acceptance of such assignee, subtenant or occupant as Tenant, or a release of Tenant from further performance by Tenant of covenants on the part of Tenant herein contained.

### **13. EMINENT DOMAIN.**

If the Premises shall be taken or condemned in whole or in part for public purposes or sold under threat of condemnation, this Lease shall terminate at the option of Landlord or Tenant. Landlord shall be entitled to receive the entire award of any condemnation or the proceeds of any sale in lieu thereof.

### **14. ACCESS.**

Landlord and its agents may, upon reasonable prior notice to Tenant (except in the event of emergency), enter the Premises to inspect the same, to supply janitorial service or other, to show the Premises to prospective lenders, purchasers or tenants; to alter, improve, or repair the Premises or the Building, and may erect scaffolding and other necessary structures where reasonably required by the character of the work to be performed, provided the business of Tenant shall be interfered with as little as is reasonably practicable. Tenant waives any claim for damages for any injury or inconvenience to or interference with Tenant's business, any loss of occupancy or quiet enjoyment of the Premises, or any other loss occasioned by Landlord's entry into the Premises in accordance with this Section 12. Landlord shall at all times have a key to the Premises. Landlord may use any means which it deems proper to open any door in an emergency without liability.

### **15. CASUALTY.**

If the Building should be totally destroyed by casualty or if the Premises or the Building be so damaged that Landlord reasonably determines that repairs cannot be completed within one hundred eighty (180) days after the date of such damage, either Landlord or Tenant may terminate this Lease. Landlord shall not be required to rebuild, repair, or replace any part of the furniture, equipment, fixtures, and other improvements which may have been placed by Tenant in the Premises. Any insurance which may be carried by Landlord or Tenant against loss or damage to the Building or the Premises shall be for the sole benefit of the party carrying such insurance.

### **16. WAIVER OF SUBROGATION.**

Landlord, Tenant, and all parties claiming under them, each mutually release and discharge each other from responsibility for, and waive all rights of recovery against each other for, that portion of any loss or damage paid or reimbursed by an insurer of Landlord or Tenant under any fire, extended coverage or other property insurance policy maintained by Tenant with respect to its Premises or by Landlord with respect to the Building or the Project (or which would have been paid or reimbursed had the insurance required to be maintained hereunder been in full force and effect), no matter how caused, including negligence, and each waives any right of recovery from the other including, but not limited to, claims for contribution or indemnity, which might otherwise exist on account thereof. The foregoing waiver also applies to deductibles under any such policies.

### **17. HOLDING OVER.**

Unless otherwise agreed to in writing by Landlord and Tenant, if the Tenant retains possession of the Premises or any part thereof after the termination of the term, the Tenant shall pay the Landlord Rent at one and quarter times the monthly rate in effect immediately prior to the termination of the term for the time the Tenant thus remains in possession and, in addition thereto, Tenant shall pay the Landlord for all damages, consequential as well as direct, sustained by reason of the Tenant's retention of possession. The provision of this Section do not exclude the Landlord's rights of re-entry or any other right hereunder. No such holding over shall be deemed to constitute a renewal or extension of the term hereof.

### **18. TAXES ON TENANT'S PROPERTY.**



Tenant shall be liable for all taxes levied or assessed against personal property or fixtures placed by Tenant in the Premise. If any such taxes are assessed against Landlord or Landlord's property, Landlord may pay the same, and Tenant shall upon demand, reimburse Landlord therefore.

#### **19. LANDLORDS LIEN.**

In addition to the statutory Landlord's lien, Tenant grants to Landlord a security interest to secure payment of all Rent and performance of all of Tenant's other obligations hereunder, in all equipment, furniture, fixtures, improvements and other personal property located in or on the Premises, and all proceeds therefrom. Such property shall not be removed from the Premises without Landlord's written consent until all Rent due and all Tenant's other obligations have been performed. In addition to any other remedies, upon an Event of Default, Landlord may exercise the rights afforded a secured party under the Uniform Commercial Code for the state in which the Building is located - Secured transactions. Tenant grants to Landlord a power of attorney to execute and file statements necessary to perfect Landlord's security interest, which power is coupled with an interest and shall be irrevocable during the Term.

