Mansfield Economic Development Corporation - Regular Meeting
October 7, 2025 - 5:00 PM

Council Chambers
1200 E. Broad St., Mansfield, TX 76063

1. **CALL MEETING TO ORDER**

2. **INVOCATION**

3. **TEXAS PLEDGE**

4. **PUBLIC COMMENTS**
Citizens wishing to address the Board on agenda items and items not on the agenda may do so at this time. Due to regulations of the Texas Open Meetings Act, please do not expect a response from the Board as they are not able to do so. All comments are limited to 5 minutes. In order to be recognized during "Citizen Comments," please complete a comment card located at the entry to the city council chambers and present it to the MEDC staff prior to the start of the meeting.

5. **APPROVAL OF MINUTES**

25-1378 Approval of Minutes
Presenters:
Attachments:
1. Meeting Minutes 9-9-2025

6. **FINANCIALS**

25-1363 Presentation of the Monthly Financial Report for the Period Ending 8/31/2025.
Presenters:
Attachments:
1. MEDC Cash Report 8-31-2025

7. **RECESS INTO EXECUTIVE SESSION**
Pursuant to Section 551.071, Texas Government Code, the Council reserves the right to convene in Executive Session(s), from time to time as deemed necessary during this meeting for any posted agenda item, to receive advice from its attorney as permitted by law.

A. Consultation with City Attorney to Seek Advice About Pending or Contemplated Litigation, a Settlement Offer, or on a Matter in Which the Duty of the City Attorney to the City's Governmental Body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas Clearly Conflicts with Chapter 551 of the Texas Government Code Pursuant to 551.071

B. Discussion Regarding Possible Purchase, Exchange, Lease, or Value of Real Property Pursuant to Section 551.072

C. Personnel Matters Pursuant to Section 551.074

D. Deliberation Regarding Commercial or Financial Information Received From or the Offer of a Financial or Other Incentive Made to a Business Prospect Seeking to Locate, Stay or Expand in or Near the Territory of the City and with which the City is Conducting Economic Development Negotiations

Pursuant to Section 551.087

8. ADVICE FROM ITS ATTORNEY

Pursuant to Sec. 551.071 of the Texas Government code, the Board reserves the right to convene in Executive Session(s), from time to time as deemed necessary during this meeting for any posted agenda item, to receive advice from its attorney as permitted by law. In addition the Board may convene in executive session to discuss the following:

9. REAL ESTATE DELIBERATION

Pursuant to Sec. 551.072, deliberation regarding the purchase, exchange, lease or value of real property.

LA# 25-16

10. ECONOMIC DEVELOPMENT

Pursuant to Sec. 551.087, deliberation regarding Economic Development Negotiations including (1) discussion or deliberation regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic negotiations; OR (2) deliberation of a financial or other incentive to a business prospect described in (1) above.

ED# 25-04
ED# 25-07
ED# 25-11

11. CRITICAL INFRASTRUCTURE

Pursuant to Sec. 418.183(f) of the Texas Government Code (Texas Disaster Act) regarding critical infrastructure.

12. RECONVENE INTO REGULAR SESSION

13. TAKE ACTION NECESSARY PURSUANT TO EXECUTIVE SESSION

14. NEW BUSINESS

25-1380

25-1380 Major Project Updates
Presenters: Jason Moore, Executive Director of Economic Development
Attachments: None

25-1381

25-1381 Election of MEDC Board Officers
Presenters: Jason Moore, Executive Director of Economic Development
Attachments: None

25-1382

25-1382 Discussion, Consideration, and Possible Action on an Amendment to the MEDC Bylaws
Presenters: Jason Moore, Executive Director of Economic Development
Attachments:
1. 2025 Proposed MEDC Bylaws

25-1383

25-1383 Discussion, Consideration, and Possible Action on an Amended and Restated Economic Development Agreement with 6.44 Holdings, LLC
Presenters: Jason Moore, Executive Director of Economic Development
Attachments:
1. 6.44 Holdings Amended and Restated

25-1384

25-1384 Discussion, Consideration, and Possible Action on a Second Amendment to

the Economic Development Agreement with Crystal Window and Door Systems
Presenters: Jason Moore, Executive Director of Economic Development
Attachments:
1. Second Amendment

25-1385 **25-1385** Discussion, Consideration, and Possible Action on a First Amendment to the Economic Incentive and Performance Agreement with Mansfield 360 Land Investments, LLC (formerly Stallion Labs Land Investments, LLC)
Presenters: Jason Moore, Executive Director of Economic Development
Attachments:
1. First Amendment

25-1386 **25-1386** Discussion, Consideration, and Possible Action on an Economic Incentive and Performance Agreement with Albert Enterprises
Presenters: Jason Moore, Executive Director of Economic Development
Attachments:
1. Econ Incentive Agreement

25-1388 **25-1388** Discussion, Consideration, and Possible Action on a Master Lease with Admiral Legacy Investments as part of the Economic Development Agreement and Subsequent Authorized Amendments
Presenters: Jason Moore, Executive Director of Economic Development
Attachments:
1. Master Lease

15. BOARD MEMBER COMMENTS AND ANNOUNCEMENTS

16. STAFF COMMENTS

A. Final Strategic Plan and Incentive Policy Presentation

17. ADJOURN

CERTIFICATION

I certify that the above agenda was posted on the bulletin board next to the main entrance of the City Hall building, 1200 East Broad Street, of the City of Mansfield, Texas, in a place convenient and readily accessible to the general public at all times and said Agenda was posted on the following date and time: October 1, 2025 prior to 5:00 pm and remained so posted continuously for at least 72 hours preceding the schedule time of said meeting, in accordance with the Chapter 551 of the Texas Government Code.

____
Mitzy Shannon, MEDC Admin Asst. II

Approved as to from

Mansfield Economic Development Corporation - Regular Meeting Minutes
September 9, 2025 - 5:00 PM
Draft
Council Chambers
1200 E. Broad St., Mansfield, TX 76063

1. CALL MEETING TO ORDER

Vice President Vivoni called the meeting to order at 5:02 PM.

Present: James Sellers, Jim Vaszauskas, William Vivoni, Lance Walker, Nicole Zaitoon
Absent: Kent Knight

2. INVOCATION

Dr. Vaszauskas led the invocation.

3. TEXAS PLEDGE

Board member Sellers led the Texas Pledge.

4. PUBLIC COMMENTS

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There are no public Comments.

5. APPROVAL OF MINUTES

25-1179 **25-1179:** Mansfield Economic Development Corporation Meeting Minutes
Presenters:
Attachments:
1. Meeting Minutes 08-05-25

A motion was made by MEDC Vice President Vivoni to approve the meeting minutes for 08-05-25.
Seconded by Board Member Sellers. The motion by the following vote:

Aye: 5	James Sellers, Jim Vaszauskas, William Vivoni, Lance Walker, Nicole Zaitoon
Nay: 0	None
Abstain: 0	None

6. FINANCIALS

25-1250 **25-1250:** Presentation of the Monthly Financial Report for the Period Ending 7/31/2025.
Presenters:
Attachments:
1. MEDC Cash Report 7-31-2025

7. RECESS INTO EXECUTIVE SESSION
Pursuant to Section 551.071, Texas Government Code, the Council reserves the right to convene in Executive Session(s), from time to time as deemed necessary during this meeting for any posted agenda item, to receive advice from its attorney as permitted by law.

The board recess into execute session at 5:06 PM.

A. Consultation with City Attorney to Seek Advice About Pending or Contemplated Litigation, a Settlement Offer, or on a Matter in Which the Duty of the City Attorney to the City's Governmental Body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas Clearly Conflicts with Chapter 551 of the Texas Government Code Pursuant to 551.071

B. Discussion Regarding Possible Purchase, Exchange, Lease, or Value of Real Property Pursuant to Section 551.072

C. Personnel Matters Pursuant to Section 551.074

D. Deliberation Regarding Commercial or Financial Information Received From or the Offer of a Financial or Other Incentive Made to a Business Prospect Seeking to Locate, Stay or Expand in or Near the Territory of the City and with which the City is Conducting Economic Development Negotiations Pursuant to Section 551.087

8. ADVICE FROM ITS ATTORNEY
Pursuant to Sec. 551.071 of the Texas Government code, the Board reserves the right to convene in Executive Session(s), from time to time as deemed necessary during this meeting for any posted agenda item, to receive advice from its attorney as permitted by law. In addition the Board may convene in executive session to discuss the following:

9. REAL ESTATE DELIBERATION
Pursuant to Sec. 551.072, deliberation regarding the purchase, exchange, lease or value of real property.

10. PERSONNEL MATTERS
Pursuant to Sec. 551.074, deliberation regarding the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee.

11. SECURITY DEVICES
Pursuant to Sec. 551.076, deliberation regarding security personnel or devices.

12. ECONOMIC DEVELOPMENT
Pursuant to Sec. 551.087, deliberation regarding Economic Development Negotiations including (1) discussion or deliberation regarding commercial or financial information that the governmental body has received from a business prospect that the governmental

body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic negotiations; OR (2) deliberation of a financial or other incentive to a business prospect described in (1) above.

25-1263: Economic Development #22-04

25-1264: Economic Development #22-18

25-1265: Economic Development #23-13

25-1266: Economic Development #25-10

13. CRITICAL INFRASTRUCTURE

Pursuant to Sec. 418.183(f) of the Texas Government Code (Texas Disaster Act) regarding critical infrastructure.

14. RECONVENE INTO REGULAR SESSION

The board reconvened into regular session at 6:14 PM.

15. TAKE ACTION NECESSARY PURSUANT TO EXECUTIVE SESSION

16. NEW BUSINESS

25-1267 **25-1267:** Resolution - A Resolution of the Board of Directors of the Mansfield Economic Development Corporation, Approving a First Amendment to the Economic Development Agreement Between the City of Mansfield, Texas, the Mansfield Economic Development Corporation, the Board of Directors of Tax Increment Reinvestment Zone Number Two, City of Mansfield, and Nack Development, LLC; Finding That the Meeting at Which This Resolution is Passed is Open to the Public as Required by Law; Authorizing the MEDC Board Vice President to Execute said Agreement; and Declaring an Effective Date

Presenters: Jason Moore, Executive Director of Economic Development

Attachments:

1. Resolution - EDA Nack
2. Exhibit A

A motion was made by MEDC Secretary Zaitoon to approve the following resolution:

25-1267: Resolution - A Resolution of the Board of Directors of the Mansfield Economic Development Corporation, Approving a First Amendment to the Economic Development Agreement Between the City of Mansfield, Texas, the Mansfield Economic Development Corporation, the Board of Directors of Tax Increment Reinvestment Zone Number Two, City of Mansfield, and Nack Development, LLC; Finding That the Meeting at Which This Resolution is Passed is Open to the Public as Required by Law; Authorizing the MEDC Board Vice President to Execute said Agreement; and Declaring an Effective Date

Seconded by Board Member Walker. The motion by the following vote:

Aye: 5 James Sellers, Jim Vaszauskas, William Vivoni, Lance Walker, Nicole

	Zaitoon
Nay: 0	None
Abstain: 0	None

Resolution Number:

25-1268 **25-1268:** Resolution - A Resolution of the Board of Directors of the Mansfield Economic Development Corporation Approving a Third Amendment to the Economic Development Agreement Between the City of Mansfield, Texas, the Board of Directors of Tax Increment Reinvestment Zone Number One (TIRZ #1), the Mansfield Economic Development Corporation (MEDC), and Admiral Legacy Investments, LLC; Finding That the Meeting at Which This Resolution is Passed is Open to the Public as Required by Law; Authorizing the MEDC Board Vice President to Execute said Agreement; and Declaring an Effective Date

Presenters: Jason Moore, Executive Director of Economic Development

Attachments:

1. Resolution
2. Exhibit A - Third Amendment

A motion was made by Board Member Walker to approve the following resolution:

25-1268: Resolution - A Resolution of the Board of Directors of the Mansfield Economic Development Corporation Approving a Third Amendment to the Economic Development Agreement Between the City of Mansfield, Texas, the Board of Directors of Tax Increment Reinvestment Zone Number One (TIRZ #1), the Mansfield Economic Development Corporation (MEDC), and Admiral Legacy Investments, LLC; Finding That the Meeting at Which This Resolution is Passed is Open to the Public as Required by Law; Authorizing the MEDC Board Vice President to Execute said Agreement; and Declaring an Effective Date

Seconded by MEDC Secretary Zaitoon. The motion by the following vote:

Aye: 5	James Sellers, Jim Vaszauskas, William Vivoni, Lance Walker, Nicole Zaitoon
Nay: 0	None
Abstain: 0	None

Resolution Number:

17. BOARD MEMBER COMMENTS AND ANNOUNCEMENTS

The next Board meeting will be held on October 7th, 2025.
Upcoming Events: Workforce Summit October 2nd, 2025.
New Board member appointment and elections of officers.

18. STAFF COMMENTS

Executive Director Jason Moore presented item 25-1267, The Watermill District Downtown Mansfield. This mixed-use redevelopment will be on four acres in the southwest corner. Demolition is expected to begin in September 2025, and construction should begin in December 2025. Additionally, he gave an update on item 25-1268, noting a third amendment to the original agreement. Construction should begin no later than

October 31, 2025.

19. ADJOURN

A motion was made by Board Member Walker to adjourn the meeting at 6:39 p.m. Seconded by MEDC Secretary Zaitoon. The motion by the following vote:

Aye: 5	James Sellers, Jim Vaszauskas, William Vivoni, Lance Walker, Nicole Zaitoon
Nay: 0	None
Abstain: 0	None

________________________________ William Vivoni, Vice Chair

ATTEST:

________________________________ Mitzy Shannon, Board Secretary

Mansfield Economic Development Corporation
Cash Report *(Unaudited)*
Period Ending August 31, 2025

Beginning Cash Balance 8-1-2025	**$16,236,665**
Revenue:	
Sales Tax Revenue	$1,028,998
Interest Income	$46,597
Total Monthly Revenue	**$1,075,595**
Adjusted Cash Balance	**$17,312,260**
Operating Expenses:	
Administration (5510)	$157,329
Promotions (5520)	$7,914
Retention (5530)	$0
Workforce Development	$0
Total Operating Expenditures	**$165,243**
Debt Expense	
Debt Service Payment	**$3,452,594**
Project Expenditures:	
Economic Development Agreements	
Talley's	
Kimball Property	$0
Hanover	$0
Easy St.	$0
Total Project Expenditures	**$0**
Total Monthly Expenditures	**$3,617,837**
Ending Cash Balance 8-31-2025	**$13,694,423**
Stadium Construction Fund Remaining Balance	$52,369,603
Total Cash	**$66,064,026**
Debt Expense	
New Annual Total Debt Service - FY25	**$3,752,458**
(February and August)	
Remaining Principal Debt Balance	**$94,995,000**

City of Mansfield
Staff Report

Item ID: 25-1382

Agenda Date: October 7, 2025

Title
25-1382 Discussion, Consideration, and Possible Action on an Amendment to the MEDC Bylaws

Description/History
The City Council directed our Board to adopt an amendment to its bylaws that require a minimum attendance of 80% each year of a board member's term. If at any point a board member falls below 80% attendance, they will be removed from the Board.

Strategic Initiative
N/A

Recommendation
To approve the amendment.

Funding Source
N/A

Prepared By
Jason Moore, Executive Director of Economic Development - (817) 728-3651

Exhibit "A"

BYLAWS OF
MANSFIELD ECONOMIC DEVELOPMENT CORPORATION

ARTICLE I
PURPOSE AND POWERS

Section 1. Purpose. The Mansfield Economic Development Corporation (the "Corporation") is incorporated for the purposes set forth in Article Four of its Articles of Incorporation, the same to be accomplished on behalf of the City of Mansfield, Texas (the "City") as its duly constituted authority and instrumentality in accordance with the Local Government Code, Title 12, Subtitle C1, (the "Code") and other applicable laws.

Section 2. Powers. In the fulfillment of its corporate purpose, the Corporation shall be governed by the Code and shall have all of the powers set forth and conferred in its Articles of Incorporation, in the Code, and in other applicable law, subject to the limitations prescribed therein and herein and to the provisions thereof and hereof. The Corporation is a Type A corporation governed by Chapter 504 of the Local Government Code.

ARTICLE II
BOARD OF DIRECTORS

Section 1. Powers of Board. The property and affairs of the Corporation shall be managed and controlled by the Board of Directors (the "Board") and, subject to the restrictions imposed by law, by the Articles of Incorporation, and by these Bylaws, the Board shall exercise all of the powers of the Corporation subject to the City Council's approval of the Corporation's annual budget.

Section 2. Number. The Board shall consist of seven (7) directors, each of whom shall be appointed by the City Council (the "City Council") of the City, and one (1) ex- officio non-voting member. The City Manager or his/her designee shall serve as the ex- officio member. The City Council may appoint an alternate director in the same manner as the seven (7) directors. If a director is absent from a Board meeting, the alternate director may replace the absent director and will act as the director during the Board meeting. The alternate director is encouraged to attend all Corporation Board meetings. All directors shall reside within the City of Mansfield or at a Mansfield postal address. All directors shall abide by and be subject to the City Code of Ethics.

Section 3. Term of Office. The directors shall have the qualifications, and shall be of the classes of directors set forth in the Articles of Incorporation and shall be appointed to terms not to exceed two (2) years. Beginning October 31, 2024 service on the Board is limited to three (3) consecutive terms for a total of six (6) years unless the change causes an excess of 25% of the Board to turn over, then the most senior members in time would terminate and a term member can reapply after a break from the Board that is equal to or no less than twelve (12) months.

Section 4. **Removal and Vacancy.** Any member may be removed from office by the City Council at will. In case of a vacancy on the Board for any reason, the City Council shall appoint a successor to serve the remainder of the unexpired term.

(a) **Attendance Requirement.** Each member of the Board of Directors shall be required to attend at least eighty percent (80%) of all regularly scheduled Board meetings during each twelve (12) month period of service. Failure to meet this attendance requirement shall constitute an automatic removal from the Board, without further action required by the City Council. Upon such removal, the City Council shall appoint a replacement to serve the remainder of the unexpired term pursuant to these Bylaws.

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Section 5. **Meetings of Directors.** The members, at their discretion, may hold meetings at such time or place in the City as so determined by the Board.

Section 6. **Notice of Meetings to Board Members.**

(a) Regular meetings of the Board shall be held without the necessity of notice to directors. Special meetings of the Board shall be held whenever called by the president, by the secretary, by a majority of the members, by the Mayor of the City, or by a majority of the City Council. Except in the case of an emergency, special meetings require three (3) days notice to each director, either personally or by mail. Emergency meetings shall be held in accordance with the Open Meetings Act.

(b) Whenever any notice is required to be given to the Board, said notice shall be deemed to be sufficient if given by depositing the same in a post office box with a sealed postpaid wrapper addressed to the person entitled thereto at his or her post office address as it appears on the books of the Corporation, and such notice shall be deemed to have been given on the day of such mailing. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened. Neither the business to be transacted at nor the purpose of any regular or special meeting of the Board need be specified in the notice to directors or waiver of notice of such meeting, unless required by the Board. A waiver of notice in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Section 7. **Open Meetings Act.** All meetings and deliberations of the Board shall be called, convened, held. and conducted, and notice shall be given to the public in accordance with the Texas Open Meetings Act, Chapter 551. Texas Government Code, as amended.

Section 8. **Quorum.** A majority of four (4) regular voting members shall constitute a quorum for the conduct of the official business of the Corporation. The act of a majority of the directors present at a meeting at which a quorum is in attendance shall constitute the act of the Board and of the Corporation, unless the act of a greater number is required by law.

Section 9. **Conduct of Business.** At the meetings of the Board, matters pertaining to the business of the Corporation shall be considered in accordance with rules of procedure as from time to time prescribed by the Board. At all meetings of the Board, the president shall preside, and in the absence of the president, the vice president shall exercise the powers of the president. The secretary of the Corporation shall act as secretary of all meetings of the Board, but in the absence of the secretary, the presiding officer may appoint any person to act as secretary of the meeting.

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Section 10. **Committees of the Board.** The Board may designate up to three (3) directors to constitute an official committee of the Board to exercise such authority of the Board as may be specified in the resolution. It is provided, however, that all final, official actions of the Corporation may be exercised only by the Board. Each committee so designated shall keep regular minutes of the transactions of its meetings and shall cause such minutes to be recorded in books kept for that purpose in the principal office of the Corporation.

Section 11. **Compensation of Directors.** Directors shall not receive any salary or compensation for their services. However, they shall be reimbursed for their actual expenses incurred in the performance of their duties thereunder, including but not limited to the cost of travel, lodging and incidental expenses reasonably related to the corporate duties of the Board. Travel expenses incurred by directors for both regular and special meetings are not eligible for reimbursement.

ARTICLE III
OFFICERS

Section 1. **Officers and Terms Established.** The officers of the Corporation shall be a president, a vice president, a secretary and a treasurer, and such other officers as the Board may from time to time elect or appoint. One person may hold more than one office, except that the president shall not hold the office of secretary. The Board shall appoint a president selected by the City Council during their second (2nd) regular City Council meeting in October, each calendar year. The vice president, secretary, and treasurer shall be elected at the meeting of the board on the first (1st) Tuesday in the month of February. Terms of office shall be one (1) year with the right of an officer to be reappointed/reelected.