#### **20. MECHANIC'S LIENS.**

Tenant shall not permit any mechanic's or other liens to be filed against the Premises or the Building for any work performed, materials furnished or obligation incurred by or at the request of Tenant. Tenant shall, within ten (10) days following the imposition of any such lien, cause the recorded lien to be released or posting of a proper bond in the amount required by law. If Tenant fails to either release or post a bond as previously written, then Landlord may cause the same to be released, and Tenant shall immediately reimburse Landlord for all costs incurred in connection therewith.

#### **21. EVENTS OF DEFAULT.**

The occurrence of any of the following shall constitute an event of default ("Event of Default") hereunder:

- (a) Any failure by Tenant to pay the Rent when due.
- (b) Any failure by Tenant to observe and perform any provision of this Lease, other than the payment of Rent that continues for thirty (30) days after notice to Tenant; however, an Event of Default shall occur hereunder without any obligation of Landlord to give any notice if Landlord has given Tenant notice under this Section 21. (b) on at least one occasion during the twelve (12) month interval preceding such failure by Tenant.
- (c) Tenant or any guarantor of Tenant's obligations hereunder (1) being unable to meet its obligations as they become due, or being declared insolvent according to any law, (2) having its property assigned for the benefit of its creditors, (3) having a receiver or trustee appointed for itself or its property, (4) having its interest under this Lease levied on under legal process, (5) having any petition filed or other action taken to reorganize or modify its debts or obligations, or (6) having any petition filed or other action taken to reorganize or modify its capital structure If either Tenant or such guarantor is a corporation or other entity.
- (d) The vacating or abandonment of the Premises by Tenant (which shall be conclusively presumed if Tenant is absent from the Premises for sixty (60) consecutive days and is late on any payment due Landlord).
- (e) Any Event of Default under any other lease at the Building under which Tenant is the tenant and responsible party.

#### **22. REMEDIES.**

Upon the occurrence of any Event of Default, Landlord may, in addition to all other rights and remedies afforded Landlord hereunder or by law or equity, take any of the following actions:

- (a) Terminate this Lease by giving Tenant written notice thereof, in which event Tenant shall immediately surrender the Premises to Landlord. If Tenant fails to surrender the Premises to Landlord, Landlord may, without prejudice to any other remedy, enter upon and take possession of the Premises or any part thereof by changing the door locks to the Premises or by any other means necessary in Landlord's sole judgment without being liable for prosecution or any claim for damages. If this Lease is terminated hereunder, Tenant shall pay to Landlord the sum of: (1) all Rent accrued hereunder through the date of termination, (2) all amounts due under Section 22, and (3) an amount equal to : (A) the total Rent that Tenant would have been required to pay for the remainder of the Term discounted to present value at a per annum rate equal to six (6) percent interest, minus (B) the then present fair rental value of the Premises for such period, similarly discounted.
- (b) Terminate Tenant's right to possession of Premises without terminating this Lease by giving Tenant written notice thereof, in which event Tenant shall immediately surrender the Premises to Landlord. If Tenant fails to surrender the Premises to Landlord, Landlord may, without prejudice to any other remedy, enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying the Premises or any part thereof by changing the door locks to the Premises or by any other means necessary in Landlord's sole and absolute discretion without being liable for prosecution or any claim for damages. If Tenant's right to possession of the Premises is terminated hereunder, Tenant shall pay to Landlord: (1) all Rent to the date of termination of

possession, (2) all amounts due from time to time under Section 23, and (3) all Rent required hereunder to be paid by Tenant during the remainder of the Term, diminished by any net sums thereafter received by Landlord through re-letting the Premises during such period. Landlord shall use reasonable efforts to reset the Premises on such terms and conditions as Landlord, in its sole discretion, may determine (including a term different from the Term, rental concessions, and alterations to, and improvement of, the Premises); however, Landlord shall not be obligated to re-let the Premises before leasing other portions of the Building. Landlord shall not be liable for, nor shall Tenant's obligations hereunder be diminished because of, Landlord's failure to re-let the Premises or to collect rent due for such re-letting. Tenant shall not be entitled to the excess of any consideration obtained by re-letting over the Rent due hereunder. Reentry by Landlord in the Premises shall not affect Tenant's obligations hereunder for the un-expired term; rather, Landlord may, from time to time, bring action against Tenant to collect amounts due by Tenant, without the necessity of Landlord's waking until the expiration of the Term. Unless Landlord delivers written notice to Tenant expressly stating that it has elected to terminate this Lease, all actions taken by Landlord to exclude or dispossess Tenant of the Premises shall be deemed to be taken under this Section 22. (b). If Landlord elects to proceed under this Section 22. (b), if may at any time elect to terminate this Lease under Section 22. (a).