Section 2. **Removal.** All officers shall be subject to removal from office at any time by a vote of a majority of the entire Board.

Section 3. **Vacancy.** A vacancy in the office of vice president, secretary, or treasurer shall be filled by a vote of a majority of the directors. A vacancy in the office of president shall be filled by the Board's appointment of the candidate selected by vote of the City Council.

Section 4. Powers and Duties of the President. The President shall be the chief executive officer of the Corporation, and, subject to the paramount authority of the Board. The President shall preside at all meetings of the Board, and may sign and execute all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments in the name of the Corporation.

Section 5. Vice President. The Vice President shall have such powers and duties as may be prescribed by the Board and shall exercise the powers of the President during that officer's absence or inability to act. Any action taken by the Vice President in the performance of the duties of the President shall be conclusive evidence of the absence or inability to act of the president at the time such action was taken.

Section 6. Treasurer. The Treasurer shall have the responsibility to see to the handling, custody, and security of all funds and securities of the Corporation in accordance with these Bylaws. When necessary or proper, the treasurer may endorse and sign, on behalf of the Corporation, for collection or issuance, checks, notes and other obligations in or drawn upon such bank, banks or depositories as shall be designated by the Board consistent with these Bylaws. The Treasurer shall see to the entry in the books of the Corporation full and accurate accounts of all monies received and paid out on account of the Corporation. The Treasurer shall, at the expense of the Corporation, give such bond for the faithful discharge of his duties in such form and amount as the Board or the City Council may require.

Section 7. Secretary. The Secretary, or designee by the Board shall keep the minutes of all meetings of the Board in books provided for that purpose, shall give and serve all notices, may sign with the president in the name of the Corporation, and/or attest the signature thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the Corporation, shall have charge of the corporate books, records, documents and instruments, except the books of account and financial records and securities, and such other books and papers as the Board may direct, all of which shall at all reasonable times be open to public inspection upon application at the office of the Corporation during normal business hours, and shall in general perform all duties incident to the office of secretary subject to the control of the Board.

Section 8. Qualifications. The President, Vice President, and the Secretary shall be named from among the members of the Board. The Treasurer, at the option of the Board, may be a person other than a member of the Board, or may be an employee of the City.

Section 9. Compensation. Officers who are members of the Board shall not receive any salary or compensation for their services, except that they shall be reimbursed for their actual expenses incurred in the performance of their official duties as officers.

ARTICLE IV
FUNCTIONAL CORPORATE DUTIES AND REQUIREMENTS

Section 1. Contracts for Service.

(a) The Corporation maycontract with any qualified and appropriate person, association, corporation or governmental entity to perform and discharge designated tasks which will aid or assist the Board in the performance of its duties. However, no such contract shall ever be approved or entered into which seeks or attempts to divest the Board of its discretion and policy - making functions in discharging the duties herein set forth. An administrative services contract may be executed between the Board and the City Council for the services provided by the Economic Development Director and staff of the Economic Development Department.

(b) Subject to the authority of the City Manager under the Charter of the City, the Corporation shall have the right to utilize the services of the staff and employees of the Finance Department, the staff and employees of the Engineering Department, the staff and employees of the Planning and Zoning Department, the staff and employees of the Economic Development Department (it is anticipated that such staff and employees will be employed pursuant to these Bylaws), and other employees of the City, provided (i) that the City Manager approves of the utilization of such services, and (ii) the performance of such services does not materially interfere with the other duties of such personnel of the City. Utilization of the aforesaid city staff shall be solely by a contract approved by the City Council.

Section 2. Economic Development Director.

(a) Subject to the direction of the City Manager and advice from the Board, the Economic Development Director shall be the chief administrative officer of the Corporation and be in general charge of the properties and affairs of the Corporation, shall administer all work orders, requisitions for payment, purchase orders, contract administration/oversight, and other instruments or activities as prescribed by the Board in the name of the Corporation. The Economic Development Director shall be an employee of the City and report to the City Manager, or his/her designee.

(b) The Economic Development Director shall employ such full or part-time employees as needed to carry out the programs of the Board. These employees shall be employees of the City and perform those duties as are assigned to them. These employees shall be compensated as prescribed in Article IV, Section 1 of these Bylaws. The Economic Development Director shall have the authority, and subject to provisions of the City Charter and policies-procedures of the City, to hire, fire, direct, and control the work, as functionally appropriate, of all such employees and contractors.

Section 3. General Economic Development Plan.

(a) It shall be the duty and obligation of the Board, in coordination with the necessary contracting parties to research, develop, prepare, finance, and implement the economic development plan.

(b) In carrying out its obligations under subsection (a), the Corporation shall be authorized to exercise all rights and powers granted under the Code, including, but not limited to Chapter 504 thereof, and with the objective and for the purpose of developing and diversifying the economy of the State of Texas and the City, and the elimination of unemployment and underemployment in the State and the City and the expansion of commerce within the State.

(c) The Board shall direct staff to periodically submit reports to the City Council as to the status of its activities in carrying out its obligations under this Section.

(d) Any and all agreements between the Corporation and other parties shall be authorized, executed, approved, and delivered in accordance with applicable law, as amended. All agreements above ~~fifty~~ one-hundred thousand dollars ($~~50~~100,000) shall be approved by the Board and City Council.

Section 4. Annual Corporate Budget. At least thirty (30) days prior to the commencement of each fiscal year of the Corporation, the Board shall adopt a proposed budget of expected revenues and proposed expenditures for the next ensuing fiscal year. The budget shall contain such classifications and shall be in such form as may be prescribed from time to time by the City Council. The budget shall not be effective until the same has been approved by the City Council.

Section 5. Books, Records, Audits.

(a) The Corporation shall keep and properly maintain, in accordance with generally accepted accounting principles, complete books, records, accounts, and financial statements pertaining to its corporate funds, activities, and affairs. The City shall at all times have access to the books and records of the Corporation.

(b) At the direction of the City Council, the books, records, accounts, and financial statements of the Corporation may be maintained for the Corporation by the accountants, staff and personnel of the City.

(c) The Corporation or the City if the option described in subsection (b) of this section is selected, shall cause its books, records, accounts, and financial statements to be audited at least once each fiscal year by an outside, independent, auditing and accounting firm selected by the Corporation and approved by the City Council. Such audit shall be at the expense of the Corporation.

Section 6. Deposit and Investment of Corporate Funds.

(a) All proceeds from loans or from the issuance of bonds, notes, or other debt instruments ("Obligations") issued by the Corporation shall be deposited and invested as provided in the resolution, order, indenture, or other documents authorizing or relating to their execution or issuance.

(b) Subject to the requirements of contracts, loan agreements, indentures or other agreements securing Obligations, all other monies of the Corporation, if any, shall be deposited, secured, and/or invested in the manner provided for the deposit, security, and/or investment of the public funds of the City. The Board shall designate the accounts and depositories to be created and designated for such purposes, and the methods of withdrawal of funds therefrom for use by and for the purposes of the Corporation upon the signature of its treasurer and such other persons as the Board shall designate. The accounts, reconciliation, and investment of such funds and accounts shall be performed by the Department of Finance of the City.

Section 7. Expenditures of Corporate Money. The monies of the Corporation, including sales and use taxes collected pursuant to the Code, monies derived from rents received from the lease or use of property, the proceeds from the investment of funds of the Corporation, the proceeds from the sale of property, and the proceeds derived from the sale of Obligations, may be expended by the Corporation for any of the purposes authorized by the Code, subject to the following limitations:

(a) Expenditures from the proceeds of Obligations shall be identified and described in the orders, resolutions, indentures, or other agreements submitted to and approved by the City Council prior to the execution of loan or financing agreements or the sale and delivery of the Obligations to the purchasers thereof required by Section 6 of this Article;

(b) Expenditures that may be made from a fund created with the proceeds of Obligations, and expenditures of monies derived from sources other than the proceeds of Obligations may be used for the purposes of financing or otherwise providing one or more "Projects," as defined in or otherwise allowed by the Code. The specific expenditures shall be described in a resolution or order of the Board and shall be made only after the approval thereof by the City Council;

(c) All other proposed expenditures shall be made in accordance with and shall be set forth in the annual budget required by Section 4 of this Article or in contracts meeting the requirements of Section 1 of this Article.

(d) The Corporation may not assume a debt or make any expenditures to any principal or interest on a debt if the debt existed before the date the City created the Corporation.

Section 8. Issuance of Obligations. No Obligations, including refunding Obligations, shall be authorized or sold and delivered by the Corporation unless the City Council shall approve such Obligations by action taken prior to the date of sale of the Obligations.

ARTICLE V
MISCELLANEOUS PROVISIONS

Section 1. Principal Office. The principal office and the registered office of the Corporation shall be the registered office of the Corporation specified in the Articles of Incorporation.

Section 2. Registered Agent. The Corporation shall have and shall continually designate a registered agent at its registered office, as required by the Code.

Section 3. Fiscal Year. The fiscal year of the Corporation shall be the same as the fiscal year of the City.

Section 4. Seal. The seal of the Corporation shall be as determined by the Board.

Section 5. Resignations. Any director or officer may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, or, if no time be specified, at the time of its receipt by the president or secretary. The acceptance of a resignation shall not be necessary to make it effective unless expressly so provided in the resignation.

Section 6. Approval or Advice and Consent of the City Council. To the extent that these Bylaws refer to any approval by the City or refer to advice and consent by the City Council, such advice and consent shall be evidenced by a resolution, order or motion duly adopted by the City Council.

Section 7. Indemnification of Directors, Officers and Employees. As provided in the Code and in the Articles of Incorporation, the Corporation is, for the purposes of the Texas Tort Claims Act (Chapter 101, Texas Civil Practices and Remedies Code), a governmental unit and its actions are governmental functions. The Corporation shall indemnify each and every member of the Board, its officers, and its employees, and each member of the City Council and each employee of the City, to the fullest extent permitted by law, against any and all liability or expense, including attorneys' fees, incurred by any of such persons by reason of any actions or omissions that may arise out of the functions and activities of the Corporation.

ARTICLE VI
EFFECTIVE DATE, AMENDMENTS

Section 1. Effective Date. These Bylaws shall become effective upon the occurrence of the following events:

(a) the approval of these Bylaws by the City Council, passed and approved on the ____day of _______, 202_; and

(b) the adoption of these Bylaws by the Board, adopted on the ____ day of ________, 202__.

Section 2. **Amendments to Articles of Incorporation and Bylaws.** The Articles of Incorporation of the Corporation and these Bylaws may be amended only in the manner provided in the Articles of Incorporation and the Code.

City of Mansfield
Staff Report

Item ID: 25-1383

Agenda Date: October 7, 2025

Title
25-1383 Discussion, Consideration, and Possible Action on an Amended and Restated Economic Development Agreement with 6.44 Holdings, LLC

Description/History
An amendment is required for the economic development agreement between the MEDC and 6.44 Holdings, LLC to amend dates and grant amounts. As the developer originally presented a four story class A office building, as part of the Heritage Office Park development, which includes a Courtyard Marriott, retail buildings and medical office buildings in exchange for MEDC cash grants as certain milestones were met. To date, no grants have been paid by MEDC nor the City. The developer seeks to reduce the office buildings down from a 4-story office with parking structure, to a two story office development (30,000 sft) and a 17,000 sft retail building. As such, the grants being requested were also reduced from $16 million in the original program to $5.5 million for the updated scope. This agreement modifies the terms and grants from the original agreement.

Strategic Initiative
Develop Strong Economy
Focus on the Future

Recommendation
Staff recommends approving the amended and restated agreement.

Funding Source
MEDC

Prepared By
Jason Moore, Executive Director of Economic Development - (817) 728-3651

AMENDED AND RESTATED ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT
HERITAGE PARK – 6.44 HOLDINGS, LLC

This Amended and Restated Economic Development Performance Agreement ("Agreement") is made and entered into by and between the Mansfield Economic Development Corporation ("MEDC"), a nonprofit Corporation organized under Title 12, Subtitle C1, of the Texas Local Government Code ("Act"), and 6.44 Holdings, LLC, a Texas Limited Liability Company ("Company"). MEDC and Company may sometimes hereafter be referred to individually as a "party" or collectively as the "parties."

RECITALS

WHEREAS, the City, MEDC, and Company previously entered into that certain Economic Development Agreement dated November 8, 2023 (the "Original Agreement"), and the parties intend that, upon its full execution and delivery, this Agreement will amend, restate, and supersede the Original Agreement in its entirety; and

WHEREAS, Company owns approximately 6.44 acres of land as more particularly described on the attached Exhibit A (the "Overall Parcel"); and

WHEREAS, Company intends to develop an approximately 3.86 acre portion of the Overall Parcel as also described on Exhibit A (the "Property") in phases for a mixed-use project consisting of approximately 30,000 square feet of office space, 17,000 square feet of retail space (collectively the "Project"); and

WHEREAS, Company has advised the MEDC that a contributing factor that would induce the Company to construct the Project would be an agreement by MEDC to provide economic development grants to the Company as set forth herein; and

WHEREAS, MEDC has determined that the MEDC Grants (as defined below) to be made hereunder are required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises and constitute a "project", as that term is defined in the Act; and

WHEREAS, MEDC has further determined that expenditures are for the creation or retention of primary jobs and are required or suitable for the development, retention, or expansion of primary job training facilities for use by institutions of higher education and regional or national corporate headquarters; and

WHEREAS, MEDC has determined that making the MEDC Grants and expenditures in accordance with this Agreement will further the objectives of MEDC, will benefit the City of Mansfield ("City") and City's inhabitants, and will promote local economic development and stimulate business and commercial activity in City; and

WHEREAS, MEDC desires and intends to provide an economic development grant in a total aggregate amount not to exceed Five Million Five Hundred Thousand Dollars

($5,500,000.00), to be disbursed in installments at various stages of the development of the Project, contingent upon the Company's achievement and MEDC's verification of certain specified milestones and conditions precedent as identified in Exhibit B, attached to this Agreement; and

WHEREAS, the MEDC finds that the grant payments provided to Company under this Agreement are for the public purposes of: (i) developing and diversifying the economy of the City and the state; (ii) eliminating unemployment and underemployment in the state; (iii) developing and expanding commerce in the state; (iv) stimulating business and commerce within the City; and (v) promoting development and redevelopment within the City; and

WHEREAS, the Company agrees and understands that the Texas Local Government Code requires that City Council of the City of Mansfield, Texas, to approve all programs and expenditures of MEDC; and

WHEREAS, the City concluded and found that this Agreement promotes economic development in the City, and, as such, meets the requirements of Article III, Section 52- a of the Texas Constitution, by assisting in the development and diversification of the economy of the State of Texas and City, by eliminating unemployment or underemployment in the State of Texas and City, and will enhance business and commercial activity within the State of Texas and City; and

NOW THEREFORE, in consideration of the premises and the mutual covenants contained herein and other valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1
DEFINITIONS

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the terms defined in this Article have the meanings assigned to them in the Recitals or this Article, and all such terms include the plural as well as the singular.

"Affiliate" of Company means any other person directly controlling, or directly controlled by or under direct common control with the Company. As used in this definition, the term "control," "controlling" or "controlled by" shall mean the possession, directly, of the power either to (a) vote fifty percent (50%) or more of the securities or interests having ordinary voting power for the election of directors (or other comparable controlling body) of the Company, or (b) direct or cause the direction of management or policies of the Company, whether through the ownership of voting securities or interests, by contract or otherwise, excluding in each case, any lender of the Company or any affiliate of such lender.

"Building Final" means the approval of the final inspection issued by the City certifying a building's compliance with applicable building codes and other laws, and indicating it to be in condition suitable for further construction of interior finish out for a specific tenant(s).

"Capital Investment" shall mean Company's capitalized costs for the design and construction of the Project (inclusive of hard and soft costs). Capital Investment does not include the cost of the land or rights-of-way.

"Certificate of Occupancy" means the document issued by the City certifying that a building is in compliance with applicable building codes and other laws, and indicating it to be in a condition suitable for occupation.

"Commencement of Construction" shall mean (i) the plans have been prepared and all approvals thereof required by applicable governmental authorities have been obtained for construction of the Infrastructure required for the Project, as the case may be; and (ii) all necessary permits for the construction of the Infrastructure required for the Project, as the case may be, have been issued by the applicable governmental authorities; and (iii) excavation and site work for the Infrastructure has commenced.

"Director" means the City's Economic Development Director or his or her authorized designee.

"Effective Date" means the date this Agreement is fully executed by the parties.

"Eligible Costs" shall mean with respect to the Project, the costs incurred and paid by Company for the design, permitting and construction of the Infrastructure, Office Building, and Retail Building (including, without limitation, tenant finish out); not including costs for legal fees, permit fees, the costs of the land, interest, finance, the cost of financing, management fees, right-of-way, or easements.

"Event of Bankruptcy or Insolvency" means the dissolution or termination of a party's existence as a going business, insolvency, appointment of receiver for any part of such party's property and such appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against such party and such proceeding is not dismissed within ninety (90) days after the filing thereof.

"Force Majeure" means any act that (i) materially and adversely affects the affected party's ability to perform the relevant obligations under this Agreement or delays such affected party's ability to do so, (ii) is beyond the reasonable control of the affected party, (iii) is not due to the affected party's fault or negligence and (iv) could not be avoided, by the party who suffers it, by the exercise of commercially reasonable efforts. "Force Majeure" shall include: (a) natural phenomena, such as storms, floods, lightning and earthquakes, and inclement construction weather (except as provided below); (b) wars, civil disturbances, revolts, insurrections, terrorism, sabotage and threats of sabotage or terrorism; (c) transportation disasters, whether by ocean, rail, land or air; (d) strikes or other labor disputes that are not due to the breach of any labor agreement by the affected party, shortages in labor or materials; (e) fires; (f) epidemics or pandemics where shut-down of commercial construction or the manufacturing of supplies relating thereto has been ordered by a governmental authority; and (g) actions or omissions of a governmental authority (including the actions of the City in its capacity as a governmental authority) that were not voluntarily induced or promoted by the affected party, or brought about by the breach of its obligations under this

Agreement or any applicable law or failure to comply with City regulations; provided, however, that under no circumstances shall Force Majeure include any of the following events: (h) economic hardship; (i) changes in market condition; (j) any strike or labor dispute involving the employees of the Company or any Affiliate of the Company, other than industry or nationwide strikes or labor disputes; (k) during construction, weather conditions which could reasonably be anticipated by experienced contractors operating the relevant location; or (l) any delay, default or failure (financial or otherwise) of the general contractor or any subcontractor, vendor or supplier of the Company, or any construction contracts for the Infrastructure or the Project.

"Impositions" mean all taxes, assessments, use and occupancy taxes, charges, excises, license and permit fees, and other charges by public or governmental authority, general and special, ordinary and extraordinary, foreseen and unforeseen, which are or may be assessed, charged, levied, or imposed by any public or governmental authority against the Company or the Property, or any property or any business owned by the Company within the City.

"Infrastructure" means infrastructure to be constructed in accordance with the permitted plans consisting of roadways (including signage and signals), sanitary sewer mains, storm drainage facilities, sidewalks along roadways, green area, landscaping, water mains, related utility facilities (including, but not limited, exterior lighting of streets, sidewalks, parking and other areas, and irrigation), and other improvements associated with the development of the Project as described in Exhibit B.

"Maximum Grant Amount" means the lesser of (i) the Eligible Costs; or (ii) $5,500,000.

"MEDC Grants" mean the economic development payments to be paid by MEDC to Company in the amount equal to the costs incurred and paid by Company for Eligible Costs for the Project not to exceed the Maximum Grant Amount, as verified by MEDC, to be paid in installments as set forth herein. Each individual payment is considered individually as an "MEDC Grant."

"Office Building" shall mean that portion of the Project consisting of an office building of at least two (2) stories in height containing a minimum of 15,000 square feet of gross rentable office space, and associated parking and landscaping to be constructed on the Property, as shown on Exhibit B.

"Payment Request" means a written request from Company to Director for payment of the applicable installment of the MEDC Grants, accompanied by the applicable written application for payment, copies of invoices, bills, receipts, and such other information, as may reasonably be requested by the Director, evidencing the Eligible Costs incurred and paid by Company for the Project and Company's continued satisfaction of this Agreement. Once the Company has submitted copies of invoices, bills, and receipts for Eligible Costs equal to the Maximum Grant Amount, the Company is not required to include such items in any subsequent Payment Request. It is contemplated that the Company may assign this Agreement to an Affiliate pursuant to Section 8.6(a), and MEDC acknowledges and agrees that, in connection with any Payment Request, Company may direct that any disbursement made pursuant thereto be paid to an Affiliate of the Company, as determined and directed by the Company.

"Retail Building" shall mean that portion of the Project consisting of a retail building containing a minimum of 17,000 square feet of gross rentable retail space, and associated parking and landscaping to be constructed on the Property, as shown on Exhibit B.

"Term" means the term of this Agreement as described in Article 2 of this Agreement.

ARTICLE 2
PROGRAM AND TERM

2.1 Term. The term of this Agreement shall commence on the Effective Date and shall continue until the parties have fully satisfied all terms and conditions of this Agreement unless sooner terminated as provided herein.

2.2 Program. A program authorized under Chapter 380 of the Texas Local Government Code is hereby established to bring the Project to the City. The terms of this Agreement implement the program.

ARTICLE 3
COMPANY OBLIGATIONS

3.1 Compliance with Laws. Construction of the Public Infrastructure and Project must be done in accordance with all applicable federal, state and local laws, codes, and regulations.

3.2 Regulations Regarding Building Products, Materials, or Methods. The parties find that the Property constitutes an area of architectural importance and significance and the City Council of City hereby designates it as an area of architectural importance and significance for purposes of Chapter 3000 of the Texas Gov't Code (the "Code"). In consideration for the mutual covenants and conditions contained herein and pursuant to §3000.002(d) of the Code, Company voluntarily consents to the application of all City rules, charter provisions, ordinances, orders, building codes, and other regulations existing as of the Effective Date, including the Zoning District (the "Regulations") that govern the use or installation of a building product or material in the construction, renovation, maintenance, or other alteration of a residential or commercial building on the Property, regardless of whether a different building product or material is approved for use by a national model code published within the last three code cycles that applies to the construction, renovation, maintenance, or other alteration of the building. In addition, Company voluntarily consents to the application of the Regulations that establish a standard for a building product, material, or aesthetic method in construction, renovation, maintenance, or other alteration of a residential or commercial building, regardless of whether the standard is more stringent than a standard for the product, material, or aesthetic method under a national model code published within the last three code cycles that applies to the construction, renovation, maintenance, or other alteration of the building. The parties agree that: (a) the City will not issue any permits for the Property in violation of this section; (b) the covenants contained within this section constitute a material term of this Agreement; (c) Company's voluntary consent to the application of the Regulations to the Property, as described in this section, constitutes a material inducement for MEDC to authorize the payments to Company described herein; (d) the covenants contained herein shall run with the land and shall bind Company and all successors and assigns; and (e) this section shall survive termination or expiration of this Agreement. The foregoing terms and provisions shall not be deemed to prohibit or restrict the City from, at its sole discretion, waiving and/or approving variances, etc., with respect to the Property and Project.

3.3 Commencement of Construction. Company must achieve Commencement of Construction no later than November 1, 2025.

3.4 Building Final. No later than one (1) year after the Company's receipt from of a building permit for the construction of the Office Building or Retail Building, Company must receive a Building Final for the Office Building or Retail Building.

3.5 Property Maintenance.

(a) Company agrees to establish a Declaration or Reciprocal Easement Agreement (the "REA") to address responsibility for the continuous and perpetual operation, maintenance, and supervision of any applicable common area structures, parks, landscaping systems or landscape elements or features, landscape irrigation systems, screening walls, living screens, buffering systems, entryway features, including monuments or other signage, or other physical facilities or grounds held or maintained in common and necessary or desirable for the welfare of the Property, or that are of common use or benefit and that are not or cannot be satisfactorily maintained by the City. A copy of the REA must be reasonably approved by the city attorney and City Council of City prior to the approval of the record plat of the subdivision for the Property and must be filed of record with such record plat in the map and plat records of the county.

(b) At a minimum, the REA must contain or provide for the following:

(1) Definitions of terms contained therein;

(2) Only to the extent the REA actually contemplates formation of a property owner's association that will own certain common area improvements ("Association"), provisions acceptable to MEDC for the establishment and organization of the Association and the adoption of bylaws for such Association, including provisions requiring that the owner of any lot within the applicable subdivision and any successive buyer shall automatically and mandatorily become a member of the Association. Company shall have the right (but not the obligation) to be the sole controlling member of the Association during such periods that Company owns any portion of the Property;

(3) The initial term of the REA shall be for a 25-year period and shall automatically renew for successive ten-year periods, and, to the extent the REA provides for an Association, the Association may not be dissolved without the prior written consent of the City;

(4) Provisions acceptable to MEDC to ensure the continuous and perpetual use, operation, maintenance, and/or supervision of all facilities, structures, improvements, systems, areas or grounds that are the subject of the REA, and the establishment of a reasonable reserve fund for such purposes to the extent reasonably necessary;

(5) Provisions prohibiting the termination of the REA without the prior, reasonable written consent of the City;

(6) The right and ability of the City or its lawful agents, after due notice to the REA parties, to perform the responsibilities under the REA if the applicable party thereunder fails to do so in compliance with any provisions of the REA or of any applicable City codes or regulations; to assess the applicable REA parties for all costs incurred by the City in performing such responsibilities if the applicable party thereunder fails to do so; and/or to avail itself of any other enforcement actions available to the City pursuant to state law or City codes or regulations; and

(7) Provisions indemnifying and holding the City harmless from any and all costs, expenses, suits, demands, liabilities or damages, including attorney's fees and costs of suit, incurred or resulting from the City's performance of the operation, maintenance or supervision responsibilities under the REA due to the applicable REA party's failure to perform such responsibilities, except for the negligence or willful misconduct of City.

3.6 Capital Investment and Jobs. The minimum Capital Investment for the Project shall be $10,000,000.00 as of the date the Project receives a Building Final for both the Office Building and Retail Building. Company shall, within thirty (30) days after receiving a Building Final of the Project deliver to the Director copies of invoices, bills, receipts and such other information as may be reasonably requested by MEDC to document compliance with the required Capital Investment for the Project. A minimum of fifty (50) people shall be employed in the construction of the Project.

ARTICLE 4
MEDC GRANTS

4.1 MEDC Grants.

(a) Within 30 days of Commencement of Construction and the Director's receipt of a Payment Request, MEDC will pay Company an MEDC Grant in the amount of $1,500,000.

(b) Within 30 days of the Building Final for the Office Building or Retail Building (whichever first occurs) and the Director's receipt of a Payment Request, MEDC will pay Company an MEDC Grant in the amount of $1,500,000.

(c) Within 30 days of the one-year anniversary of the Project achieving a Certificate of Occupancy for the Office Building or Retail Building, and the Director's receipt of a Payment Request providing for the necessary Capital Investment and job requirements, MEDC will pay Company an MEDC Grant in the amount of $2,500,000.

4.2 Maximum Grant Amount. The MEDC Grants paid to Company in accordance with this Article may not exceed the Maximum Grant Amount.

ARTICLE 5
TERMINATION, OFFSET, AND REPAYMENT

5.1 Termination. This Agreement may be terminated upon any one or more of the following:

(a) by mutual written agreement of the parties; or

(b) upon written notice by MEDC, if Company fails to achieve Commencement of Construction in accordance with Section 3.3 of this Agreement; or

(c) upon written notice by any party, if another party defaults or breaches any of the other terms or conditions of this Agreement and such default or breach is not cured within sixty (60) days after written notice thereof; or

(d) upon written notice by MEDC, if Company suffers an Event of Bankruptcy or Insolvency and such filing is not dismissed or withdrawn within ninety (90) days after the filing thereof; or

(e) upon written notice by MEDC, if any Impositions owed to City become delinquent and such delinquency has not been cured within ninety (90) days after written notice thereof; or

(f) upon written notice by any party if any subsequent federal or state legislation or any decision of a court of competent jurisdiction renders this Agreement invalid, illegal, or unenforceable.

5.2 Offset. MEDC may at its option, and after delivering written notice to Company of its intent to do so, offset any amounts due and payable under this Agreement against any delinquent debt (including taxes) lawfully due to City, regardless of whether or not the debt due to the City has been reduced to judgment by a court.

5.3 Repayment. In the event Commencement of Construction has not been achieved in accordance with Section 3.3 of this Agreement, and this Agreement is terminated by MEDC, Company shall immediately refund to MEDC an amount equal to the amount of the MEDC Grants that have been provided by MEDC to Company prior to the date of such termination, plus interest at the rate of interest periodically announced by the Wall Street Journal as the prime or base commercial lending rate, or if the Wall Street Journal shall ever cease to exist or cease to announce a prime or base lending rate, then at the annual rate of interest from time to time announced by Citibank, N.A. (or by any other New York money center bank selected by MEDC) as its prime or base commercial lending rate, which shall accrue from the Effective Date until paid.

ARTICLE 6
INDEMNIFICATION

CITY AND MEDC SHALL NOT BE LIABLE FOR ANY LOSS, DAMAGE, OR INJURY OF ANY KIND OR CHARACTER TO ANY PERSON OR PROPERTY ARISING FROM THE ACTS OR OMISSIONS OF THE COMPANY OR ITS CONTRACTORS PURSUANT TO THIS AGREEMENT. COMPANY HEREBY WAIVES ALL CLAIMS AGAINST CITY, MEDC,

THEIR COUNCIL, DIRECTORS, OFFICERS, AGENTS AND EMPLOYEES (COLLECTIVELY REFERRED TO AS THE "CITY REPRESENTATIVES") FOR DAMAGE TO ANY PROPERTY OR INJURY TO, OR DEATH OF, ANY PERSON ARISING AT ANY TIME AND FROM ANY CAUSE (OTHER THAN THE SOLE NEGLIGENCE, GROSS NEGLIGENCE OR WILLFUL ACT OF THE CITY REPRESENTATIVES) ARISING FROM THE ACTS OR OMISSIONS OF THE COMPANY OR ITS CONTRACTORS PURSUANT TO THIS AGREEMENT. COMPANY DOES HEREBY INDEMNIFY AND SAVE HARMLESS THE CITY REPRESENTATIVES FROM AND AGAINST ANY AND ALL LIABILITIES, DAMAGES, CLAIMS, SUITS, COSTS (INCLUDING COURT COSTS, ATTORNEYS' FEES AND COSTS OF INVESTIGATION) AND ACTIONS OF ANY KIND BY REASON OF INJURY TO OR DEATH OF ANY PERSON, OR DAMAGE TO OR LOSS OF PROPERTY ARISING FROM COMPANY'S BREACH OF ANY OF THE TERMS AND CONDITIONS OF THIS AGREEMENT, OR BY REASON OF ANY ACT OR OMISSION ON THE PART OF COMPANY, ITS OFFICERS, DIRECTORS, SERVANTS, AGENTS, EMPLOYEES, REPRESENTATIVES, CONTRACTORS, SUB-CONTRACTOR(S), LICENSEES, SUCCESSORS OR PERMITTED ASSIGNS IN THE PERFORMANCE OF THIS AGREEMENT (EXCEPT WHEN SUCH LIABILITY, CLAIMS, SUITS, COSTS, INJURIES, DEATHS OR DAMAGES ARISE FROM OR ARE ATTRIBUTED TO THE SOLE NEGLIGENCE, GROSS NEGLIGENCE OR WILLFUL ACT OF THE CITY REPRESENTATIVES). NOTWITHSTANDING THE FOREGOING IN THE EVENT OF JOINT OR CONCURRENT NEGLIGENCE OF BOTH THE CITY REPRESENTATIVES AND COMPANY, THE RESPONSIBILITY, IF ANY, SHALL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE CITY REPRESENTATIVES AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW. THE PROVISIONS OF THIS SECTION ARE SOLELY FOR THE BENEFIT OF THE PARTIES HERETO AND THEIR RESPECTIVE SUCCESSORS AND PERMITTED ASSIGNS AND NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY. THE COMPANY'S OBLIGATIONS UNDER THIS SECTION SHALL NOT BE LIMITED TO THE LIMITS OF COVERAGE OF INSURANCE MAINTAINED OR REQUIRED TO BE MAINTAINED BY COMPANY UNDER THIS AGREEMENT. NOTWITHSTANDING THE FOREGOING, THE RELEASES AND INDEMNIFICATIONS CONTAINED HEREIN SHALL NOT EXTEND TO THE NEGLIGENCE OR WILLFUL MISCONDUCT OF CITY OR MEDC OR THEIR RESPECTIVE EMPLOYEES, AGENTS OR CONTRACTORS. THIS PROVISION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

ARTICLE 7
ACCESS TO INFORMATION

Upon MEDC's request, Company agrees to provide the MEDC access to contract documents, invoices, receipts, records, and reports to verify Company's compliance with this Agreement. Notwithstanding the foregoing, and unless otherwise required by law or court order, MEDC acknowledges and agrees that any such matters provided by Company to MEDC and City (including, without limitation, any leases entered into by Company) shall be kept confidential in all respects and shall not be subject to public disclosure. Company recognizes that MEDC is subject to Chapter 552 of the Texas Government Code, commonly known as the Texas Public Information Act.

ARTICLE 8
GENERAL PROVISIONS

8.1 Mutual Assistance. The parties shall do all things reasonably necessary or appropriate to carry out the terms and provisions of this Agreement and to aid and assist each other in carrying out such terms and provisions.

8.2 Representations and Warranties. Company represents and warrants to the MEDC that it has the requisite authority to enter into this Agreement. Company represents and warrants to the MEDC that it will not violate any federal, state or local laws in constructing or operating the Project, and that the Project shall conform to the applicable building codes, zoning ordinances, and all other ordinances and regulations of the City.

8.3 Section or Other Headings. Section or other headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

8.4 Entire Agreement. This Agreement contains the entire agreement between the parties with respect to the transaction contemplated herein.

8.5 Amendment. This Agreement may only be amended, altered, or revoked by written instrument signed by the parties.

8.6 Successors and Assigns.

(a) Assignment. This Agreement shall be binding on and insure to the benefit of the parties, their respective successors and assigns. Company may assign all or part of their rights and obligations hereunder only upon prior written approval of MEDC; provided, however, Company shall not be required to obtain MEDC's consent to an assignment of this Agreement to an Affiliate of Company.

8.7 Notice. Any notices or other communications required or permitted by this Agreement shall be in writing and delivered personally, or by messenger or a nationally recognized overnight courier service, or alternatively, shall be sent by United States certified mail, return receipt requested. The effective date of any notice shall be (i) if by personal delivery, messenger or courier service, the date of delivery of the notice, (ii) if mailed, on the date upon which the return receipt is signed or delivery is refused or the notice is designated by the postal authorities as undeliverable, as the case may be, or (iii) if sent by email, on the date of transmission provided the email was transmitted prior to 5pm on the day in question. The parties hereby designate the addresses set forth below as their respective notice addresses under this Agreement.

COMPANY: 6.44 Holdings
4210 Ridge Road, Suite 201
Heath, TX 75032
Attn: Brian Berry
Email: bberry@1onefirm.com

With a copy to: Liechty McGinnis Berryman & Bowen, LLP
11910 Greenville Avenue, Suite 400
Dallas, Texas 75243
Attention: Nathan Entsminger, Esq.
Email: nentsminger@lmlawyers.com

MEDC:
Mansfield Economic Development Corporation
1200 E Broad Street
Mansfield, Texas 76063
Attn: Director

With a copy to: City of Mansfield
1200 E Broad Street
Mansfield, Texas 76063
Attn: City Attorney's Office

If this Agreement is assigned pursuant to Section 8.6(a) by a party, any such assignee shall have the right to change the notice information of such party by delivering prior written notice thereof to other parties hereunder. Any party shall not be held liable for sending notice to the stated parties herein until, and unless, written notice of a chance of party has been received.

8.8 Interpretation. Regardless of the actual drafter of this Agreement, this Agreement shall, in the event of any dispute over its meaning or application, be interpreted fairly and reasonably, and neither more strongly for or against any party.

8.9 Applicable Law/Venue. The substantive laws of the State of Texas (and not its conflicts of law principles) govern all matters arising out of, or relating to, this Agreement and all of the transactions it contemplates, including without limitation its validity, interpretation, construction, performance and enforcement. Mandatory and exclusive venue for any action arising out of, or relating to, this Agreement must be in a court of competent jurisdiction in Tarrant County, Texas.

8.10 Severability. If a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances. If feasible, any such offending provision shall be deemed to be modified to be within the limits of enforceability or validity; however, if the offending provision cannot be so modified, it shall be stricken, and all other provisions of this Agreement in all other respects shall remain valid and enforceable.

8.11 Survival. All warranties, representations, and covenants made by the Parties in this Agreement or any certificate or other instrument delivered by one party to the other party under this Agreement shall be considered to have been relied upon by the parties hereto and will survive the making of this Agreement, regardless of any investigation made by either party or on either party's behalf.

8.12 Time is of the Essence. Time is of the essence in the performance of this Agreement.

8.13 No Joint Venture. Nothing contained in this Agreement is intended by the parties to create a partnership or joint venture between the parties, and any implication to the contrary is hereby expressly disavowed. It is understood and agreed that this Agreement does not create a joint enterprise, nor does it appoint any party as an agent of any other party for any purpose whatsoever. Except as otherwise specifically provided herein, no party shall in any way assume any of the liability of any other for acts of any other party or obligation of any other party.

8.14 No Boycott of Israel. In accordance with Section 2270.002 of the Texas Government Code (as added by Tex. H.B. 89, 85th Leg., R.S. (2017)), Company verifies that it does not boycott Israel and will not boycott Israel during the Term of this Agreement.

8.15 In accordance with Section 2252.152 of the Texas Government Code (as added by Tex. S.B. 252, 85th Leg., R.S. (2017)), the Parties covenant and agree that Developer is not on a list maintained by the State Comptroller's office prepared and maintained pursuant to Section 806.051, 807.051, or 2252.153 of the Texas Gov't Code.

8.16 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be considered an original, but all of which shall constitute one instrument.

8.17 Force Majeure. If any party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder (other than the payment of money) by reason of Force Majeure, then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay, provided that the foregoing shall not be applicable to any payment obligation of any party under this Agreement.

8.18 Attorney's Fees. If either party employs an attorney or attorneys to enforce any of the provisions hereof, or to recover damages for the breach of this Agreement, the non-prevailing party in any final judgment or award agrees to pay the other party all reasonable costs, charges and expenses, including reasonable attorneys' fees and costs of court, expended or incurred in connection therewith.

8.19 Limitation of Liability. The parties further agree that no party will be liable to any other party under this Agreement for special, consequential (including lost profits), or exemplary damages.

8.20 Undocumented Workers. Company covenants and certifies that it does not and will not knowingly employ an undocumented worker as that term is defined by Section 2264.001(4) of the

Texas Government Code. In accordance with Section 2264.052 of the Texas Government Code, if Company is convicted of a violation under 8 U.S.C. Section 1324a (f), Company shall repay to MEDC the full amount of all payments made under this Agreement, plus ten percent (10%) interest per annum from the date such payment was made until the date of full repayment. Repayment shall be paid within one hundred twenty (120) days after the date Company receives a notice of violation from MEDC.

8.21 City Council Approval. This Amended and Restated Economic Development Agreement is not valid unless first approved by the City Council of the City of Mansfield.

8.22 Full Execution Required. This Agreement will not be binding on any party unless fully executed by all parties.

8.23 Consent Standard. Except as otherwise specifically provided, whenever consent or approval of Company, City or MEDC is required under the terms of this Agreement, such consent or approval shall not be unreasonably withheld, conditioned or delayed.

8.24 Amendment and Restatement. The parties hereto agree that, upon the full execution and delivery of this Agreement by all parties hereto, the Original Agreement shall be deemed to be amended, restated, and superseded in its entirety by this Agreement.

{Signatures on following page}

MANSFIELD ECONOMIC
DEVELOPMENT CORPORATION,
a Texas non-profit corporation

By:

Name:

Title:

Date:

ATTEST:

____
Board Secretary

COMPANY

6.44 Holdings, LLC,
a Texas limited liability company

By:
Name: Brian Berry
Title: President
Date: 09.17.2025

EXHIBIT "A"

Description of the Overall Parcel and the Property

EXHIBIT "B"

Infrastructure
To be inserted upon approved plans by City Engineer

City of Mansfield
Staff Report

Item ID: 25-1384

MANSFIELD
TEXAS

Agenda Date: October 7, 2025

Title
25-1384 Discussion, Consideration, and Possible Action on a Second Amendment to the Economic Development Agreement with Crystal Window and Door Systems

Description/History
Crystal Window & Door Systems is building a $121 million regional headquarters and manufacturing facility in Mansfield that will bring over 500 new jobs, supported by a $3.15 million Texas Enterprise Fund award. While the original land sale and incentive agreements were approved in 2021, the company has experienced delays in securing initial EB-5 funding needed to launch full construction. They have provided early grading and tree removal at this time but have halted further activities to wait on federal funding. To keep the project on track, the Company will seek a second amendment in October that extends each milestone by one year. These adjustments will give Crystal time to finalize its financing while reaffirming its commitment to Mansfield. Construction is now expected to begin no later than the summer of 2026.

Strategic Initiative
Develop Strong Economy
Focus on the Future

Recommendation
Staff recommends approval of the Second Amendment

Funding Source

Prepared By
Jason Moore, Executive Director of Economic Development - (817) 728-3651

SECOND AMENDMENT TO

ECONOMIC DEVELOPMENT AGREEMENT

(CRYSTAL WINDOW AND DOOR SYSTEMS, LTD)

This Second Amendment to the Economic Development Agreement ("Second Amendment") is entered into effective as of the last date of execution below by and between the City of Mansfield, Texas ("City"), the Mansfield Economic Development Corporation ("MEDC"), a nonprofit Corporation organized under Title 12, Subtitle C1, of the Texas Local Government Code ("Act"), (City and MEDC are collectively referred to as "Public Parties"), and Crystal Window and Door Systems, LTD, a Texas corporation (the "Company"). City, MEDC, and Company may sometimes hereafter be referred to individually as a "party" or collectively as the "parties."