(c) Change the door locks to the Premises and deny Tenant access to the Premises until such Event of Default is cured.

(d) Enter upon the Premises without being liable for prosecution or any claim for damages and do whatever Tenant is obligated to do under the terms of this Lease. Tenant agrees to reimburse Landlord on demand for any expenses which Landlord may incur in thus effecting compliance with Tenant's obligations under this Lease. Tenant further agrees that Landlord shall not be liable for any damages resulting to the Tenant from such action

### **23. PAYMENT BY TENANT.**

Upon any Event of Default, Tenant shall pay to Landlord all costs actually incurred by Landlord (including court costs and reasonable attorneys' fees) in (a) obtaining possession of the Premises, (b) removing and storing Tenant's or any other occupants' property, (c) repairing, restoring, altering, remodeling or otherwise putting the Premises into condition acceptable to a new tenant, (d) if Tenant is dispossessed of the Premises and this Lease is not terminated, re-letting all or any part of the Premises (including brokerage commissions, costs of tenant finish work, and all other costs incidental to such re-letting, (e) performing Tenant's obligations which Tenant failed to perform, and (f) enforcing, or advising Landlord of its rights, remedies, and recourses arising out of the Event of Default.

**24. RELOCATION.** Landlord reserves the right to relocate Tenant to other space owned or controlled by Landlord or SLS Properties ("Relocation Premises") by giving Tenant at least one hundred and twenty (120) day prior written notice of such intention to relocate and the proposed location of the Relocated Premises. The landlord will be responsible for the following changes related to the move: signage, letterhead, and business card at the new location. Total amount paid by Landlord to relocate Tenant shall not exceed \$2 psf. If within sixty (60) days after receipt of such notice Tenant has not agreed to relocate to the relocation Premises (or other alternative relocation premises on which Landlord and Tenant have agreed), this Lease will terminate on that date which is two hundred and forty (240) days after Landlord's initial notice to Tenant. If Landlord and Tenant do agree to the Relocation Premises, they will execute an amendment replacing the description of the Premises with the description of the Relocation Premises and memorializing any other changes to the Lease terms resulting from such relocation. Under such circumstances, Tenant's Base Rent and Additional Rent shall be adjusted proportionately to reflect any difference between the square footage of the original Premises and the square footage of the Relocation Premises.

### **25. LANDLORD'S LIABILITY.**

The liability of Landlord to Tenant for any default by Landlord under the terms of this lease shall be limited to Tenant's actual direct, but not consequential, damages therefore and shall be recoverable from the interest of Landlord in the Building (and proceeds therefrom) and Landlord shall not be personally liable for any deficiency. Landlord's reservation of rights under this Lease, such as to enter upon or maintain the Premises, shall not be deemed to create any duty on the part of Landlord to exercise any such right. Landlord expressly advises Tenant that Landlord's intention is that Tenant shall have full responsibility for, and shall assume all risk to, persons and property while in, on or about the Premises.

### **26. SURRENDER OF PREMISES.**

No act of Landlord or its agents during the Term shall be deemed as acceptance of surrender of the Premises. No agreement to accept surrender of the Premises shall be valid unless the same is in writing and signed by the Landlord.

### **27. ATTORNEYS FEES.**

If either party employs an attorney to interpret, enforce or defend any of its rights or remedies hereunder, the non-prevailing party shall pay all reasonable attorney's fees of the prevailing party, including court costs, incurred in such dispute.

**28. FORCE MAJEURE.**

Whenever a period of time is prescribed for action to be taken by Landlord or Tenant (other than the payment of money), Such party shall not be liable or responsible for, and there shall be excluded from the computation for any such period of time, any delays due to strikes, riots, acts of God, shortages of labor or materials. war, governmental laws regulations or restrictions, or any other causes of any kind whatsoever which are beyond the control of the obligated party.

**29. GOVERNMENTAL REGULATIONS.**

Tenant will comply with all laws, ordinances, orders, rules and regulations of all governmental agencies having jurisdiction of the Premises with reference to the use, construction, condition or occupancy of the Premises.

**30. APPLICABLE LAW**

This Lease shall be governed by and construed pursuant to the laws of the State of Texas.