RECITALS

WHEREAS, on March 9, 2023, the Parties entered into that Economic Development Agreement ("Original Agreement") pursuant to Texas Local Gov't Code Ch. 380, which included provisions, terms, and conditions for a tax abatement agreement to support the development of the Company's new regional corporate headquarters and manufacturing facility on approximately 43.9 acres in Mansfield.

WHEREAS, the Original Agreement included a package of City and MEDC incentives such as tax abatements, sales tax grants, development fee reimbursements, job creation grants, and infrastructure grants, in exchange for the Company's commitment to significant capital investment and job creation; and

WHEREAS, on May 22, 2023, the City Council approved a First Amendment expanding the project area to include an additional 7 acres (Tax Abatement Reinvestment Zone 47) and making conforming changes; and

WHEREAS, the Parties now desire to amend the Original Agreement further in order to revise certain milestone deadlines related to the completion of Phase 1 construction and the deadline for job creation grants; and

WHEREAS, all other terms and conditions of the Original Agreement and First Amendment, as previously amended, should remain unchanged and in full force and effect.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

Section 1. That the foregoing recitals and findings of fact are hereby incorporated into and made a substantive part of this Second Amendment by reference and shall be binding upon the parties hereto.

Section 2. That the following subsections of Article 3, Subsection 3.3 (Completion of Construction), of the Original Agreement is hereby repealed and replaced as follows:

> "3.3 Completion of Construction. Completion of Construction of Phase 1 of the Facility must occur no later than forty-eight (48) months after the Closing Date; provided, however, that if Company acts with reasonable diligence, any delay in the Completion of Construction not reasonably attributable to Company's acts or omissions will not constitute a breach of the Company's obligations hereunder."

Section 3. That Article 6, Section 6.2 (Job Creation Grants), of the Original Agreement is hereby repealed and replaced as follows:

> "6.2 Job Creation Grants. MEDC agrees to provide grants to Company in an amount equal to Two Thousand Five Hundred Dollars ($2,500) per FTE for the first one hundred twenty (120) FTEs employed at the Facility prior to the later of December 31, 2033 or the eighth (8th) anniversary atter the Closing Dale. Company will be eligible for payment after January 1 of each calendar year, and payment shall be made on an annual basis by MEDC no later than thirty (30) days after MEDC's receipt of a Payment Request. A Payment Request for a grant under this Section shall be accompanied by such documentation as is reasonably required by MEDC for the Company to demonstrate the creation of the FTE(s)."

Section 4. That the Original Agreement and First Amendment are incorporated herein as if written word for word and shall continue in full force and effect, except as amended by this Second Amendment. In the event of any conflict or inconsistency between the provisions set forth in this Second Amendment and the Original Agreement and First Amendment, priority of interpretation shall be in the following order: Second Amendment, First Amendment, Original Agreement.

Section 5. That this Second Amendment shall be effective on the date this Second Amendment (including all counterparts) bears the signature of the authorized representatives of all of the parties.

Section 6. That this Second Amendment may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

Section 7. That each party represents that it has full capacity and authority to grant all rights and assume all obligations that are granted and assumed under this Second Amendment.

[Signatures on the following page(s)]

EXECUTED on this _____ day of ___________________, 2025.

MANSFIELD ECONOMIC DEVELOPMENT CORPORATION,
A Texas non-profit corporation

By: ________________________________

Name: _____________________________

Title: ______________________________

ATTEST:

____
Board Secretary

EXECUTED on this _____ day of ___________________, 2025.

CITY OF MANSFIELD, TEXAS,
a Texas home-rule corporation

____
Joe Smolinski, City Manager, or designee

ATTEST:

____
Susana Marin, City Secretary

EXECUTED on this _____ day of ___________________, 2025.

CRYSTAL WINDOW AND DOOR SYSTEMS TX, LTD., a Texas corporation

By: ________________________________

Name: ______________________________

Title: ______________________________

MANSFIELD
T E X A S

City of Mansfield
Staff Report

Item ID: 25-1385

Agenda Date: October 7, 2025

Title
25-1385 Discussion, Consideration, and Possible Action on a First Amendment to the Economic Incentive and Performance Agreement with Mansfield 360 Land Investments, LLC (formerly Stallion Labs Land Investments, LLC)

Description/History
As part of the requirement for the Company to bring its headquarters to the United States, the entity name needs to change. This amendment provides for that name change as well as amends the commencement date to match that of the city providing the necessary public infrastructure to the site, via Hertiage Parkway South. The date of commencement is no later than December 31, 2026.

Strategic Initiative
Develop Strong Economy
Focus on the Future

Recommendation
Staff recommends approval of the First Amendment

Funding Source
MEDC

Prepared By
Jason Moore, Executive Director of Economic Development - (817) 728-3651

First Amendment to the Economic Incentive and Performance Agreement

This First Amendment to the Economic Incentive and Performance Agreement (this "Amendment") is entered into as of the ___ day of October, 2025, by and between the City of Mansfield, Texas (the "City"), the Mansfield Economic Development Corporation ("MEDC"), and Mansfield 360 Land Investments, LLC, a Delaware limited liability company (the "Company").

RECITALS

WHEREAS, the City, MEDC, and SL Corporation, a Delaware corporation ("Original Company"), entered into that certain Economic Incentive and Performance Agreement dated July 14, 2025 (the "Agreement"); and

WHEREAS, subsequent to execution of the Agreement, the parties have determined that the proper entity contracting with the City and MEDC is Mansfield 360 Land Investments, LLC, a Delaware limited liability company; and

WHEREAS, the Agreement currently requires commencement of construction by March 31, 2026, and the parties desire to extend that deadline to December 31, 2026; and

WHEREAS, the City is expected to deliver the Heritage Parkway South extension by December 2026, which roadway improvement is necessary to provide access and support development of the site subject to the Agreement; and

WHEREAS, the City Council of the City of Mansfield finds it necessary and appropriate to amend the Agreement to reflect the correct entity name and to adjust the commencement deadline in alignment with public infrastructure delivery.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein contained, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Entity Name**. All references in the Agreement to "SL Corporation" or "Company" shall hereafter mean and refer to Mansfield 360 Land Investments, LLC, a Delaware limited liability company.
2. **Construction Commencement Deadline**. Section 4(D) of the Agreement (definition or milestone of "Construction Commencement Deadline") is hereby amended to provide that the Company shall commence construction on or before December 31, 2026.
3. **No Other Modifications**. Except as expressly amended by this Amendment, all terms, conditions, and provisions of the Agreement remain in full force and effect.
4. **Counterparts**. This Amendment may be executed in multiple counterparts, each of which shall be deemed an original, and all of which together shall constitute one instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first written above.

CITY OF MANSFIELD, TEXAS

By: ________________________________

Joe Smolinski, City Manager or designee

ATTEST:

____

Susana Marin, City Secretary

MANSFIELD ECONOMIC DEVELOPMENT CORPORATION

By: _____________________________

Jim Vaszauskas, MEDC Board President

ATTEST:

____

MEDC Board Secretary

MANSFIELD 360 LAND INVESTMENTS, LLC

By: _____________________________

Name:

Title:

City of Mansfield
Staff Report

Item ID: 25-1386

Agenda Date: October 7, 2025

Title
25-1386 Discussion, Consideration, and Possible Action on an Economic Incentive and Performance Agreement with Albert Enterprises

Description/History
As part of a significant destination retail, restaurant, and specialty grocer development, Albert Enterprises has requested assistance with public infrastructure required for their development at Matlock and Debbie Ln. The development is expected to provide significant new capital investment and annual sales tax to the city.

Strategic Initiative
Develop Strong Economy
Focus on the Future

Recommendation
Staff recommends approval of the Economic Incentive and Performance Agreement

Funding Source

Prepared By
Jason Moore, Executive Director of Economic Development - (817) 728-3651

THE STATE OF TEXAS §
§
COUNTY OF TARRANT §

ECONOMIC INCENTIVE AND PERFORMANCE AGREEMENT

This Economic Incentive and Performance Agreement ("Agreement") is made and entered into by and between the City of Mansfield, Texas, a home-rule municipal corporation located in Tarrant, Johnson and Ellis Counties, Texas (the "City"), Mansfield Economic Development Corporation, a 4A Economic Development Corporation (the "MEDC"), and Albert Enterprises, LLC, a Texas limited liability company ("Company"), effective as of the Effective Date.

RECITALS

WHEREAS, the Development Corporation Act of 1979, as amended (Section 501.001 et seq., Texas Local Government Code, formerly the Development Corporation Act of 1979) (the "Act") authorizes a development corporation to fund certain projects as defined by the Act and requires development corporations to enter into performance agreements to establish and provide for the direct incentive or make an expenditure on behalf of a business enterprise under a project; and

WHEREAS, the MEDC is a Type A economic development corporation, and a Texas non-profit corporation operating pursuant to Chapter 504 of the Texas Local Government Code, as amended (also referred to as the "Act"), and the Texas Non-Profit Corporation Act, as codified in the Texas Business Organizations Code, as amended; and

WHEREAS, on May 6, 2023, the City of Mansfield conducted a special election authorizing the Type A MEDC sales tax to be used for Type B economic development purposes; and

WHEREAS, Chapter 501 of the Texas Local Government Code requires this performance agreement to provide a schedule of jobs to be created or retained for this project and a provision specifying the terms and conditions upon which repayment of provided funding must be made should Company fail to meet the agreed to performance requirements specified in this Agreement; and

WHEREAS, under the authority granted by Article III, Section 52-a of the Texas Constitution and Chapter 380 of the Texas Local Government Code, the City is authorized to provide additional economic development incentives to promote local economic development and stimulate business and commercial activity; and

WHEREAS, the City and MEDC have adopted programs for promoting economic development; and

WHEREAS, the Company has applied to the City and MEDC for financial assistance with expenditures related to Project A (Specialty Grocer and retail at Debbie Lane & Country Grove, approx. 31,998 sq. ft.); Project B (Retail and Destination Restaurants on Matlock Road, approx. 43,920 sq. ft.); and the creation of (40) new Full-Time Employees ("FTEs") during the first five (5) years after receiving a Final Certificate of Occupancy issued by the City's Building Safety Department to the Company (hereinafter, the "Project"); and

WHEREAS, the Company has agreed, in exchange for and as consideration for the incentives offered by the City and MEDC, to satisfy and comply with the terms and conditions hereinafter set forth; and

WHEREAS, the governing bodies for the City and MEDC have concluded and hereby find that this Agreement substantially advances a legitimate interests of the City and MEDC by promoting economic development, expanding business investments in Mansfield, Texas, creating high-skilled jobs, increasing employment, and generating new revenue for jurisdictions in Tarrant County, which will help stimulate the overall local economy; and

WHEREAS, the Mansfield City Council and MEDC's Board of Directors have determined the financial assistance provided to Company pursuant to this Agreement is consistent and meets the definition of "project" and "costs" as those terms are defined Chapter 501 of the Texas Local Government Code and other provisions of the Chapter 380 of the Texas Local Government Code; and

WHEREAS, Company understands and agrees that the City and MEDC have relied upon Company's representations, warranties, and agreements, as set forth and provided for in this Agreement.

NOW, THEREFORE, for and in consideration of the agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City Council, MEDC Board of Directors, and Company agree as follows:

SECTION 1. Findings Incorporated. The foregoing recitals are hereby incorporated into the body of this Agreement and shall be considered part of the mutual covenants, consideration, and promises that bind the parties.

SECTION 2. Definitions. The following words shall have the following meanings when used in this Agreement.

(A) Act. The word "Act" means Chapter 501 to 504 of the Texas Local Government Code, as amended.

(B) Agreement. The word "Agreement" shall mean this Economic Incentive and Performance Agreement, together with all exhibits attached hereto from time to time, if any.

(C) Bankruptcy. The word "Bankruptcy" shall mean the dissolution or termination of a Party's existence as a going business, insolvency, appointment of receiver for any part of such Party's property and such appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against such party and such proceeding is not dismissed within ninety (90) days after the filing thereof.

(D) Capital Investment. The phrase "Capital Investment" shall mean the total value of expenditures made by the Company or its affiliates for the acquisition, construction, and installation of real and personal property improvements related to the Project, including but not limited to:

- **Real Property Improvements**: costs of site preparation, grading, paving, building construction, utilities, landscaping, and permanent fixtures.

- **Personal Property Improvements**: costs of machinery, equipment, furniture, and fixtures that are taxable by the City and used in connection with the Project.

- **Soft Costs**: reasonable and customary amounts expended for architecture, engineering, design, surveying, and construction management, together with a developer fee (not to exceed 3% of total hard costs), and a contingency (not to exceed 10%).

- "Capital Investment" shall expressly exclude:
  - Land acquisition costs;
  - Costs of financing, loan interest, or debt service;
  - Legal, accounting, or administrative fees not directly allocable to construction;
  - Operating expenses, inventory, or working capital.

All Capital Investment amounts shall be determined by reference to actual invoices, receipts, or other documentation reasonably acceptable to the City and MEDC, and certified by the Company.

(E) Certificate of Occupancy. The phrase "Certificate of Occupancy" shall mean a Final Certificate of Occupancy issued by the City's Building Safety Department to the Company for the Project and must be obtained, subject to Force Majeure (described below), by the Company not later than December 31, 2027.

(F) Company. The word "Company" shall mean Albert Enterprises, a Texas limited liability company, whose business address is 14114 Dallas Pkwy, Suite 670, Dallas, TX 75254, and its affiliates, successors, grantees, transferees (except where otherwise noted herein), and permitted assigns.

(G) Construction Commencement Deadline. The phrase "Construction Commencement Deadline" shall mean that the Company shall (a) present Plans and Specifications for the Project and (b) the Plans and Specifications are accepted by the City as satisfactory (the "Project Plans and Specifications") not later than March 31, 2026. The Company's failure to comply with the Construction Commencement Deadline on or before March 31, 2026, shall be deemed an Event of Default of this Agreement. The foregoing shall be subject to Force Majeure.

(H) City. The word "City" shall mean the City of Mansfield, Texas. For purposes of this Agreement, the City's address is 1200 E. Broad Street, Mansfield, Texas 76063.

(I) Effective Date. The phrase "Effective Date" shall mean the date of the last signing by all Parties to the Agreement.

(J) Expiration Date. The phrase "Expiration Date" shall mean the later of: (a) the expiration of 75% of the lease term(s) of the qualifying tenants, or (b) December 31, 2040, unless terminated earlier under this Agreement.

(K) Event of Default. The phrase "Event of Default" shall mean and includes any of the Events of Default set forth herein.

(L) Force Majeure. The phrase "Force Majeure" means that if any party hereto shall be delayed or prevented from the performance of any act required hereunder by reason of acts of God, casualty, enemy or hostile governmental action, rebellion, war, insurrection, riot, strike, civil commotion, inclement weather, lockout, labor troubles, inability to procure labor or materials despite commercially reasonable efforts, curtailment of transportation facilities, failure of carriers to transport or furnish facilities or transportation, restrictive governmental laws or regulations (excluding routine permitting or regulatory review processes), terroristic act or threat, state of emergency, disease, epidemic, pandemic, quarantine, order or measure of any governmental or quasi-governmental agency, or other cause without fault and beyond the reasonable control of the party obligated (each a "Force Majeure Event"), then the performance of such act shall be excused for the period of delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay; provided, however, that Force Majeure shall not include (i) delays caused by the failure of a party to timely submit complete and accurate applications, plans, or materials required by the City or other governmental authority, (ii) delays caused by the negligence, fault, or willful misconduct of the party claiming Force Majeure, (iii) financial inability to perform, or (iv) delays in obtaining permits or approvals unless such delay results solely from the failure of the City to process a complete and proper application in accordance with applicable law and without fault of the applicant. Further, nothing herein shall excuse any monetary obligations of any party.

(M) MEDC. "MEDC" shall mean the Mansfield Economic Development Corporation, a Type A economic development corporation (authorized to use sales tax for Type B economic development purposes), and a Texas non-profit corporation, its successors and assigns, whose corporate address for the purposes of this Agreement is 1200 E. Broad Street, Mansfield, Texas 76063.

(N) Project. The word "Project" shall mean the construction of Project A (Specialty Grocer and retail at Debbie Lane & Country Grove, approx. 31,998 sq. ft.); Project B (Retail and Destination Restaurants on Matlock Road, approx. 43,920 sq. ft.); and the creation of (40) new Full-Time Employees ("FTEs") during the first five (5) years after receiving a Final Certificate of Occupancy issued by the City's Building Safety Department to the Company (hereinafter, the "Project").

(O) Project Grants. The words "Project Grants" shall mean the direct economic grant payments paid and other incentives provided by the City and/or MEDC to the Company in accordance with this Agreement as more particularly described in **Exhibit "A"**, attached hereto and incorporated herein.

(P) Property. The word Property means Company-owned land generally located at Debbie Lane & Country Grove and Debbie Lane & Matlock Road, Mansfield, Texas, as illustrated in **Exhibit "B".**

(Q) Related Documents. The phrase "Related Documents" shall mean without limitation any and all ancillary agreements and all other instruments and documents relating to the subject matter of this Agreement, whether now or hereafter existing, executed in connection with the

Company's obligations to the City and/or MEDC under this Agreement.

SECTION 3. Term. This Agreement shall become enforceable upon the Effective Date, hereinafter established, and shall continue until the Expiration Date, hereinafter established, unless terminated sooner or extended by mutual agreement of the Parties in the manner provided for herein.

SECTION 4. Obligations of the Parties.

(A) Project Grants and Other Incentives. Subject to the Company satisfying the grant qualifications and other Company obligations required by this Agreement, City and MEDC shall provide Project Grants to the Company in the specific amounts and at the times particularly described in **Exhibit "A"**. All Project Grants are subject to annual qualification and performance certification.

(B) The MEDC shall ensure that the Project Grants are expended in strict compliance with Chapter 501 and Chapter 504 of the Texas Local Government Code, and shall take action to recover such funds if it is determined that the Company is not meeting the performance requirements of this Agreement.

i. The Project Grants distributed hereunder shall be paid solely from lawfully available funds of the MEDC. Under no circumstances shall the obligations hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision. None of the obligations under this Agreement shall be pledged or otherwise encumbered in favor of any commercial lender and/or similar financial institution.

ii. In accordance with this Agreement, it is explicitly understood and agreed upon that the MEDC does not and will not assert any ownership rights to any of the facilities or improvements constructed or developed as part of the Project under the terms of this Agreement. The ownership of the Project facilities and improvements shall solely and unequivocally rest with the Company, who shall have full rights, responsibilities, and control over the said facilities and improvements.

(C) Obligations of the Company.

i. To qualify for the City's incentives as provided in **Exhibit "A"** or otherwise provided in this Agreement, the Company shall comply with the following, each of which dates are subject to Force Majeure:

(a) The Company shall obtain the City's acceptance of the Project Plans and Specifications on or before the Construction Commencement Deadline; and
(b) The Company shall obtain a Certificate of Occupancy for the Project not later than December 31, 2027; and
(c) The Company shall complete construction of the Project; and
(d) The Company shall provide documentation evidencing completion of the Project, including any receipts, certificates of valuation, or other materials evidencing the Company's minimum Capital Investment of $30,000,000 in the Project, as may be reasonably required by the City.

The Company's failure to comply with any of the requirements provided herein shall be deemed an Event of Default of this Agreement.

ii. To qualify for MEDC's grants as provided in **Exhibit "A"** or otherwise provided in this Agreement, the Company shall comply with the following, each of which dates are subject to Force Majeure:

(a) The Company shall create and retain the minimum of FTE's described above in the definition of "Project" within the time frame set forth above, the same after receiving a Final Certificate of Occupancy issued by the City's Building Safety Department to the Company; and
(b) The Property shall maintain average annual taxable sales of $30,000,000.00.

The Company's failure to comply with any of the requirements provided herein shall be deemed an Event of Default of this Agreement.

iii. The Company expressly acknowledges that by entering into this Agreement, the Company, its successors, assigns, vendors, grantees, and/or trustees, shall not construe any language contained herein or in any Exhibits attached hereto as waiving any of the requirements of the City's ordinances applicable to the Project at the time of development.

iv. <u>Company's Covenants and Warranties</u>. The Company agrees to timely and fully perform the obligations and duties contained in Section 4(C) and makes the following covenants and warranties to the City and MEDC. Any false or substantially misleading statements contained herein or failure to timely and fully perform those obligations and duties within this Agreement shall be an Event of Default by the Company.