**31. SUCCESSORS AND ASSIGNS.**

Except as otherwise provided in this Lease, all of the covenants, conditions and provisions of this Lease shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors, and assigns,

**32. SEVERABILITY.**

If any provision of this Lease or the application thereof to any person or circumstances shall be invalid or unenforceable to any extent, the remainder of this Lease and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law,

**33. NAME.**

Tenant shall not, without the written consent of Landlord, use the name of the Building for any purpose other than as the address of the business to be conducted by Tenant in the Premises, and in no event shall Tenant acquire any rights in or to such names.

**34. NOTICES.**

Any notice or document required to be delivered hereunder shall be deemed to be delivered whether or not actually received, when deposited in the United States mail, postage prepaid, certified or registered mail, addressed to the parties hereto at their respective addresses set forth above, or when sent by facsimile transmission to the respective numbers set forth above, or delivered to Tenant's place of business in the Building.

**35. DEFINED TERMS AND MARGINAL HEADINGS.**

The words "Landlord" and "Tenant" as used herein shall include the plural as well as the singular. If more than one person is named as Tenant, the obligations of such persons are joint and several. The headings and titles to the sections of this Lease are not part of this Lease and shall have no effect upon the construction an interpretation of any part thereof. Captions contained herein are for the convenience of reference only and in no way limit or enlarge the terms or conditions of this Lease.

**36. AUTHORITY.**

If Tenant executes this Lease as a corporation or other entity, each of the persons executing this Lease on behalf of Tenant personally covenants and warrants that Tenant is duly authorized and validly existing, that Tenant is qualified to do business in the state in which the Building is located, that Tenant has full right and authority to enter into this Lease, and that each person signing on behalf of Tenant is authorized to do so.

**37. LIQUIDATED DAMAGES.**

If the Premises are not ready for occupancy by the Rent Commencement Date of this Lease, unless delayed by Tenant for any reason, the Basic Rent under this Lease shall not commence until the Premises are ready for occupancy by Tenant. Such allowance for Basic Rent shall be in full settlement for any claim which Tenant might otherwise have by reason of the Premises not being ready for occupancy.

**38. INTEGRATED AGREEMENT.**

This Lease contains the entire agreement of the parties hereto with respect to any matter covered or mentioned in this Lease. No prior agreement, understanding or representation pertaining to any such matter shall be effective for any purpose. No provision of this Lease may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successors in interest.

**39. LATE FEE.**

If Rent is not received by Landlord on or before the tenth (10th) day of any month, Tenant shall pay Landlord a late fee equal to ten percent (10%) of the amount of Rent due, which shall be paid by Tenant to Landlord immediately upon written notice from Landlord. Failure by Tenant to make immediate payment of the delinquent Rent plus the late fee shall constitute an Event of Default. This provision, expressly, does not relieve the Tenant's obligation to pay Rent on the first of each month and is not a waiver by the Landlord to require payment on the first day of each month.

**40. INTEREST ON SUMS EXPENDED BY LANDLORD.** All sums paid and all expenses incurred by Landlord in performing Tenant's duties hereunder or curing Events of Default shall accrue interest at the rate of fifteen percent (15%) per annum from the date of payment of such amount by Landlord. In no event, however, shall the charges permitted under this Section 40, or elsewhere. In this Lease, to the extent the same are considered to be interest under applicable law, exceed the maximum lawful rate of interest.

**41. INSURANCE.**

Tenant will Indemnify and hold harmless Landlord from and against any loss, theft, damage or liability occasioned by or resulting from any Event of Default or any willful or negligent act on the part of Tenant, its agents, employees, or invitees, or persons permitted on the Premises by Tenant or by Landlord in accordance with Section 14. Tenant agrees to maintain at Tenant's sole cost and expense, insurance policies covering Tenants aforesaid indemnity with respect to Tenant's use and occupancy of the Premises, as well as coverage for theft and damage. Such policies shall be issued in the name of Tenant and Landlord as their interest may appear, or shall contain an 'additional insured' endorsement in favor of Landlord, and with limits of liability of at least ONE MILLION DOLLARS (\$1,000,000.00) per occurrence for bodily injury and FIVE HUNDRED THOUSAND DOLLARS (\$500,000.00) per occurrence for property damage. Tenant shall also maintain business interruption or rent loss insurance with "all risk" coverage, issued in the name of Tenant and Landlord as their interest may appear (or containing an 'additional insured' endorsement in favor of Landlord) in an amount equal to not less than the sum of 100% of the then annual Base Rent for a 12-month period plus the most recent year's Operating Expense Escalation for a 12-month period. Duplicate originals of such policies and endorsements shall be delivered to Landlord within thirty (30) days from the execution date hereof.