(a) The Company is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas and the United States of America during any term of this Agreement; and
(b) The execution of this Agreement has been duly authorized by the Company's authorized agent, and the individual signing this Agreement is empowered to execute such Agreement and bind the entity. Said authorization, signing, and binding effect is not in contravention of any law, rule, regulation, or of the provisions of the Company's by-laws, or of any agreement or instrument to which the Company is a party to or by which it may be bound; and
(c) The Company is not a party to any Bankruptcy proceedings currently pending or contemplated, and the Company has not been informed of any potential involuntary Bankruptcy proceedings; and
(d) To its current, actual knowledge, Company has and/or will acquired and maintained all necessary rights, licenses, permits, and authority from the City, the Texas Department of Transportation, and any other applicable jurisdiction to complete the Project within the City and will continue to maintain all necessary rights, licenses, permits, and authority; and
(e) The Company shall timely and fully comply with all of the terms and conditions of this Agreement; and
(f) During the term of this Agreement, the Company agrees to not knowingly employ any undocumented workers as part of the Project, and, if convicted of a violation under 8 U.S.C. Section 1324a(1), the Company shall constitute an Event of

Default. The Company is not liable for an unknown violation of this Section by a subsidiary, affiliate, or franchisee of Company or by a person with whom the Company contracts; provided, however, that identical federal law requirements provided for herein shall be included as part of any agreement or contract which Company enters into with any subsidiary, assignee, affiliate, or franchisee for which funds provided herein will be used; and

(g) The Company shall not be in arrears and shall be current in the payment of all City taxes and fees; and

(h) The City and MEDC have the right to periodically (and with reasonable advance written notice) verify the terms and conditions of this Agreement.

SECTION 5. Event of Default. The following shall constitute an Event of Default under this Agreement:

(A) Completion of Project. Failure of the Company to maintain compliance with the terms as required by Section 4(C) herein, subject to Force Majeure, which such failure shall not be cured within the time frame below after receipt by the Company of written notice thereof.

(B) False Statements. Any warranty, representation, or statement made or furnished to one party by or on behalf of the other party under this Agreement or the Related Documents that is false or misleading in any material respect, either now or at the time made or furnished.

(C) Insolvency. Company's insolvency, appointment of receiver for any part of the Company's property, any assignment for the benefit of creditors of the Company, any type of creditor workout for the Company, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against the Company.

(D) Other Defaults. Failure of the Parties to comply with or to perform any other term, obligation, covenant, or condition contained in this Agreement or any of the Related Documents, or failure of the Parties to comply with or to perform any other term, obligation, covenant or condition contained in any other agreement between the Parties, in any case subject to Force Majeure, which such failure shall not be cured within the time frame below after receipt by the Company of written notice thereof.

SECTION 6. Effect of an Event of Default.

(A) Following an Event of Default, the non-defaulting party shall give written notice to the other party of any Event of Default, and the defaulting party shall have ninety (90) days to cure said Event of Default. Should said Event of Default remain uncured as of the 91st day following the receipt of notice of default and the non-defaulting party is not otherwise in default, the defaulting party shall be in Default and the non-defaulting party shall have the right to exercise the rights and remedies set forth herein.

(B) In the event of Default by the Company, the City and/or MEDC shall, as its sole and exclusive remedy for Default hereunder, have the right to terminate this Agreement and to recapture one hundred percent (100%) of the Project Grants paid to Company if the Default occurs on or prior to the termination date, which shall be due and payable to the City and/or MEDC within thirty (30) days of Default. In the event of the Company's Default hereunder and termination of this Agreement by the City and/or MEDC, the City and MEDC shall have no obligation to pay any prospective or future Project Grants to the Company under this Agreement.

SECTION 7: Termination of Agreement by City and/or MEDC Without Default.

(A) The City and/or MEDC may terminate this Agreement without an Event of Default by Company and effective immediately if any state or federal statute, regulation, case law, or other law renders this Agreement ineffectual, impractical, or illegal.

(B) Termination of this Agreement by either the City or MEDC under this Section 7 shall render this Agreement null and void from that point forward with each party having no further rights against each other under this Agreement or at law; provided, however, that the Parties agree to negotiate in good faith a remedy that preserves the intent of the parties hereunder as much as reasonably possible under applicable state law.

SECTION 8. INDEMNIFICATION.

THE COMPANY SHALL INDEMNIFY, SAVE, AND HOLD HARMLESS THE CITY, ITS DIRECTORS, OFFICERS, AGENTS, ATTORNEYS, AND EMPLOYEES (COLLECTIVELY, THE "CITY INDEMNITEES") AND THE MEDC, ITS DIRECTORS, OFFICERS, AGENTS, ATTORNEYS, AND EMPLOYEES (COLLECTIVELY, THE "MEDC INDEMNITEES"), COLLECTIVELY, "THE CITY/MEDC INDEMNITEES", FROM AND AGAINST: (1) ANY AND ALL CLAIMS, DEMANDS, ACTIONS OR CAUSES OF ACTION THAT ARE ASSERTED AGAINST ANY CITY/MEDC INDEMNITEES IF THE CLAIM, DEMAND, ACTION OR CAUSE OF ACTION DIRECTLY OR INDIRECTLY RELATES TO TORTIOUS INTERFERENCE WITH CONTRACT OR BUSINESS INTERFERENCE, OR WRONGFUL OR NEGLIGENT USE OF CITY/MEDC INDEMNITEES PROJECT GRANTS BY THE COMPANY OR ITS AGENTS AND EMPLOYEES; (2) ANY ADMINISTRATIVE OR INVESTIGATIVE PROCEEDING BY ANY GOVERNMENTAL AUTHORITY DIRECTLY OR INDIRECTLY RELATED, TO A CLAIM, DEMAND, ACTION OR CAUSE OF ACTION IN WHICH CITY/MEDC INDEMNITEES ARE A DISINTERESTED PARTY; (3) ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION WHICH DIRECTLY OR INDIRECTLY CONTESTS OR CHALLENGES THE LEGAL AUTHORITY OF THE CITY, MEDC, OR COMPANY TO ENTER INTO THIS AGREEMENT; AND (4) ANY AND ALL LIABILITIES, LOSSES, COSTS, OR EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES AND DISBURSEMENTS) THAT ANY CITY/MEDC INDEMNITEES SUFFER OR INCURS AS A RESULT OF ANY OF THE FOREGOING; PROVIDED, HOWEVER, THAT COMPANY SHALL HAVE NO OBLIGATION UNDER THIS PARAGRAPH TO THE CITY AND MEDC WITH RESPECT TO ANY OF THE FOREGOING ARISING OUT OF THE NEGLIGENCE, MISCONDUCT, OR THE BREACH BY ANY CITY/MEDC INDEMNITEES OF THIS AGREEMENT. IF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION IS ASSERTED AGAINST ANY CITY/MEDC INDEMNITEES, SUCH CITY/MEDC INDEMNITEES SHALL PROMPTLY NOTIFY THE COMPANY, BUT THE FAILURE TO SO PROMPTLY NOTIFY THE COMPANY SHALL NOT AFFECT THE COMPANY'S OBLIGATIONS UNDER THIS PARAGRAPH UNLESS SUCH FAILURE MATERIALLY PREJUDICES THE COMPANY'S RIGHT TO PARTICIPATE IN THE CONTEST OF SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION, AS HEREINAFTER

PROVIDED. IF REQUESTED BY THE COMPANY IN WRITING, AS LONG AS NO DEFAULT OR EVENT OF DEFAULT SHALL HAVE OCCURRED AND BE CONTINUING, SUCH CITY/MEDC INDEMNITEES SHALL IN GOOD FAITH CONTEST THE VALIDITY, APPLICABILITY AND AMOUNT OF SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION AND SHALL PERMIT THE COMPANY TO PARTICIPATE IN SUCH CONTEST. ANY CITY/MEDC INDEMNITEES THAT PROPOSES TO SETTLE OR COMPROMISE ANY CLAIM, DEMAND, ACTION, CAUSE OF ACTION OR PROCEEDING FOR WHICH THE COMPANY MAY BE LIABLE FOR PAYMENT OF INDEMNITY HEREUNDER SHALL GIVE THE COMPANY WRITTEN NOTICE OF THE TERMS OF SUCH PROPOSED SETTLEMENT OR COMPROMISE REASONABLY IN ADVANCE OF SETTLING OR COMPROMISING SUCH CLAIM OR PROCEEDING AND SHALL OBTAIN THE COMPANY'S CONCURRENCE THERETO.

SECTION 9. Miscellaneous Provisions. The following miscellaneous provisions are a part of this Agreement:

(A) Amendments. This Agreement, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

(B) Applicable Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Tarrant County, Texas. Exclusive venue for any action arising under this Agreement shall lie in the state district courts of Tarrant County, Texas.

(C) Assignment. The obligations of the Company under this Agreement may not be assigned by the Company without the express written consent of the City and MEDC, which consent shall not be unreasonably withheld, conditioned, or delayed.

(D) Binding Obligation. This Agreement shall become a binding obligation on the signatories upon execution by all signatories hereto. Company warrants and represents that the individual or individuals executing this Agreement on behalf of Company have full authority to execute this Agreement and bind the Company to the same. The City and MEDC warrant and represent that the individual executing this Agreement on its behalf has full authority to execute this Agreement and bind the City and MEDC, respectively, to the same.

(E) Caption Headings. Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of the Agreement.

(F) Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same document.

(G) Notices. Any notice required by or permitted under this Agreement must be in writing. Any notice required by this Agreement will be deemed to be delivered (whether actually received or not) when deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to the intended recipient at the address shown in this Agreement. Notice may also be given by regular mail, personal delivery, courier delivery, facsimile transmission, e- mail (but only if an email address is provided below) or other commercially reasonable means and will be effective when actually received (or, in the case of an email, on the date sent), provided that (a) any notice received on a Saturday, Sunday, or holiday will be deemed to have been received on the next day that is not a Saturday, Sunday, or holiday and (b) any notices received after 5:00 P.M. local time at the place of delivery on a day that is not a Saturday, Sunday, or holiday will be deemed to have been received on the next day that is not a Saturday, Sunday, or holiday.

FOR THE CITY OF MANSFIELD:

City of Mansfield
ATTN: City Manager
1200 E. Broad Street
Mansfield, Texas 76063
Email: vanessa.ramirez@mansfieldtexas.gov

WITH COPY TO:

City Attorney
ATTN: Victor Flores
1200 E Broad Street
Mansfield, Texas 76063
Email: victor.flores@mansfieldtexas.gov

FOR THE MANSFIELD ECONOMIC DEVELOPMENT CORPORATION:

Mansfield Economic Development Corporation
ATTN: Economic Development Director
1200 E. Broad Street
Mansfield, Texas 76063
Email: jason.moore@mansfield-texas.com

FOR THE COMPANY:

Albert Enterprises
ATTN: Cary Albert
Address: 14114 Dallas Pkwy, Suite 670, Dallas, TX 75254
Email: calbert@albertenterprises.com

WITH COPY TO:

ATTN: Legal Counsel
Name:
Attn:
Email:

(H) Severability. If a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances. If feasible, any such offending provision shall be deemed to be modified to be within the limits of enforceability or validity; however, if the offending provision cannot be so modified, it shall be stricken, and all other provisions of this Agreement in all other respects shall remain valid and enforceable.

(I) Survival. All warranties, representations, and covenants made by the Parties in this Agreement or any certificate or other instrument delivered by one party to the other party under this Agreement shall be considered to have been relied upon by the parties hereto and will survive the making of this Agreement, regardless of any investigation made by either party or on either party's behalf.

(J) Time is of the Essence. Time is of the essence in the performance of this Agreement.

(K) No Joint Venture. Nothing contained in this Agreement is intended by the parties to create a partnership or joint venture between the parties, and any implication to the contrary is hereby expressly disavowed. It is understood and agreed that this Agreement does not create a joint enterprise, nor does it appoint any party as an agent of any other party for any purpose whatsoever. Except as otherwise specifically provided herein, no party shall in any way assume any of the liability of any other for acts of any other party or obligation of any other party.

(L) No Boycott of Israel. In accordance with Section 2270.002 of the Texas Government Code (as added by Tex. H.B. 89, 85th Leg., R.S. (2017)), Company verifies that it does not boycott Israel and will not boycott Israel during the Term of this Agreement.

(M) In accordance with Section 2252.152 of the Texas Government Code (as added by Tex. S.B. 252, 85th Leg., R.S. (2017)), the Parties covenant and agree that Company is not on a list maintained by the State Comptroller's office prepared and maintained pursuant to Section 806.051, 807.051, or 2252.153 of the Texas Gov't Code.

[signature pages to follow]

ALBERT ENTERPRISES

By: ________________________________
Name: Cary Albert
Title: Authorized Signatory

Date: _______________________________

THE STATE OF TEXAS §
§
COUNTY OF ______________ §

This instrument was acknowledged before me on the ______day of __________, 2025, personally appeared Cary Albert, in his/her capacity as Authorized Signatory of Albert Enterprises. known to me to be the person whose name is subscribed to the foregoing instrument, and averred that he executed the same on behalf of in his stated capacity.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS THE ______ DAY OF _________________, 2025.

____
Notary Public, State of Texas
My commission expires _________________

MANSFIELD ECONOMIC DEVELOPMENT CORPORATION

By: ___________________________________
William Vivoni,
MEDC Board Vice President

Date: _________________________________

ATTEST

By: ___________________________
Name: Nicole Zaitoon
Title: MEDC Board Secretary

THE STATE OF TEXAS §
§
COUNTY OF TARRANT §

This instrument was acknowledged before me on the _____day of October, 2025, personally appeared William Vivoni, in his capacity as Vice President for the Mansfield Economic Development Corporation, a Texas non-profit corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and averred that he executed the same on behalf of in his stated capacity.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS THE _____________ DAY OF OCTOBER, 2025.

____
Notary Public, State of Texas
My commission expires _________________

APPROVED BY THE CITY COUNCIL FOR THE CITY OF MANSFIELD, TEXAS ON THE __________ DAY OF OCTOBER, 2025.

CITY OF MANSFIELD, TEXAS

By: ___________________________________
Joe Smolinski, City Manager, or his authorized designee

ATTEST:

____
Susana Marin, City Secretary

APPROVED AS TO FORM:

____
Victor A. Flores, City Attorney

EXHIBIT "A"

PROJECT GRANTS/INCENTIVES

1. The City shall reimburse actual costs of public infrastructure necessary for the Project, as follows:

- A-1: New Traffic Signal Actual Costs, but not to exceed $___________
- A-2: Decel Lanes Actual Costs, but not to exceed $_________
- A-3: Public Street (ROW acquisition, pavement, markings, sidewalks and lighting) Actual Costs, but not to exceed $___________
- A-4: Public Utilities (water, sanitary sewer, stormwater) Actual Costs, but not to exceed $__________

2. The MEDC agrees to reimburse Company 50% of all city-related development fees, (including: impact; administrative; permit; and other development fees) related to the Project and paid by Company.

3. MEDC Sales Taxes (1/2 cent sales tax) and City Mixed-Beverage Taxes generated by the destination restaurants granted back to Company for a duration of 75% of their respective lease term. For example on a 7 year lease, reimbursements are made annually for 5 years and one quarter of a year. The City Manager will have reasonable discretion on whether a restaurant is considered destination but should otherwise be as follows:

- Destination Restaurant means a high draw, full service dining operation that:
  - Has fewer than 5 comparable restaurants in the Dallas–Fort Worth metroplex, as determined by concept and cuisine type (e.g. upscale seafood, chef driven farm to table, or signature international fare), to ensure uniqueness in the regional restaurant market;
  - Attracts significant out of area customer traffic, defined as 20% + of annual patrons originating from beyond a 15 mile radius;
  - Maintains high standards of quality, demonstrated by an average per check (or ticket) amount in the top quartile locally and consistent "A" grading in city health inspections;
  - Operates full service dining with at least 100 indoor seats or 150 combined indoor/outdoor capacity (or similar scale by square footage), with dedicated kitchen staff and professionally trained servers; and
  - Creates local multiplier economic value, including two or more of:
    - Annual taxable sales of at least $4 million,
    - Attraction of tourism foot traffic, or
    - Activation of public or semi-public space (e.g. plazas, patios).

EXHIBIT "B"

PROPERTY

Project A: Proposed Development

- A: Specialty Grocer = 12,500 sft
  - A-1: New Traffic Signal
  - A-2: Decel Lanes
  - A-3: Public Street
  - A-4: Public Utilities
- B: Retail Building 1 = 6,336 sft
- C: Retail Building 2 = 13,162 sft

Project B: Proposed Development

- D: Retail Building 3 = 4,000 sft
- E: Restaurant A = 6,000 sft
- F: Retail Building 4 = 19,700 sft
  - Rooftop Patio = 2,500 sft
- G: Retail Building 5 = 11,270 sft

City of Mansfield
Staff Report

Item ID: 25-1388

Agenda Date: October 7, 2025

Title
25-1388 Discussion, Consideration, and Possible Action on a Master Lease with Admiral Legacy Investments as part of the Economic Development Agreement and Subsequent Authorized Amendments

Description/History
Per the third amendment of the economic development agreement with Admiral Legacy Investments, the master lease rental rate and size has been finalized as part of the underwriting process. The rental rate will begin at $26/SFT and the MEDC will master lease 70% of the space, or 107,026 sft.

Strategic Initiative
Develop Strong Economy
Focus on the Future

Recommendation
Staff recommends approval of the Master Lease

Funding Source
MEDC

Prepared By
Jason Moore, Executive Director of Economic Development - (817) 728-3651

LEASE AGREEMENT

BETWEEN

[TBD-MIC PHASE I OFFICE LLC]

AS LANDLORD, AND

MANSFIELD ECONOMIC DEVELOPMENT CORPORATION

AS TENANT

DATED __________________, 2025

BASIC LEASE INFORMATION

Lease Date:	_______________, 2025
Landlord:	[TBD MIC PHASE IA OFFICE LLC, a Delaware limited liability company]
Tenant:	MANSFIELD ECONOMIC DEVELOPMENT CORPORATION, a nonprofit Corporation organized under Title 12, Subtitle C1, of the Texas Local Government Code
Premises:	Approximately 107,026 rentable square feet in such locations as determined by Landlord and Tenant from time to time located in the office building commonly known as The MIC (the "**Building**"), and whose street address is ________________________________, Mansfield, Texas _________, which contains approximately 152,894 rentable square feet in the Building. The Site Plan of the Building is outlined on the plan attached to the Lease as Exhibit A. The land on which the Building is located (the "**Land**") is described on Exhibit B. The term "**Project**" shall collectively refer to the Building, the Land, the Complex, and the driveways, parking facilities, and similar improvements and easements associated with the foregoing or the operation thereof. Tenant agrees that Landlord shall have the right to remeasure the Premises, Building or Project and recalculate the number of rentable square feet therein and upon notice to Tenant, all provisions hereunder affected by such remeasurement shall be automatically adjusted without further action, and the parties agree to enter into an amendment to this Lease reflecting such adjustments; however, such failure to enter into such amendment shall not invalidate or nullify such recalculations or adjustments.
Term:	One hundred twenty (120) full calendar months, plus any partial month from the Commencement Date to the end of the month in which the Commencement Date falls, starting on the Commencement Date and ending at 5:00 p.m. local time on the last day of the one hundred twentieth (120th) full calendar month following the Commencement Date, subject to adjustment and earlier termination as provided in the Lease.
Renewal Term:	N/A
Commencement Date:	The earlier to occur of: (i) the date Landlord notifies Tenant that the Building shell work is substantially complete; or (ii) the date Tenant conducts its business in the Premises.
Basic Rent:	Basic Rent shall be the following amounts for the following periods of time:

Lease Months	**Annual Basic Rent Rate Per Rentable Square Foot in the Premises**	**Monthly Basic Rent***
1-12	$26.00	$231,889.67
13-24	$26.72	$238,266.63
25-36	$27.45	$244,818.96
37-48	$28.20	$251,551.49
49-60	$28.98	$258,469.15
61-72	$29.78	$265,577.05
73-84	$30.60	$272,880.42
85-96	$31.44	$280,384.63
97-108	$32.30	$288,095.21
109-120	$33.19	$296,017.83

As used herein, the term "**Lease Month**" means each calendar month during the Term (and if the Commencement Date does not occur on the first day of a calendar month, the period from the Commencement Date to the first day of the next calendar month shall be included in the first Lease Month for purposes of determining the duration of the Term and the monthly Basic Rent rate applicable for such partial month), and the term "**Lease Year**" means twelve Lease Months.

As of the Commencement Date and continuing throughout the duration of the Term, in the event Landlord does not receive lease payments from tenants of the Building so that Landlord receives an effective annual Basic Rent Rate shown in "Rental Gap Rate" column in Schedule 1 for the year in question per square foot in the Building (the "**Rental Gap Rate**") per Lease Year during each year of the Term, Tenant agrees to pay to Landlord, as Additional Rent, an amount equal to the difference between the monthly Basic Rent and the Rental Gap Rate (the "**Rental Gap Payments**"), subject to the limitations on such amounts set forth on Schedule 1 attached hereto and incorporated herein; and (b) Tenant agrees to make such Rental Gap Payments for each Lease Year in advance, within sixty (60) days of Landlord's written request from time to time, in such amounts based on Landlord's then-good faith estimate of the Rental Gap Payments that will apply to such Lease Year, and (c) within thirty (30) days after the end of each Lease Year, Landlord shall submit to Tenant a reconciliation of the actual Rental Gap Payments owed during the applicable Lease Year, and shall apply any excess Rental Gap Payments made in such Lease Year to the following Lease Year, or Tenant shall pay to Landlord such remaining Rental Gap Payments for such applicable Lease Year within sixty (60) days of such request, with the total Rental Gap Payments with respect to each Lease Year being subject to the limitations set forth in Schedule 1.