**42. RULES.**

Tenant shall abide by the Building Rules and Regulations attached hereto as Exhibit "C" and hereby made a part of this Lease, which may be changed or amended, at any time, by Landlord in its reasonable discretion to promote a safe, orderly and professional Building environment. To the extent of any conflict between the rules and regulations and this Lease, this Lease shall control for all purposes.

**43. PARKING.**

Tenant and all Tenant's employees shall park their vehicles in those areas designated by Landlord and shall comply with all municipal, sub-divisional or other restrictive covenants imposed on Landlord by any restrictive authorities. Vehicles shall be towed at owner's expense for any of the following violators: (a) parking in any area other than as specifically designated by Landlord; or (b) failure of such vehicle to have a parking permit, if issued by landlord, properly affixed thereto; or (c) parking across stripes marking the parking spaces. Landlord, at Its sole discretion, may designate the specific space or area in which vehicles shall be parked and may change the same from time to time. Landlord may make, modify, or enforce rules and regulations relating to the parking of vehicles, and Tenant hereby agrees to obey such rules and regulations. Tenant shall only use a pro-rata share of parking spaces as designated by Landlord as 4.0 parking spaces per 1,000 rentable square feet leased in the Premises. In the event the Building does not possess parking, Landlord shall not be responsible for providing parking for Tenant.

**44. CONFIDENTIALITY AGREEMENT**

(a) All rent terms, conditions and other information contained in this Lease is hereby deemed confidential (the "Confidential Information") and shall not be divulged by Tenant, its officers, owners, employees or agents to any other person or entity other than Tenant's attorneys, accountants, brokers and other consultants, without the express written consent of Landlord except as required by law, in connection with any legal proceeding, or as otherwise specified in this Lease with respect to estoppel certificates, subordination agreements or other statements required of Tenant hereunder.

(b) The restrictions and obligations set forth in this Section 44 shall survive the termination of this Lease and shall be a continuing obligation of Tenant. The foregoing limitation on Tenant's liability shall not be applicable to a breach of the obligations of Tenant pursuant to this Section 44 that occurs after the termination of this Lease. (d) For the purposes of this Section "Confidential Information" shall include, but not be limited to the existence and terms of this Lease, any document or other information regarding the Premises or the Property provided by Landlord to Tenant pursuant to this Lease, any other information regarding the Premises, Property or Landlord that is provided in any manner to Tenant and any information, fact or circumstance that Tenant learns, obtains or discovers regarding the Premises, Property or Landlord during the term of this Lease.

**45. TIME OF ESSENCE.** Time is of the essence herein.

**46. EXHIBITS.** All exhibits attached hereto are made a part hereof and incorporated herein by reference.

THE SUBMISSION OF THIS LEASE FOR EXAMINATION DOES NOT CONSTITUTE A RESERVATION OF OR OPTION FOR THE LEASED PREMISES, AND THIS LEASE BECOMES EFFECTIVE AS A LEASE ONLY UPON EXECUTION AND DELIVERY THEREOF BY LANDLORD TO TENANT. IF A CORPORATION EXECUTES THIS LEASE AS A TENANT, TENANT SHALL PROMPTLY FURNISH LANDLORD CERTIFIED CORPORATE RESOLUTIONS ATTESTING TO THE AUTHORITY OF THE OFFICERS TO EXECUTE THE LEASE ON BEHALF OF SUCH CORPORATION.

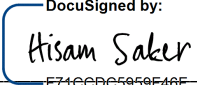
IT IS UNDERSTOOD THAT THERE ARE NO ORAL AGREEMENTS BETWEEN THE PARTIES HERETO AFFECTING THIS LEASE AND THIS LEASE SUPERCEDES AND CANCELS ANY AND ALL PREVIOUS NEGOTIATIONS, ARRANGEMENTS, BROCHURES, AGREEMENTS AND UNDERSTANDINGS, IF ANY, BETWEEN THE PARTIES HERETO OR DISPLAYED BY LANDLORD TO TENANT WITH RESPECT TO THE SUBJECT MATTER THEREOF, AND NONE SHALL BE USED TO INTERPRET OR CONSTRUE THIS LEASE.

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed as of the Effective Date first written above.