*Tenant's obligations for Basic Rent have been mutually agreed upon pursuant to Article 5 of that Economic Landlord's estimated total Rental Gap Payment with respect to each Lease Year Development Agreement (the "Economic Development Agreement" dated Feb. 13, 2023, including the "Rental Gap Payment" provisions and other terms and conditions set forth in the Economic Development Agreement, which is incorporated herein by reference for all purposes.

Security Deposit:	$296,017.83, to be delivered by Tenant to Landlord upon Tenant's execution and delivery of this Lease to Landlord
Rent:	Basic Rent, Tenant's Proportionate Share of Electrical Costs, Tenant's Additional Rent (including the Rental Gap Payments, if any), Operating Costs, and all other sums that Tenant may owe to Landlord or otherwise be required to pay under the Lease. For the initial calendar year of the Term, Tenant's Basic Rent and Additional Rent are estimated to be $ $461,103.68 per month.
Permitted Use:	General office use.
Tenant's Proportionate Share:	70.00%, which is the percentage obtained by dividing (a) the number of rentable square feet in the Premises as stated above by (b) the rentable square feet in the Building as stated above. Landlord and Tenant stipulate that the number of rentable square feet in the Premises and the Building set forth above is conclusive and shall be binding upon them, unless there is a Building remeasurement by Landlord as contemplated above. Landlord estimates that Tenant's Proportionate Share of Operating Costs, Taxes, and Electricity Costs during the initial calendar year of the Term shall be approximately $15.70 per square foot in the Premises per annum.
Initial Liability Insurance Amount:	[$5,000,000]
Tenant's Address:	At the Premises

Landlord's Address:	For all Notices: [TBD MIC PHASE IA OFFICE LLC] [______________________] [_________] [_________] Attn: [________________]	With a copy to: Wick Phillips 3131 McKinney Ave. Suite 500 Dallas, Texas 75204 Attn: Rob Wills and Jason Jones

[*Signatures follow*.]

The foregoing Basic Lease Information is incorporated into and made a part of the Lease identified above. If any conflict exists between any Basic Lease Information and the Lease, then the Lease shall control.

LANDLORD: [**TBD MIC PHASE IA OFFICE LLC]**

By: ___________________________
Name: ________________________
Title: _________________________

TENANT: **MANSFIELD ECONOMIC DEVELOPMENT CORPORATION**, a nonprofit Corporation organized under Title 12, Subtitle C1, of the Texas Local Government Code,
a ________________________________

By:___________________________________
Name:________________________________
Title:_________________________________

LEASE

This Lease Agreement (this "**Lease**") is entered into as of ___________, 2025 (the "**Effective Date**") between **[TBD MIC PHASE IA OFFICE LLC, a _______]** ("**Landlord**"), and **MANSFIELD ECONOMIC DEVELOPMENT CORPORATION**, a nonprofit Corporation organized under Title 12, Subtitle C1, of the Texas Local Government Code ("**Tenant**").

1. **Definitions and Basic Provisions**. The definitions and basic provisions set forth in the Basic Lease Information (the "**Basic Lease Information**") executed by Landlord and Tenant contemporaneously herewith are incorporated herein by reference for all purposes. Additionally, the following terms shall have the following meanings when used in this Lease: "**Affiliate**" means any person or entity which, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with the party in question; "**Building's Structure**" means the Building's exterior walls, roof, elevator shafts, footings, foundations, structural portions of load-bearing walls, structural floors and subfloors, and structural columns and beams; "**Building's Systems**" means the Building's HVAC, life-safety, plumbing, electrical, and mechanical systems; "**including**" means including, without limitation; "**Laws**" means all federal, state, and local laws, ordinances, rules and regulations, all court orders, governmental directives, and governmental orders and all interpretations of the foregoing, and all restrictive covenants or other matters of record affecting the Project, and "**Law**" means any of the foregoing; "**Tenant's Off-Premises Equipment**" means any of Tenant's equipment or other property that may be located on or about the Project (other than inside the Premises); and "**Tenant Party**" means any of the following persons: Tenant; any assignees claiming by, through, or under Tenant; any subtenants claiming by, through, or under Tenant; and any of their respective agents, contractors, employees, licensees, guests and invitees. This Lease shall be subordinate to all matters of record affecting the Land, now or hereafter existing, and Landlord shall have the right to record, replace, and/or amend, one or more documents affecting the Land, Building, or the Complex, as Landlord may deem necessary or advisable in connection with Landlord's development, construction, ownership, or management of the same, provided that Tenant's rights hereunder are not materially and adversely impaired.

2. **Lease Grant**. Subject to the terms of this Lease, Landlord leases to Tenant, and Tenant leases from Landlord, the Premises.

3. **Tender of Possession**. By occupying the Premises, Tenant shall be deemed to have accepted the Premises in their condition as of the date of such occupancy, subject to the performance of punch-list items that remain to be performed by Landlord, if any. Prior to occupying the Premises, Tenant shall execute and deliver to Landlord a letter substantially in the form of Exhibit E hereto confirming (1) the Commencement Date and the expiration date of the initial Term, (2) that Tenant has accepted the Premises, and (3) that Landlord has performed all of its obligations with respect to the Premises (except for punch-list items specified in such letter); however, the failure of the parties to execute such letter shall not defer the Commencement Date or otherwise invalidate this Lease. Occupancy of the Premises by Tenant prior to the Commencement Date shall be subject to all of the provisions of this Lease excepting only those requiring the payment of Basic Rent and Additional Rent (each as defined herein). Except as otherwise expressly set forth in Exhibit D with respect to Landlord's Work, if any, Tenant accepts the Premises in their "**AS-IS**" condition as of the date Landlord delivers the Premises to Tenant.

4. **Rent**.

(a) **Payment**. Tenant shall timely pay to Landlord Rent, without notice, demand, deduction or set off (except as otherwise expressly provided herein), by good and sufficient check drawn on a national banking association at Landlord's address provided for in this Lease or as otherwise specified by Landlord and shall be accompanied by all applicable state and local sales or use taxes. The obligations of Tenant to pay Basic Rent and other sums to Landlord and the obligations of Landlord under this Lease are independent obligations. Basic Rent and Additional Rent (as hereinafter defined) (Basic Rent together with Additional Rent, "**Rent**"), adjusted as herein provided, shall be payable monthly in advance. The first monthly installment of Rent shall be payable contemporaneously with the execution of this Lease; thereafter, Rent shall be payable on the first day of each month beginning on the first day of the second full calendar month of the Term. The monthly Rent for any partial month Term shall equal the product of 1/365 of the Rent in effect during the partial month and the number of days in the partial month.

(b) **Operating Costs; Taxes; Electrical Costs**.

(1) In addition to paying the Basic Rent specified in the Basic Lease Information, Tenant shall pay as additional rent (per each rentable square foot in the Premises) ("**Additional Rent**") the sum of the following: (i) Tenant's Proportionate Share of Operating Costs (defined below); plus (ii) Tenant's Proportionate Share of Taxes (defined below); plus (iii) Tenant's Proportionate Share of Electrical Costs (defined below); plus (iv) the Rental Gap Payments (defined above). The term "Additional Rent" shall also include and refer to all other sums owed by Tenant to Landlord pursuant to this Lease. Landlord may estimate the Additional Rent to be due by Tenant for any calendar year or part thereof during the Term. During each calendar year or partial calendar year of the Term, Tenant shall pay to Landlord, in advance concurrently with each monthly installment of Basic Rent, an amount equal to the estimated Additional Rent for such calendar year or part thereof divided by the number of months therein. From time to time, Landlord may estimate and re-estimate the Additional Rent to be due by Tenant and deliver a copy of the estimate or re-estimate to Tenant. Thereafter, the monthly installments of Additional Rent payable by Tenant shall be appropriately adjusted in accordance with the estimations so that, by the end of the calendar year in question, Tenant shall have paid all of the Additional Rent as estimated by Landlord. Any amounts paid based on such an estimate shall be subject to adjustment as herein provided when actual Operating Costs or Taxes are available for each calendar year.

(2) The term "**Operating Costs**" means all expenses, costs and disbursements (subject to the limitations set forth below) that Landlord incurs in connection with the management, ownership, operation, repair, replacement, security and maintenance of the Project, including but not limited to the following costs: (A) labor and employee benefit costs, including taxes, benefits, wages, salaries, health insurance costs, and fees of all personnel directly engaged in the management, operation, maintenance, repair, and security of the Property on an allocated basis, reasonably determined (but specifically excluding any personnel above the property manager level); (B) the cost of operating, maintenance, repair and replacements of any part of the Project, excluding capital improvements except to the extent permitted under the terms of this Lease, but including the mechanical, electrical, plumbing, HVAC, vertical transportation, fire prevention and security systems; materials and supplies; maintenance and repair of common areas, including, without limitation, paint, carpet, and the like; and the cost of equipment and tools; (C) costs for improvements made to the Project which, although capital in nature, are amortized using a commercially reasonable interest rate over the useful economic life of such improvements as determined by Landlord in its reasonable discretion, as well as capital improvements made in order to comply with any Law hereafter promulgated by any governmental authority or any interpretation hereafter rendered with respect to any existing Law, as amortized using a commercially reasonable interest rate over the useful economic life of such improvements as determined by Landlord in its reasonable discretion; (D) cost of all utilities, except Electrical Costs and the cost of other utilities reimbursable to Landlord by the Project's tenants other than pursuant to a provision similar to this Section 4(b); (E) the cost of property damage, fire and extended coverage, commercial general liability coverage, rent loss, business interruption and other insurance coverages carried by Landlord, including reasonable deductibles and risk retention programs and an allocation of a portion of the cost of any blanket insurance policies maintained by Landlord and/or its affiliates; (F) repairs, replacements, and general maintenance of the Project; (G) fair market rental and other costs with respect to the management office for the Building, conference centers and other amenities made available to all tenants of the Building; and (H) service, maintenance and management contracts with independent contractors for the operation, maintenance, management, repair, replacement, or security of the Project (including the cost of janitorial service, waste disposal, landscaping alarm service, window cleaning, and elevator maintenance). If the Building is part of a multi-building office complex (the "**Complex**"), Operating Costs, Taxes and Electrical Costs for the Complex may be prorated among the Project and the other buildings of the Complex, as reasonably determined by Landlord, but in any event, Tenant shall not be required to pay any costs which are not associated with the Building or the Land upon which it is located, and such costs shall be excluded from Tenant's obligations with respect to Additional Rent.

Operating Costs shall not include costs for (i) capital improvements made to the Building, other than capital improvements described in Section 4(b)(2)(C) and except for items which are generally considered maintenance and repair items, such as painting of common areas, replacement of carpet in elevator lobbies, and the like; (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; (iv) depreciation; (v) leasing commissions; (vi) legal expenses for services, other than those that benefit the Project tenants generally (e.g., tax disputes); (vii) renovating or otherwise improving space for occupants of the Project or vacant space in the Project; and (viii) federal income taxes of Landlord.

(3) "**Taxes**" means taxes, assessments, and governmental charges or fees whether federal, state, county or municipal, and whether they be by taxing districts or authorities presently taxing or by others, subsequently created or otherwise, and any other taxes and assessments (including non-governmental assessments for common charges under a restrictive covenant or other private agreement that are not treated as part of Operating Costs) now or hereafter attributable to the Project (or its operation), excluding, however, penalties and interest thereon and federal and state taxes on income (if the present method of taxation changes so that in lieu of or in addition to the whole or any part of any Taxes, there is levied on Landlord a capital tax directly on the rents received therefrom or a franchise tax, assessment, or charge based, in whole or in part, upon such rents for the Project, then all such taxes, assessments, or charges, or the part thereof so based, shall be deemed to be included within the term "**Taxes**" for purposes hereof). Notwithstanding anything to the contrary herein, Taxes shall include the Texas franchise tax, taxes attributable to taxable margin and/or any other business tax imposed under Texas Property Tax Code Chapter 171 and/or any successor statutory provision. Taxes shall include the costs of consultants retained in an effort to lower taxes and all costs incurred in disputing any taxes or in seeking to lower the tax valuation of the Project. For property tax purposes, Tenant waives all rights to protest or appeal the appraised value of the Premises, as well as the Project, and all rights to receive notices of re-appraisement as set forth in Sections 41.413 and 42.015 of the Texas Tax Code.

(4) Tenant shall also pay to Landlord Tenant's Proportionate Share of the cost of all electricity used by the Project ("**Electrical Costs**"). Such amount shall be payable in monthly installments on the Commencement Date and on the first day of each calendar month thereafter. Each installment shall be based on Landlord's estimate of the amount due for each month. From time to time during any calendar year, Landlord may estimate or re-estimate the Electrical Costs to be due by Tenant for that calendar year and deliver a copy of the estimate or re-estimate to Tenant. Thereafter, the monthly installments of Electrical Costs payable by Tenant shall be appropriately adjusted in accordance with the estimations.

(5) By April 1 of each calendar year, or as soon thereafter as practicable, Landlord shall furnish to Tenant a statement of Operating Costs and Electrical Costs for the previous year, in each case adjusted as provided in Section **Error! Reference source not found.**, and of the Taxes for the previous year (the "**Operating Costs and Tax Statement**"). If Tenant's estimated payments of Operating Costs, Electrical Costs or Taxes under this Section 4(b) for the year covered by the Operating Costs and Tax Statement exceed the amounts of such items, as indicated in the Operating Costs and Tax Statement, then Landlord shall promptly credit or reimburse Tenant for such excess; likewise, if Tenant's estimated payments of Operating Costs, Electrical Costs or Taxes under this Section 4(b) for such year are less than such items, as indicated in the Operating Costs and Tax Statement, then Tenant shall promptly pay Landlord such deficiency.

(6) With respect to any calendar year or partial calendar year in which the Building is not occupied to the extent of 100% of the rentable area thereof, or Landlord is not supplying services to 100% of the rentable area thereof, the Operating Costs and Electrical Costs for such period which vary with the occupancy of the Building shall, for the purposes hereof, be increased to the amount which would have been incurred had the Building been occupied to the extent of 100% of the rentable area thereof and Landlord had been supplying services to 100% of the rentable area thereof.

5. **Delinquent Payment; Handling Charges**. All past due payments required of Tenant hereunder shall bear interest from the date due until paid at the maximum lawful rate of interest allowed by Texas Gov't Code Ch. 2251 (such amount is referred to herein as the "**Default Rate**"). In no event, however, shall the charges permitted under this Section 5 or elsewhere in this Lease, to the extent they are considered to be interest under applicable Law, exceed the maximum lawful rate of interest.

6. **Security Deposit**. Tenant shall deposit with Landlord the Security Deposit as set forth in the Basic Lease Information concurrently with its execution of this Lease, as security for the performance by Tenant of its

obligations under this Lease. The Security Deposit does not bear interest and is not an advance payment of Rent or a measure of Landlord's damages for a default by Tenant. Landlord shall not be required to keep the Security Deposit separate from its other accounts and hold the same, in trust, for the benefit of Tenant. Upon the occurrence of an Event of Default, Landlord may, without prejudice to any other remedy, use the Security Deposit to the extent necessary to make good any arrearages in Rent or any other sum forming the basis of the Event of Default and any other damage, expense, or liability caused to Landlord by the Event of Default. If Landlord so applies any part of the Security Deposit and such application cures such Event of Default, Tenant shall pay to Landlord the amount necessary to restore the Security Deposit to its original amount. If no Event of Default then exists under this Lease, Landlord shall return any remaining balance of the Security Deposit to Tenant within sixty (60) days after the later to occur of (a) termination or expiration of this Lease, and (b) surrender by Tenant of possession of the Premises to Landlord in substantial accordance with this Lease. If Landlord assigns its interest in the Premises, Landlord may assign the Security Deposit to the assignee; provided the assignee thereof assumes all obligations of Landlord hereunder, including, without limitation, the obligations under this Section 6. In the event of such assignment, Landlord shall have no further liability for the return of the Security Deposit and Tenant shall look solely to the assignee for the return of the Security Deposit. Tenant may not assign or encumber or attempt to assign or encumber the Security Deposit and Landlord and its successors and assigns shall not be bound by any actual or attempted assignment or encumbrance of the Security Deposit by Tenant.

7. **Landlord's Obligations**.

(a) **Services**. Landlord shall use all reasonable efforts to furnish to Tenant: (1) water at those points of supply provided for general use of tenants of the Building; (2) heated and refrigerated air conditioning ("**HVAC**") as appropriate, at such temperatures and in such amounts as are standard for comparable buildings in the vicinity of the Building; (3) janitorial service to the Premises on weekdays, other than holidays, for Building-standard installations and such window washing as may from time to time be reasonably required; (4) an elevator for ingress and egress to the floor on which the Premises are located, in common with other tenants; and (5) electrical current during normal business hours for equipment that does not require more than 110 volts and whose electrical energy consumption does not exceed normal office usage. The term "holidays" shall mean New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day, and any federal or state of Texas holiday where banks are closed. Landlord shall maintain the common areas of the Building in reasonably good order and condition, except for damage caused by a Tenant Party. If Tenant desires any of the services specified in Section 7(a): (A) at any time other than between 7:00 a.m. and 6:00 p.m. on weekdays and between 8:00 a.m. and 12:00 p.m. on Saturday (in each case other than holidays), or (B) on Sunday or holidays, then such services shall be supplied to Tenant upon the written request of Tenant delivered to Landlord before 3:00 p.m. on the business day preceding such extra usage, and Tenant shall pay to Landlord the cost of such services within thirty (30) days after Landlord has delivered to Tenant an invoice therefor. The current cost of after-hours services is $45.00 per hour. The costs incurred by Landlord in providing after-hour HVAC service to Tenant shall include costs for electricity, water, sewage, water treatment, labor, metering, filtering, and maintenance reasonably allocated by Landlord to providing such service.

(b) **Excess Utility Use**. Landlord shall not be required to furnish electrical current for equipment that requires more than 110 volts or other equipment whose electrical energy consumption exceeds normal office usage. If Tenant's requirements for or consumption of electricity exceed the electricity to be provided by Landlord as described in Section 7(a), Landlord shall, at Tenant's expense, make reasonable efforts to supply such service through the then-existing feeders and risers serving the Building and the Premises, and Tenant shall pay to Landlord the Actual Cost (as hereinafter defined) of such service within thirty (30) days after Landlord has delivered to Tenant an invoice therefor. Any after-hours use of HVAC services (or other additional services or utilities requested by Tenant) shall be subject to a two (2) hour minimum. "**Actual Cost**" as used in this Section shall mean an amount equal to the actual out-of-pocket incremental extra costs to Landlord to provide such after-hours HVAC services (or other additional services or utilities requested by Tenant), with markup for overhead, depreciation and reasonable administrative costs. Landlord may determine the amount of such additional consumption and potential consumption by any verifiable method, including installation of a separate meter in the Premises installed, maintained, and read by Landlord, at Tenant's expense. Tenant shall not install any electrical equipment requiring special wiring or requiring voltage in excess of 110 volts unless approved in advance by Landlord, which approval shall not be unreasonably withheld. Tenant shall not install any electrical equipment requiring voltage in excess of Building capacity unless approved in advance by Landlord, which approval may be withheld in Landlord's sole discretion. The use of electricity in the Premises shall not exceed the capacity of existing feeders and risers to or wiring in the Premises.

Any risers or wiring required to meet Tenant's excess electrical requirements shall, upon Tenant's written request, be installed by Landlord, at Tenant's cost, if, in Landlord's judgment, the same are necessary and shall not cause permanent damage to the Building or the Premises, cause or create a dangerous or hazardous condition, entail excessive or unreasonable alterations, repairs, or expenses, or interfere with or disturb other tenants of the Building. If Tenant uses machines or equipment in the Premises which affect the temperature otherwise maintained by the air conditioning system or otherwise overload any utility, Landlord may install supplemental air conditioning units or other supplemental equipment in the Premises, and the cost thereof, including the cost of installation, operation, use, and maintenance, in each case plus an administrative fee of fifteen (15%) of such cost, shall be paid by Tenant to Landlord within thirty (30) days after Landlord has delivered to Tenant an invoice therefor.

(c) **Restoration of Services; Abatement**. Landlord shall use reasonable efforts to restore any service required of it that becomes unavailable; however, such unavailability shall not render Landlord liable for any damages caused thereby, be a constructive eviction of Tenant, constitute a breach of any implied warranty, or entitle Tenant to any abatement of Tenant's obligations hereunder.

8. **Improvements; Alterations; Repairs; Maintenance**.