**LANDLORD:**

SLS WEST LOOP II, LP  
A Texas limited partnership

SLS WEST LOOP GENERAL II, LLC  
A Texas limited liability company  
Its general partner

By:  \_\_\_\_\_  
Hisam Saker, Manager

7/25/2022

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

**TENANT:**

HARRIS COUNTY, TEXAS

By: \_\_\_\_\_

Name: Lina Hidalgo

Title: County Judge

Approved as to Form:

Christian D. Menefee

County Attorney

Designated by:

By:

*Marcy Linebarger*

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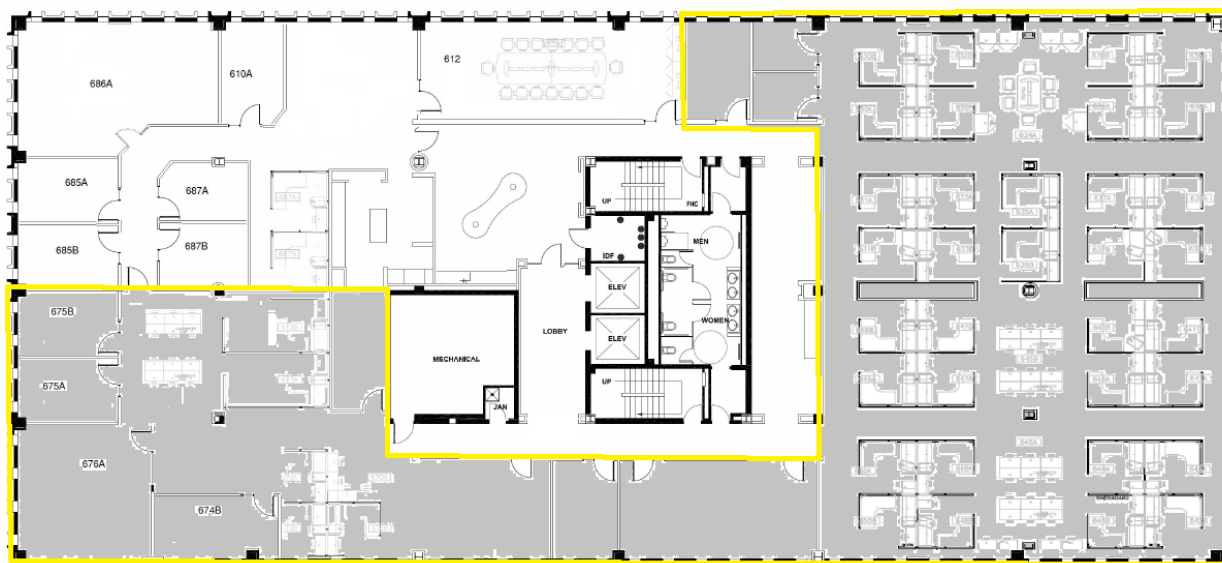
Marcy Linebarger

Assistant County Attorney

**EXHIBIT A**

**ADDENDUM I – ADDITIONAL PROVISIONS**

1. Landlord shall provide all the improvements outlines on the Plan attached hereto as Exhibit B.
2. Landlord shall allow Tenant to use the furniture in the Premises. Tenant shall not remove such furniture from the Premises and shall maintain said furniture in good condition, ordinary wear and tear excepted.