(a) **Improvements; Alterations**. Except as set forth in the Work Letter attached hereto as Exhibit D (the "**Work Letter**"), all improvements/Improvements to the Premises shall be installed at Tenant's expense only in accordance with plans and specifications which have been previously submitted to and approved in writing by Landlord, which approval shall be governed by the provisions set forth in this Section 8(a). No alterations or physical additions in or to the Premises may be made without Landlord's prior written consent, which shall not be unreasonably withheld or delayed; however, Landlord may withhold its consent to any alteration or addition that would adversely affect (in the reasonable discretion of Landlord) the (1) Building's Structure or the Building's Systems (including the Building's restrooms or mechanical rooms), (2) exterior appearance of the Building, (3) appearance of the Building's common areas or elevator lobby areas, or (4) provision of services to other occupants of the Building. Tenant shall not paint or install lighting or decorations, signs, window or door lettering, or advertising media of any type visible from the exterior of the Premises without the prior written consent of Landlord, which consent may be withheld in Landlord's sole and absolute discretion. All alterations, additions, and improvements shall be constructed, maintained, and used by Tenant, at its risk and expense, in accordance with all Laws; Landlord's consent to or approval of any alterations, additions or improvements (or the plans therefor) shall not constitute a representation or warranty by Landlord, nor Landlord's acceptance, that the same comply with sound architectural and/or engineering practices or with all applicable Laws, and Tenant shall be solely responsible for ensuring all such compliance.

(b) **Repairs; Maintenance**. Tenant shall maintain the Premises in a clean, safe, and operable condition, and shall not permit or allow to remain thereon any waste or damage to any portion of the Premises. Additionally, Tenant, at its sole expense, shall repair, replace and maintain in good condition and in accordance with all Laws and the equipment manufacturer's suggested service programs, all portions of the Premises, Tenant's Off-Premises Equipment and all areas, improvements and systems exclusively serving the Premises. Tenant shall repair or replace, subject to Landlord's direction and supervision, any damage to the Building caused by a Tenant Party. If Tenant fails to make such repairs or replacements within fifteen (15) days after the occurrence of such damage, then Landlord may make the same at Tenant's cost. If any such damage occurs outside of the Premises, then Landlord may elect to repair such damage at Tenant's expense, rather than having Tenant repair such damage. The cost of all maintenance, repair or replacement work performed by Landlord under this Section 8 shall be paid by Tenant to Landlord within thirty (30) days after Landlord has invoiced Tenant therefor.

(c) **Performance of Work**. All work described in this Section 8 shall be performed only by Landlord or by contractors and subcontractors approved in writing by Landlord. Tenant shall cause all contractors and subcontractors to procure and maintain insurance coverage naming Landlord, Landlord's property management company and Landlord's asset management company as additional insureds against such risks, in such amounts, and with such companies as Landlord may reasonably require. Tenant shall provide Landlord with the identities, mailing addresses and telephone numbers of all persons performing work or supplying materials prior to beginning such construction and Landlord may post on and about the Premises notices of non-responsibility pursuant to applicable Laws. All such work shall be performed in accordance with all Laws and in a good and workmanlike manner so as not to damage the Building (including the Premises, the Building's Structure and the Building's Systems). All such work which may affect the Building's Structure or the Building's Systems must be approved by the Building's engineer of record, at Tenant's expense and, at Landlord's election, must be performed by Landlord's usual contractor for such work. All work affecting the roof of the Building must be performed by Landlord's roofing contractor and no such work will be permitted if it would void or reduce the warranty on the roof.

(d) **Mechanic's Liens**. All work performed, materials furnished, or obligations incurred by or at the request of a Tenant Party shall be deemed authorized and ordered by Tenant only, and Tenant shall not permit any mechanic's liens to be filed against the Premises or the Project in connection therewith. Upon completion of any such work, Tenant shall deliver to Landlord final lien waivers from all contractors, subcontractors and materialmen who performed such work. If such a lien is filed, then Tenant shall, within ten (10) days after Landlord has delivered notice of the filing thereof to Tenant (or such earlier time period as may be necessary to prevent the forfeiture of the Premises, the Project or any interest of Landlord therein or the imposition of a civil or criminal fine with respect thereto), either (1) pay the amount of the lien and cause the lien to be released of record, or (2) diligently contest such lien and deliver to Landlord a bond or other security reasonably satisfactory to Landlord. If Tenant fails to timely take either such action, then Landlord may pay the lien claim, and any amounts so paid, including expenses and interest, shall be paid by Tenant to Landlord within ten (10) days after Landlord has invoiced Tenant therefor. Landlord and Tenant acknowledge and agree that their relationship is and shall be solely that of "landlord-tenant" (thereby excluding a relationship of "owner-contractor," "owner-agent" or other similar relationships). Accordingly, all materialmen, contractors, artisans, mechanics, laborers and any other persons now or hereafter contracting with Tenant, any contractor or subcontractor of Tenant or any other Tenant Party for the furnishing of any labor, services, materials, supplies or equipment with respect to any portion of the Premises, at any time from the date hereof until the end of the Term, are hereby charged with notice that they look exclusively to Tenant to obtain payment for same. Nothing herein shall be deemed a consent by Landlord to any liens being placed upon the Premises, the Project or Landlord's interest therein due to any work performed by or for Tenant or deemed to give any contractor or subcontractor or materialman any right or interest in any funds held by Landlord to reimburse Tenant for any portion of the cost of such work. To the extent allowed by law, Tenant shall release and hold harmless Landlord, and shall cause any Permitted Transferees to defend, indemnify, release, and hold harmless Landlord, and its agents and representatives from and against all claims, demands, causes of action, suits, judgments, damages and expenses (including attorneys' fees) in any way arising from or relating to the failure by any Tenant Party to pay for any work performed, materials furnished, or obligations incurred by or at the request of a Tenant Party. This indemnity provision shall survive termination or expiration of this Lease.

9. **Use**. Tenant shall continuously occupy and use the Premises only for the Permitted Use and shall comply with all Laws relating to the use, condition, access to, and occupancy of the Premises and will not commit waste, overload the Building's Structure or the Building's Systems or subject the Premises to use that would damage the Premises. The population density within the Premises as a whole shall at no time exceed one person for each 300 rentable square feet in the Premises. Tenant shall not conduct second or third shift operations within the Premises; however, Tenant may use the Premises after normal business hours, so long as Tenant is not generally conducting business from the Premises after normal business hours. Notwithstanding anything in this Lease to the contrary, as between Landlord and Tenant, (a) Tenant shall bear the risk of complying with Title III of the Americans With Disabilities Act of 1990, any state laws governing handicapped access or architectural barriers, and all rules, regulations, and guidelines promulgated under such laws, as amended from time to time (the "**Disabilities Acts**") in the Premises, and (b) Landlord shall bear the risk of complying with the Disabilities Acts in the common areas of the Building, other than compliance that is necessitated by the use of the Premises for other than the Permitted Use or as a result of any alterations or additions, including any initial tenant improvement work, made by or on behalf of a Tenant Party (which risk and responsibility shall be borne by Tenant). The Premises shall not be used for any use which is disreputable, creates extraordinary fire hazards, or results in an increased rate of insurance on the Building or its contents, or for the storage of any Hazardous Materials (other than typical office supplies [e.g., photocopier toner] and then only in compliance with all Laws). If, because of a Tenant Party's acts or because Tenant vacates the Premises, the rate of insurance on the Building or its contents increases, then such acts shall be an Event of Default, Tenant shall pay to Landlord the amount of such increase on demand, and acceptance of such payment shall not waive any of Landlord's other rights. Tenant shall conduct its business and control each other Tenant Party so as not to create any nuisance or unreasonably interfere with other tenants or Landlord in its management of the Building.

10. **<u>Assignment and Subletting</u>**.

(a) **<u>Transfers</u>**. Except as provided in Section 10(h), Tenant shall not, without the prior written consent of Landlord, (1) assign, transfer, or encumber this Lease or any estate or interest herein, whether directly or by operation of law, (2) permit any other entity to become Tenant hereunder by merger, consolidation, or other reorganization, (3) if Tenant is an entity other than a corporation whose stock is publicly traded, permit the transfer of an ownership interest in Tenant so as to result in a change in the current control of Tenant, (4) sublet any portion of the Premises, (5) grant any license, concession, or other right of occupancy of any portion of the Premises, or (6) permit the use of the Premises by any parties other than Tenant (any of the events listed in Section 10(a)(1) through 10(a)(6) being a "**<u>Transfer</u>**"). Notwithstanding anything in this Lease to the contrary, Landlord may withhold its consent to a Transfer in its sole discretion if less than fifty percent (50%) of the rentable area of the Building is leased to third-party tenants.

(b) **<u>Consent Standards</u>**. Landlord shall not unreasonably withhold or delay its consent to any assignment or subletting of the Premises, provided that the proposed transferee (1) is creditworthy, (2) has a good reputation in the business community, (3) will use the Premises for the Permitted Use (thus, excluding, without limitation, uses for credit processing and telemarketing) and will not use the Premises in any manner that would conflict with any exclusive use agreement or other similar agreement entered into by Landlord with any other tenant of the Building or Complex, (4) will not use the Premises, Building or Project in a manner that would materially increase the pedestrian or vehicular traffic to the Premises, Building or Project, (5) is not another occupant of the Building or Complex, and (6) is not a person or entity with whom Landlord is then, or has been within the six (6)-month period prior to the time Tenant seeks to enter into such assignment or subletting, negotiating to lease space in the Building or Complex or any Affiliate of any such person or entity; otherwise, Landlord may withhold its consent in its sole discretion. Additionally, Landlord may withhold its consent in its sole discretion to any proposed Transfer if any Event of Default by Tenant then exists.

(c) **<u>Request for Consent</u>**. If Tenant requests Landlord's consent to a Transfer, then, at least fifteen (15) business days prior to the effective date of the proposed Transfer, Tenant shall provide Landlord with a written description of all terms and conditions of the proposed Transfer, copies of the proposed documentation, and the following information about the proposed transferee: name and address; reasonably satisfactory information about its business and business history; its proposed use of the Premises; banking, financial, and other credit information; and general references sufficient to enable Landlord to determine the proposed transferee's creditworthiness and character. Concurrently with Tenant's notice of any request for consent to a Transfer, Tenant shall pay to Landlord a fee of $1,500 to defray Landlord's expenses in reviewing such request, and Tenant shall also reimburse Landlord immediately upon request for its reasonable attorneys' fees incurred in connection with considering any request for consent to a Transfer.

(d) **<u>Conditions to Consent</u>**. If Landlord consents to a proposed Transfer, then the proposed transferee shall deliver to Landlord a written agreement whereby it expressly assumes Tenant's obligations hereunder; however, any transferee of less than all of the space in the Premises shall be liable only for obligations under this Lease that are properly allocable to the space subject to the Transfer for the period of the Transfer. No Transfer shall release Tenant from its obligations under this Lease, but without waiving any governmental immunities or defenses of Tenant, Tenant and its transferee shall be liable therefor. Landlord's consent to any Transfer shall not waive Landlord's rights as to any subsequent Transfers. If an Event of Default occurs while the Premises or any part thereof are subject to a Transfer, then Landlord, in addition to its other remedies, may collect directly from such transferee all rents becoming due to Tenant and apply such rents against Rent. Tenant agrees that any transferees (including subtenants) shall make payments of rent directly to Landlord upon receipt of notice from Landlord instructing such payments accordingly. Tenant shall pay for the cost of any demising walls or other improvements necessitated by a proposed subletting or assignment, and such costs may be paid out of the remaining balance of the Construction Allowance, subject to Landlord's prior written approval, not to be unreasonably withheld.

(e) **<u>Attornment by Subtenants</u>**. Each sublease by Tenant hereunder shall be subject and subordinate to this Lease and to the matters to which this Lease is or shall be subordinate, and each subtenant by entering into a sublease is deemed to have agreed that in the event of termination, re-entry or dispossession by Landlord under this Lease, Landlord may, at its option, take over all of the right, title and interest of Tenant, as sublandlord, under such sublease, and such subtenant shall, at Landlord's option, attorn to Landlord pursuant to the then executory provisions of such sublease, except that Landlord shall not be (1) liable for any previous act or omission of Tenant under such sublease, (2) subject to any counterclaim, offset or defense that such subtenant might have against Tenant, (3) bound by any previous modification of such sublease not approved by Landlord in writing or by any rent or additional rent or advance rent which such subtenant might have paid for more than the current month to Tenant, and all such rent shall remain due and owing, notwithstanding such advance payment, (4) bound by any security or advance rental deposit made by such subtenant which is not delivered or paid over to Landlord and with respect to which such subtenant shall look solely to Tenant for refund or reimbursement, or (5) obligated to perform any work in the subleased space or to prepare it for occupancy, and in connection with such attornment, the subtenant shall execute and deliver to Landlord any instruments Landlord may reasonably request to evidence and confirm such attornment. Each subtenant or licensee of Tenant shall be deemed, automatically upon and as a condition of its occupying or using the Premises or any part thereof, to have agreed to be bound by the terms and conditions set forth in this Section 10(e). The provisions of this Section 10(e) shall be self-operative, and no further instrument shall be required to give effect to this provision.

(f) **Intentionally Omitted**.

(g) **Additional Compensation**. While no Event of Default exists, Tenant shall pay to Landlord, immediately upon receipt thereof, one hundred percent (100%) of the excess of (1) all compensation received by Tenant for a Transfer less the actual out-of-pocket costs reasonably incurred by Tenant with unaffiliated third parties (i.e., brokerage commissions and tenant finish work) in connection with such Transfer (such costs shall be amortized on a straight-line basis over the term of the Transfer in question) over (2) the Rent allocable to the portion of the Premises covered thereby. Tenant agrees to appoint Landlord as its agent for the receipt of any Rent pursuant to a Transfer, and Tenant agrees to be responsible for the payment of all leasing commissions and broker fees in connection with any subleases with respect to all or any portion of the Premises.

(h) **Intentionally Omitted**.

(i) **Rent Not Based on Income**. Notwithstanding anything to the contrary contained in this Lease, no Rent or other payment in respect of the Premises shall be based in any way upon net income or profits from the Premises. Tenant may not enter into or permit any sublease, license or other agreement in connection with the Premises which provides for a rental or other payment based on net income or profits. If Landlord is advised by its counsel at any time that any part of the payments by Tenant, assignee or other party to Landlord under this Lease may be characterized as unrelated business income under the United States Internal Revenue Code and its regulations, then Tenant shall enter into any amendment proposed by Landlord to avoid such income, so long as the amendment does not require Tenant to make more payments or accept fewer services from Landlord than this Lease provides and it otherwise is in form reasonably satisfactory to Tenant.

11. **Insurance; Waivers; Subrogation; Release; Hold Harmless**.

(a) **Tenant's Insurance**. Throughout the Lease Term, Tenant shall obtain and maintain insurance coverages in accordance with Texas law, and shall cause any permitted assignees or sublessees to comply with the foregoing insurance requirements, written with companies with an A.M. Best A or better rating and S&P rating of at least A:

(1) Commercial General Liability ("**CGL**") insurance (written on an occurrence basis) with limits not less than One Million Dollars ($1,000,000) combined single limit per occurrence, Three Million Dollar ($3,000,000) annual general aggregate (on a per location basis), Two Million Dollars ($2,000,000) products/completed operations aggregate, One Million Dollars ($1,000,000) personal and advertising injury liability, Five Hundred Thousand Dollars ($500,000) fire damage legal liability, and Fifty Thousand Dollars ($50,000) medical payments. CGL insurance shall be written on ISO occurrence form CG 00 01 96 (or a substitute form providing equivalent or broader coverage) and shall cover liability arising from Premises, operations, independent contractors, products-completed operations, personal injury, advertising injury and liability assumed under an insured contract.

(2) Workers Compensation insurance as required by the applicable state law, and Employers Liability insurance with limits not less than One Million Dollars ($1,000,000) for each accident,

One Million Dollars ($1,000,000) disease policy limit, and One Million Dollars ($1,000,000) disease each employee.

(3) Commercial Auto Liability insurance (if applicable) covering automobiles owned, hired or used by Tenant in carrying on its business with limits not less than One Million Dollars ($1,000,000) combined single limit for each accident.

(4) Umbrella/Excess Insurance coverage on a follow form basis in excess of the CGL, Employers Liability and Commercial Auto Policy with limits not less than Five Million Dollars ($5,000,000) per occurrence and Five Million Dollars ($5,000,000) annual aggregate.

(5) All Risk Property Insurance covering Tenant's property, improvements and equipment located at the Building. If Tenant is responsible for any machinery, Tenant shall maintain boiler and machinery insurance.

(6) Business Interruption and Extra Expenses insurance in amounts typically carried by prudent tenants engaged in similar operations, but in no event in an amount less than double the annual Basic Rent then in effect. Such insurance shall reimburse Tenant for direct and indirect loss of earnings and extra expense attributable to all perils insured against.

(7) Builder's Risk (or Building Constructions) insurance during the course of construction of any Tenant improvements or alterations, including during the performance of the Work (defined in Exhibit D hereto) and until completion thereof. Such insurance shall be on a form covering Landlord, Landlord's architects, Landlord's contractor or subcontractors, Tenant and Tenant's contractors, as their interest may appear, against loss or damage by fire, vandalism, and malicious mischief and other such risks as are customarily covered by the so called "broad form extended coverage endorsement" upon all Tenant improvements and alterations or the Work in place and all materials stored at the Premises, and all materials, equipment, supplies and temporary structures of all kinds incident to Tenant's improvements and alterations or the Work and builder's machinery, tools and equipment, all while forming a part of, or on the Premises, or when adjacent thereto, while on drives, sidewalks, streets or alleys, all on a completed value basis for the full insurable value at all times. Said Builder's Risk Insurance shall contain an express waiver of any right of subrogation by the insurer against Landlord, its agents, employees and contractors.

The following provisions shall only apply to the extent applicable to Tenant and permitted by Texas law: Landlord and the Landlord Insured Parties (defined below) shall be endorsed on each policy as additional insureds as it pertains to the CGL, Umbrella, and Auto policy, and coverage shall be primary and noncontributory. As used herein, Landlord Insured Parties ("**Landlord Insured Parties**") shall mean Landlord's advisors, the managing agent of the Project and the holder of any Mortgage, in each case of whom Landlord shall have given notice to Tenant, and any other party that Landlord may reasonably designate in writing from time to time. Landlord shall be a loss payee on the Property policy in respect of Tenant's improvements. All insurance shall (8) contain an endorsement that such policy shall remain in full force and effect notwithstanding that the insured may have waived its right of action against any party prior to the occurrence of a loss (Tenant hereby waiving its right of action and recovery against and releasing Landlord and Landlord's affiliates, shareholders, partners, directors, officers, employees, agents and representatives ("**Landlord's Representatives**") from any and all liabilities, claims and losses for which they may otherwise be liable to the extent Tenant is covered by insurance carried or required to be carried under this Lease); (9) provide that the insurer thereunder waives all right of recovery by way of subrogation against Landlord and Landlord's Representatives in connection with any loss or damage covered by such policy; (10) be acceptable in form and content to Landlord; and (11) contain an endorsement prohibiting cancellation, failure to renew, reduction of amount of insurance or change in coverage without the insurer first giving Landlord thirty (30) days' prior written notice of such proposed action. No such policy shall contain any deductible provision except as otherwise approved in writing by Landlord, which approval shall not be unreasonably withheld. Landlord reserves the right from time to time to reasonably require higher minimum amounts or different types of insurance. Tenant shall deliver an Acord 25 certificate with respect to all liability and personal property insurance and an Acord 28 certificate with respect to all commercial property insurance and receipts evidencing payment therefor (and, upon request, copies of all required insurance policies, including endorsements and declarations) to Landlord on or before the Commencement Date and at least annually thereafter. If Tenant fails to provide evidence of insurance required to be provided by Tenant hereunder, prior to commencement of the Term and thereafter within thirty (30) days following Landlord's request during the Term (and in any event within thirty (30) days prior to the expiration date of any such coverage, any other cure or grace period provided in this Lease not being applicable hereto), Landlord shall be authorized (but not required) after ten (10) days' prior notice to procure such coverage in the amount stated with all costs thereof to be chargeable to Tenant and payable as additional rent upon written invoice therefor.

(b) **Landlord's Insurance**. Throughout the Term of this Lease, Landlord shall maintain, as a minimum, the following insurance policies: (1) property insurance for the Building's replacement value (excluding property required to be insured by Tenant), less a commercially-reasonable deductible if Landlord so chooses, and (2) commercial general liability insurance in an amount of not less than $3,000,000. Landlord may, but is not obligated to, maintain such other insurance and additional coverages as it may deem necessary. The cost of all insurance carried by Landlord with respect to the Project shall be included in Operating Costs. The foregoing insurance policies and any other insurance carried by Landlord shall be for the sole benefit of Landlord and under Landlord's sole control, and Tenant shall have no right or claim to any proceeds thereof or any other rights thereunder. Notwithstanding anything in this Lease to the contrary, Landlord's indemnity obligations under this Lease shall be limited to the extent any such claim is insured against under the terms of any insurance policy maintained by Landlord (or is required to be maintained by Landlord under the terms of this Lease).