## **EXHIBIT C**

### **BUILDING RULES AND REGULATIONS**

1. No sign, picture, advertisement, name or notice shall be inscribed, displayed or affixed on or to any part of the inside of the Building or the Premises without the prior written consent of Landlord and Landlord shall have the right to remove any such item at the expense of Tenant. All approved signs or lettering on doors and the building directory shall be printed, painted, affixed or inscribed at the expense of Tenant by a person approved by Landlord. Tenant shall not place anything near the glass of any window, door, partition or wall which may appear unsightly from outside the Premises; provided, however, that Landlord may furnish and install a Building standard window covering at all exterior windows, Tenant shall not, without written consent of Landlord, cover or otherwise sunscreen any window.
2. Landlord shall approve in writing prior to installation, any attachment of any object affixed to walls, ceilings, or doors other than pictures and similar items.
3. The directory of the Building will be provided exclusively for the display of the name and location of Tenant only and Landlord reserves the right to exclude any other names therefrom.
4. The sidewalks, halls, passages, exits, entrances, elevators and stairways shall not be obstructed by Tenant or used by Tenant for any purpose other than ingress to and egress from the Premises. The halls, passages, exits, entrances, elevators, stairways, balconies and roof are not for the use of the general public and the Landlord shall in all cases retain the right to control and prevent access thereto by all persons whose presence in the judgment of the Landlord shall be prejudicial to the safety, character, reputation and interests of the Building and its tenants provided that nothing herein contained shall be construed to prevent such access to persons with whom the Tenant normally deals in the ordinary course of Tenant's business, unless such persons are engaged in illegal activities. No tenant and no employees or invitees of any tenant shall go upon the roof of the Building.
5. No additional locks or bolts of any kind shall be placed upon any of the doors or windows of the Premises or the Building by Tenant, nor shall any changes be made in existing locks or the mechanism thereof without the prior written consent of the Landlord. Tenant must, upon the termination of its tenancy, return to Landlord all keys to the Premises. If Tenant fails to return any such key Tenant shall pay to Landlord the cost of changing the locks to the Premises If Landlord deems it necessary to change such locks.
6. The toilet rooms, urinals, wash bowls and other apparatus in the Premises or Building shall not be used for any purpose other than that of which they were constructed and no foreign substance of any kind whatsoever shall be thrown therein. The expense of any breakage, stoppage or damage resulting from the violation of this rule shall be borne by Tenant.
7. Tenant shall not overload the floor of the Premises, mark on, or drive nails screw or drill into the partitions, woodwork or plaster or in any way deface the Premises or any part thereof. No boring, cutting or stringing of wires shall be permitted except with the prior written consent of and as the Landlord may direct.
8. No furniture, freight or equipment of any kind shall be brought into the Building without the consent of Landlord and all moving of same into or out of the Building shall be done at such time and in such manner as Landlord shall designate. Landlord shall have the right to prescribe the weight, size and position of all safes and other heavy equipment brought into the Building and also the times and manner of moving the same in and out of the Building and any damage caused by moving or maintaining such safe or other property shall be repaired at the expense of Tenant. There shall not be used in any space, or in the public halls, of the Building, either by any tenant or others, any hand trucks except those equipped with rubber tires and side guards.
9. Tenant shall not employ any person or persons for the purpose of doing the Premises without the consent of Landlord. Landlord shall be in no way responsible to Tenant for any loss of property from the Premises or other damage caused by Landlord's janitorial service or any other person. Janitorial service will not include the cleaning of carpets and rugs, other than vacuuming. If the Premises requires more than building standard janitorial service, such excess service shall be at Tenant's cost.
10. No Tenant shall place anything in the hallways of the Building or the common areas.

11. Tenant shall only be permitted use as general office space. No tenant shall occupy or permit any portion of the Premises to be occupied for lodging or sleeping or for any illegal purposes or permit any pet within the Premises or Building.
12. Tenant shall not use or keep in the Premises or the Building any combustible fluid or material.
13. Landlord will direct electricians as to where and how telephone wiring shall be located. No boring or cutting for wires will be allowed without the consent of Landlord. The location of telephones, call boxes and other office equipment affixed to the Premises shall be subject to the approval of Landlord.
14. No Tenant shall lay linoleum or other similar floor covering so that same shall be affixed to the floor of the Premises in any way except by a paste, or other material, which may easily be removed with water, the use of cement or other similar adhesive materials being expressly prohibited. The method of affixing any such linoleum or other similar floor covering to the floor, as well as the method of affixing carpets or rugs to the Premises, shall be subject to approval by Landlord. The expense of repairing any damage resulting from a violation of this rule shall be borne by the tenant by whom, or by whose agents, employees, or invitees, the damage shall have been caused.
15. Tenant shall provide and use chair pads and carpet protectors at all desk and furniture locations.
16. No furniture, packages, supplies, equipment or merchandise will be received in the Building or carried up or down in the elevators, except between such hours and in such elevators as shall be designated by Landlord.
17. On Saturdays Sundays and legal holidays and on any other days between the hours of 6:00 p.m. and 6:30 am., Landlord reserves the right to keep all doors to the Building locked, and access to the Building, or to the halls, corridors, elevators or stairways in the Building or to the Premises may be refused unless the person seeking access is an employee of the Building or is properly identified as a tenant of the Building. The Landlord shall in no case be liable for damages for any error with regard to the admission to or exclusion from the Building of any person. In case of invasion, mob, riot, public excitement, or other commotion, the Landlord reserves the right to prevent access to the Building during the continuance of the same by closing the doors for the safety of the tenants and protection of property in the Building.
18. Access to the Building and parking may be controlled by the use of electronic card key or by other method deemed necessary by Landlord. Tenant shall be issued card keys or other ingress/egress devices and a deposit for each card a device shall be paid upon issuance of the cards. In the event that Tenant shall damage or lose the card key(s) or device (s) then Tenant's deposit for such card or device will be forfeited, and Tenant will be required to pay another equal deposit.
19. The Building is a non-smoking Building. Smoking is prohibited in the Building and its common areas of the Building at all times.
20. Landlord reserves the right to require payment, in advance, for certain services not required of Landlord under this Lease. Such charges include, but are not limited to, processing "bounced" checks, changing locks, reviewing and signing lien waivers, lease assignments, providing after hours HVAC rates, etc. and are subject to change at any time without notice.
21. Other additional charges Landlord may assess are \$100 for each bounced check; \$250 for delivery and posting of default notices.
22. Landlord reserves the rights to add or modify the rules and regulations of the building at any time and in its reasonable discretion.
23. Tenant shall, at its sole cost and expense, promptly comply with all applicable laws, statutes, ordinances, rules, regulations, orders and requirements in effect during the term regulating the use of occupancy of the Premises, including the requirements of any governmental or quasi-governmental entity, building department, zoning department or other similar body now or hereafter constituted. Lessee will at all times comply with all federal, state or local laws, ordinances and regulations relating to the "Americans with Disabilities Act" ("ADA") and relating to the environment, health and safety, or to any materials ("Hazardous Materials Laws") constructed within the definition of hazardous substances, hazardous wastes, hazardous materials, toxic substances, or words of similar import under any applicable federal, state or local law, regulation, ordinance or policy.

24. Tenant shall cooperate fully in Landlord's efforts to maintain the designated use of the various parking facilities and parking areas, and shall follow all traffic, security, safety, and other rules and regulations issued by the Landlord with respect thereto.

25. Landlord shall have the right to: make a reasonable charge for public parking, control access to the parking facilities, add below grade parking, parking decks, change curb cuts, change traffic patterns, re-stripe the parking facilities and parking surfaces as to size and location of spaces, temporarily displace vehicles (for the purpose of improving and expanding parking facilities and with appropriate rebate of Parking rent), abandon any parking areas and add or delete acceleration/deceleration lanes on adjacent roads and alleys.

26. During any renewal or extension of the Lease Term or during any holdover after the termination of this Lease, Landlord reserves the right to charge Tenant the Parking Rent (plus any applicable sales tax) then imposed by Landlord for parking in the parking facilities related to the Property.

27. Tenant and its employees, agents and invitees shall park their vehicles only in those parking areas designated by Landlord. If Tenant or its employees, agents or invitees park their vehicles in areas other than the designated parking areas, Landlord shall have the right (but not the obligation) to remove such vehicles at Tenant's expense.

28. Parking in the parking facilities related to the Property shall be in compliance with all parking rules and regulations including any sticker or identification system established by Landlord. Failure to observe the rules and regulations shall terminate Tenant's right to use such parking facilities and subject the vehicle in violation of the parking rules and regulations to removal and impoundment. No termination of parking privileges or removal or impoundment of a vehicle shall create any liability on Landlord or be deemed to interfere with Tenant's right to possession of the Leased Premises. Parking is prohibited in areas marked as "Customer" or "Visitor" Parking and in other areas as may be designated by Landlord, in Landlord's sole discretion.

29. Tenant will not ask Building personnel to perform such functions as furniture moving, deliveries, picture hanging, or other similar tasks not related to the general operation of the Building.

30. Before leaving the Premises unattended, Tenant shall close and lock outside doors, turn off lights, coffee pots, and office equipment. Tenant shall pay for any damage resulting from failure to do so.

31. Tenant may use a microwave oven and appliances of the type commonly used to prepare coffee and tea in the Premises; provided, however, that no offensive cooking odors shall be allowed to escape the Premises (for purposes hereof an offensive odor shall be deemed to be offensive if it is complained of by another Tenant).

32. Landlord reserves the right to exclude or expel from the Building any person who in the judgment of Landlord is intoxicated or under the influence of liquor or drugs or who violates these Rules and Regulations. In case of invasion, riot, public excitement or other commotion, Landlord may prevent all access to the building during the continuance of the same, by closing the doors or otherwise, for the safety of the tenants, the Building and protection of the property in the Building. Landlord shall not be liable to any tenant for damages or loss arising from the admission, exclusion or ejection of any person to or from any tenant's premises or the Building under the provisions of this rule.