(c) **No Subrogation; Waiver of Property Claims**. Landlord and Tenant each waives any claim it might have against the other for any damage to or theft, destruction, loss, or loss of use of any property, to the extent the same is insured against under any insurance policy of the types described in this Section 11 that covers the Project, the Premises, Landlord's or Tenant's fixtures, personal property, leasehold improvements, or business, or is required to be insured against under the terms hereof, **regardless of whether the negligence of the other party caused such Loss (defined below)**. Additionally, Tenant waives any claim it may have against Landlord for any Loss to the extent such Loss is caused by a terrorist act. Each party shall cause its insurance carrier to endorse all applicable policies waiving the carrier's rights of recovery under subrogation or otherwise against the other party. Notwithstanding any provision in this Lease to the contrary, Landlord, its agents, employees and contractors shall not be liable to Tenant or to any party claiming by, through or under Tenant for (and Tenant hereby releases Landlord and its servants, agents, contractors, employees and invitees from any claim or responsibility for) any damage to or destruction, loss, or loss of use, or theft of any property of any Tenant Party located in or about the Project, caused by casualty, theft, fire, third parties or any other matter or cause, **regardless of whether the negligence of any party caused such loss in whole or in part**. Tenant acknowledges that Landlord shall not carry insurance on, and shall not be responsible for damage to, any property of any Tenant Party located in or about the Project.

(d) **Release; Hold Harmless; Indemnity**. Subject to Section 11(c), and to the fullest extent permitted by applicable law, Tenant shall release and hold harmless Landlord, and shall cause any permitted assignees or sublessees to release, hold harmless, defend, and indemnify Landlord, Landlord's Mortgagee (as hereinafter defined), Landlord's property manager, and their respective shareholders, members, managers, partners, affiliates, subsidiaries, partners, directors, officers, contractors, representatives and agents (collectively, "**Landlord Parties**"; individually, a "**Landlord Party**") from and against all claims, demands, liabilities, causes of action, suits, judgments, damages, and expenses (including reasonable attorneys' fees) arising from any injury to or death of any person or the damage to or theft, destruction, loss, or loss of use of, any property or inconvenience (a "**Loss**") (1) occurring in or on the Project (other than within the Premises) to the extent caused by the negligence or willful misconduct of any Tenant Party, (2) occurring in the Premises, or (3) arising out of the installation, operation, maintenance, repair or removal of any property of any Tenant Party located in or about the Project, including Tenant's Off-Premises Equipment. Subject to Section 11(c), Landlord shall defend, indemnify, and hold harmless Tenant and its agents from and against all claims, demands, liabilities, causes of action, suits, judgments, damages, and expenses (including reasonable attorneys' fees) for any Loss arising from any occurrence in or on the Building's common areas to the extent caused by the gross negligence or willful misconduct of Landlord. The indemnities set forth in this Lease shall survive termination or expiration of this Lease and shall not terminate or be waived, diminished or affected in any manner by any abatement or apportionment of Rent under any provision of this Lease. If any proceeding is filed for which indemnity is required hereunder, the indemnifying party agrees, upon request therefor, to defend the indemnified party in such proceeding at its sole cost utilizing counsel satisfactory to the indemnified party.

12. **Subordination; Attornment; Notice to Landlord's Mortgagee**.

(a) **Subordination**. This Lease shall be subordinate to any deed of trust, mortgage, or other security instrument (each, a "**Mortgage**"), or any ground lease, master lease, or primary lease (each, a "**Primary Lease**"), that now or hereafter covers all or any part of the Premises (the mortgagee under any such Mortgage, beneficiary under any such deed of trust, or the lessor under any such Primary Lease is referred to herein as a "**Landlord's Mortgagee**"). Any Landlord's Mortgagee may elect, at any time, unilaterally, to make this Lease superior to its Mortgage, Primary Lease, or other interest in the Premises by so notifying Tenant in writing. The provisions of this Section shall be self-operative and no further instrument of subordination shall be required; however, in confirmation of such subordination, Tenant shall execute and return to Landlord (or such other party designated by Landlord) within ten (10) days after written request therefor such documentation, in recordable form if required, as a Landlord's Mortgagee may reasonably request to evidence the subordination of this Lease to such Landlord's Mortgagee's Mortgage or Primary Lease (including a subordination, non-disturbance and attornment agreement) or, if the Landlord's Mortgagee so elects, the subordination of such Landlord's Mortgagee's Mortgage or Primary Lease to this Lease.

(b) **Attornment**. Tenant shall attorn to any party succeeding to Landlord's interest in the Premises, whether by purchase, foreclosure, deed in lieu of foreclosure, power of sale, termination of lease, or otherwise, upon such party's request, and shall execute such agreements confirming such attornment as such party may reasonably request.

(c) **Notice to Landlord's Mortgagee**. Tenant shall not seek to enforce any remedy it may have for any default on the part of Landlord without first giving written notice by certified mail, return receipt requested, specifying the default in reasonable detail, to any Landlord's Mortgagee whose address has been given to Tenant, and affording such Landlord's Mortgagee a reasonable opportunity to perform Landlord's obligations hereunder.

(d) **Landlord's Mortgagee's Protection Provisions**. If Landlord's Mortgagee shall succeed to the interest of Landlord under this Lease, Landlord's Mortgagee shall not be: (1) liable for any act or omission of any prior lessor (including Landlord); (2) bound by any rent or additional rent or advance rent which Tenant might have paid for more than the current month to any prior lessor (including Landlord), and all such rent shall remain due and owing, notwithstanding such advance payment; (3) bound by any security or advance rental deposit made by Tenant which is not delivered or paid over to Landlord's Mortgagee and with respect to which Tenant shall look solely to Landlord for refund or reimbursement; (4) bound by any termination, amendment or modification of this Lease made without Landlord's Mortgagee's consent and written approval, except for those terminations, amendments and modifications permitted to be made by Landlord without Landlord's Mortgagee's consent pursuant to the terms of the loan documents between Landlord and Landlord's Mortgagee; (5) subject to the defenses which Tenant might have against any prior lessor (including Landlord); and (6) subject to the offsets which Tenant might have against any prior lessor (including Landlord) except for those offset rights which (A) are expressly provided in this Lease, (B) relate to periods of time following the acquisition of the Building by Landlord's Mortgagee, and (C) Tenant has provided written notice to Landlord's Mortgagee and provided Landlord's Mortgagee a reasonable opportunity to cure the event giving rise to such offset event. Landlord's Mortgagee shall have no liability or responsibility under or pursuant to the terms of this Lease or otherwise after it ceases to own an interest in the Project. Nothing in this Lease shall be construed to require Landlord's Mortgagee to see to the application of the proceeds of any loan, and Tenant's agreements set forth herein shall not be impaired on account of any modification of the documents evidencing and securing any loan.

13. **Rules and Regulations**. Tenant shall comply with the rules and regulations of the Project which are attached hereto as Exhibit C. Landlord may, from time to time, change such rules and regulations for the safety, care, or cleanliness of the Project and related facilities, provided that such changes are applicable to all tenants of the Project, will not unreasonably interfere with Tenant's use of the Premises and are enforced by Landlord in a non-discriminatory manner. Tenant shall be responsible for the compliance with such rules and regulations by each Tenant Party.

14. **Condemnation**. If the whole of or any substantial part of the Premises is taken by any public authority under the power of eminent domain, or taken in any manner for any public or quasi-public use, so as to

render the remaining portion of the Premises unsuitable for the purposes intended hereunder, then the Lease Term shall cease as of the day possession shall be taken by such public authority and Landlord shall make a pro rata refund of any prepaid rent. All damages awarded for such taking under the power of eminent domain or any like proceedings shall belong to and be the property of Landlord, Tenant hereby assigning to Landlord Tenant's interest, if any, in said award. In the event that fifty percent (50%) or more of the building area or fifty percent (50%) or more of the value of the Property is taken by public authority under the power of eminent domain, then, at Landlord's option, by written notice to Tenant, mailed within sixty (60) days from the date possession shall be taken by such public authority, Landlord may terminate this Lease effective upon a date within ninety (90) days from the date of such notice to Tenant. Further, if the whole or substantially all of the Premises is taken by public authority under the power of eminent domain, or is taken in any manner for any public or quasi-public use, so as to render the remaining portion of the Premises unsuitable for the purposes intended hereunder, upon delivery of possession to the condemning authority pursuant to the proceedings, Tenant may, at its option, terminate this Lease as to the remainder of the Premises by written notice to Landlord, such notice to be given to Landlord within thirty (30) days after Tenant receives notice of the taking. Tenant shall not have the right to terminate this Lease pursuant to the preceding sentence unless (a) the business of Tenant conducted in the portion of the Premises taken cannot be carried on with substantially the same utility and efficiency in the remainder of the Premises (or any substitute space securable by Tenant pursuant to clause (b) hereof); and (b) Tenant cannot secure substantially similar alternate space upon the same terms and conditions as set forth in this Lease (including rental) from Landlord in the Building. Any notice of termination shall specify the date no more than sixty (60) days after the giving of such notice as the date for such termination.

Anything in this Article 14 to the contrary notwithstanding, Tenant shall have the right to prove in any condemnation proceedings and to receive any separate award which may be made for damages to or condemnation of Tenant's movable trade fixtures and equipment and for moving expenses; provided, however, Tenant shall in no event have any right to receive any award for its interest in this Lease or for loss of leasehold; and, provided further, Tenant shall not be entitled to claim any award to the extent the award to Landlord would be reduced below the amount which would be allowed to Landlord absent such claim by Tenant. Anything in this Article 14 to the contrary notwithstanding, in the event of a partial condemnation of the Property or the Premises and this Lease is not terminated, Landlord shall, at its sole cost and expense, restore the Premises and the Building to a complete architectural unit and the Rent provided for herein during the period from and after the date of delivery of possession pursuant to such proceedings to the termination of this Lease shall be reduced to a sum equal to the product of the Rent provided for herein multiplied by a fraction, the numerator of which is the fair market rent of the Premises after such taking and after the same has been restored to a complete architectural unit, and the denominator of which is the fair market rent of the Premises prior to such taking.

(a) **Total Taking**. If the entire Building or Premises are taken by right of eminent domain or conveyed in lieu thereof (a "**Taking**"), this Lease shall terminate as of the date of the Taking.

(b) **Partial Taking - Tenant's Rights**. If any part of the Building becomes subject to a Taking and such Taking will prevent Tenant from conducting on a permanent basis its business in the Premises in a manner reasonably comparable to that conducted immediately before such Taking, then Tenant may terminate this Lease as of the date of such Taking by giving written notice to Landlord within thirty (30) days after the Taking, and Rent shall be apportioned as of the date of such Taking. If Tenant does not terminate this Lease, then Rent shall be abated on a reasonable basis as to that portion of the Premises rendered untenantable by the Taking.

(c) **Partial Taking - Landlord's Rights**. If any material portion, but less than all, of the Building becomes subject to a Taking, or if Landlord is required to pay any of the proceeds arising from a Taking to a Landlord's Mortgagee, then Landlord may terminate this Lease by delivering written notice thereof to Tenant within thirty (30) days after such Taking, and Rent shall be apportioned as of the date of such Taking. If Landlord does not so terminate this Lease, then this Lease will continue, but if any portion of the Premises has been taken, Rent shall abate as provided in the last sentence of Section 14(b).

(d) **Temporary Taking**. If all or any portion of the Premises becomes subject to a Taking for a limited period of time, this Lease shall remain in full force and effect and Tenant shall continue to perform all of the terms, conditions and covenants of this Lease, including the payment of Basic Rent and all other amounts required hereunder. If any such temporary Taking terminates prior to the expiration of the Term, Tenant shall restore the Premises as nearly as possible to the condition prior to such temporary Taking, at Tenant's sole cost and expense.

Landlord shall be entitled to receive the entire award for any such temporary Taking, except that Tenant shall be entitled to receive the portion of such award which (1) compensates Tenant for its loss of use of the Premises within the Term and (2) reimburses Tenant for the reasonable out-of-pocket costs actually incurred by Tenant to restore the Premises as required by this Section.

(e) **Award**. If any Taking occurs, then Landlord shall receive the entire award or other compensation for the Land, the Building, and other improvements taken; however, Tenant may separately pursue a claim (to the extent it will not reduce Landlord's award) against the condemnor for the value of Tenant's personal property which Tenant is entitled to remove under this Lease, moving costs, loss of business, and other claims it may have.

15. **Fire or Other Casualty**.

(a) **Repair Estimate**. If the Premises or the Building are damaged by fire or other casualty (a "**Casualty**"), Landlord shall, within ninety (90) days after such Casualty, deliver to Tenant a good faith estimate (the "**Damage Notice**") of the time needed to repair the damage caused by such Casualty.

(b) **Tenant's Rights**. If a material portion of the Premises is damaged by Casualty such that Tenant is prevented from conducting its business in the Premises in a manner reasonably comparable to that conducted immediately before such Casualty and Landlord estimates that the damage caused thereby cannot be repaired within two hundred seventy (270) days after the commencement of repairs (the "**Repair Period**"), then Tenant may terminate this Lease by delivering written notice to Landlord of its election to terminate within thirty (30) days after the Damage Notice has been delivered to Tenant.

(c) **Landlord's Rights**. If a Casualty damages the Premises or a material portion of the Building and (1) Landlord estimates that the damage to the Premises cannot be repaired within the Repair Period, (2) the damage to the Premises exceeds fifty percent (50%) of the replacement cost thereof (excluding foundations and footings), as estimated by Landlord, and such damage occurs during the last two years of the Term, (3) regardless of the extent of damage to the Premises, the damage is not fully covered by Landlord's insurance policies or Landlord makes a good faith determination that restoring the Building would be uneconomical, or (4) Landlord is required to pay any insurance proceeds arising out of the Casualty to a Landlord's Mortgagee, then Landlord may terminate this Lease by giving written notice of its election to terminate within thirty (30) days after the Damage Notice has been delivered to Tenant.

(d) **Repair Obligation**. If neither party elects to terminate this Lease following a Casualty, then Landlord shall, within a reasonable time after such Casualty, begin to repair the Premises and shall proceed with reasonable diligence to restore the Premises to substantially the same condition as they existed immediately before such Casualty; however, Landlord shall not be required to repair or replace any alterations or betterments within the Premises (which shall be promptly and with due diligence repaired and restored by Tenant at Tenant's sole cost and expense) or any furniture, equipment, trade fixtures or personal property of Tenant or others in the Premises or the Building, and Landlord's obligation to repair or restore the Premises shall be limited to the extent of the insurance proceeds actually received by Landlord for the Casualty in question. If this Lease is terminated under the provisions of this Section 15, Landlord shall be entitled to the full proceeds of the insurance policies providing coverage for all alterations, improvements and betterments in the Premises (and, if Tenant or any permitted assignee or sublessee has failed to maintain insurance on such items as required by this Lease, Tenant or any permitted assignee or sublessee shall pay Landlord an amount equal to the proceeds Landlord would have received had Tenant maintained insurance on such items as required by this Lease).

(e) **Abatement of Rent**. If the Premises are damaged by Casualty, Rent for the portion of the Premises rendered untenantable by the damage shall be abated on a reasonable basis from the date of damage until the completion of Landlord's repairs (or until the date of termination of this Lease by Landlord or Tenant as provided above, as the case may be), unless a Tenant Party caused such damage, in which case, Tenant shall continue to pay Rent without abatement.

16. **Personal Property Taxes**. Except when tax exempt, Tenant shall be liable for all taxes levied or assessed against personal property, furniture, or fixtures placed by Tenant in the Premises or in or on the Building or

Project. If any taxes for which Tenant is liable are levied or assessed against Landlord or Landlord's property and Landlord elects to pay the same, or if the assessed value of Landlord's property is increased by inclusion of such personal property, furniture or fixtures and Landlord elects to pay the taxes based on such increase, then Tenant shall pay to Landlord, within thirty (30) days following written request therefor, the part of such taxes for which Tenant is primarily liable hereunder; however, Landlord shall not pay such amount if Tenant notifies Landlord that it will contest the validity or amount of such taxes before Landlord makes such payment, and thereafter diligently proceeds with such contest in accordance with Law and if the non-payment thereof does not pose a threat of loss or seizure of the Project or interest of Landlord therein or impose any fee or penalty against Landlord.

17. **Events of Default**. Each of the following occurrences shall be an "**Event of Default**":

(a) **Payment Default**. Tenant's failure to pay Rent when due and such failure continues for a period of more than ten (10) days after the date Rent is due;

(b) **Abandonment**. Tenant, after occupancy, abandons or vacates the Premises or any substantial portion thereof;

(c) **Estoppel**. Tenant fails to provide any estoppel certificate after Landlord's written request therefor pursuant to Section 24(e);

(d) **Insurance**. Tenant fails to procure, maintain and deliver to Landlord evidence of the insurance policies and coverages to the extent required under Section 11(a);

(e) **Mechanic's Liens**. Tenant fails to pay and release of record, or diligently contest and bond around, any mechanic's lien filed against the Premises or the Project for any work performed, materials furnished, or obligation incurred by or at the request of Tenant, within the time and in the manner required by Section 8(d);

(f) **Other Defaults**. Tenant's or Landlord's failure to perform, comply with, or observe any other agreement or obligation of Tenant or Landlord under this Lease, or the Economic Development Agreement, and the continuance of such failure for a period of more than thirty (30) days after Tenant or Landlord has delivered to Tenant or Landlord, as applicable, written notice thereof, or such longer amount of time as may be reasonably necessary, so long as such party commences such cure within said 30-day period and diligently pursues the same; and

(g) **Insolvency**. The filing of a petition by or against Tenant (the term "Tenant" shall include, for the purpose of this Section 17(g), any guarantor of Tenant's obligations hereunder) (1) in any bankruptcy or other insolvency proceeding; (2) seeking any relief under any state or federal debtor relief law; (3) for the appointment of a liquidator or receiver for all or substantially all of Tenant's property or for Tenant's interest in this Lease; (4) for the reorganization or modification of Tenant's capital structure; or (5) in any assignment for the benefit of creditors proceeding; however, if such a petition is filed against Tenant, then such filing shall not be an Event of Default unless Tenant fails to have the proceedings initiated by such petition dismissed within ninety (90) days after the filing thereof.

18. **Remedies**. Upon any Event of Default, Landlord may, in addition to all other rights and remedies afforded Landlord hereunder or by law or equity, take any one or more of the following actions:

(a) **Termination of Lease**. Terminate this Lease by giving Tenant written notice thereof, in which event Tenant shall pay to Landlord the sum of (1) all Rent accrued hereunder through the date of termination, (2) all amounts due under Section 20(a), 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 the "Prime Rate" as published on the date this Lease is terminated by *The Wall Street Journal*, Southwest Edition, in its listing of "Money Rates" minus one percent, minus (B) the then present fair rental value of the Premises for such period, similarly discounted;

(b) **Termination of Possession**. Terminate Tenant's right to possess the Premises without terminating this Lease by giving written notice thereof to Tenant, in which event Tenant shall pay to Landlord (1) all Rent and other amounts accrued hereunder to the date of termination of possession, (2) all amounts due from time to time under Section 20(a), and (3) all Rent and other net sums required hereunder to be paid by Tenant during the remainder of the Term, diminished by any net sums thereafter received by Landlord through reletting the Premises during such period, after deducting all costs incurred by Landlord in reletting the Premises. If Landlord elects to proceed under this Section 18(b), Landlord may remove all of Tenant's property from the Premises and store the same in a public warehouse or elsewhere at the cost of, and for the account of, Tenant, without becoming liable for any loss or damage which may be occasioned thereby. Tenant shall not be entitled to the excess of any consideration obtained by reletting over the Rent due hereunder. Reentry by Landlord in the Premises shall not affect Tenant's obligations hereunder for the unexpired Term; rather, Landlord may, from time to time, bring an action against Tenant to collect amounts due by Tenant, without the necessity of Landlord's waiting 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 dispossess or exclude Tenant from the Premises shall be deemed to be taken under this Section 18(b). In the event Landlord terminates Tenant's right of possession, Landlord shall have no obligation to reinstate possession, and Landlord may condition any reinstatement on an increase in the amount of Tenant's security deposit or demand other adequate assurances satisfactory to Landlord in its sole and absolute discretion regarding Tenant's ability to satisfy and perform any obligations under this Lease. **To the fullest extent permitted by law and without waiving any governmental immunity or abrogating any police or legislative power of the Tenant or the City of Mansfield, Tenant waives Section 93.002(f) of the Texas Property Code.** If Landlord elects to proceed under this Section 18(b), it may at any time elect to terminate this Lease under Section 18(a);

(c) **Perform Acts on Behalf of Tenant**. Perform any act Tenant is obligated to perform under the terms of this Lease (and enter upon the Premises in connection therewith if necessary) in Tenant's name and on Tenant's behalf, without being liable for any claim for damages therefor, and Tenant shall reimburse Landlord on demand for any expenses which Landlord may incur in thus effecting compliance with Tenant's obligations under this Lease (including, but not limited to, collection costs and legal expenses), plus interest thereon at the Default Rate;

(d) **Suspension of Services**. Suspend any services required to be provided by Landlord hereunder without being liable for any claim for damages therefor;

(e) **Alteration of Locks**. With or without notice, to the extent permitted by Law, alter locks or other security devices at the Premises to deprive Tenant of access thereto, and Landlord shall not be required to provide a new key or right of access to Tenant;

(f) **Removal of Property**. Remove any property that remains in the Premises after Landlord has regained possession thereof, which Landlord may either (i) store at Tenant's sole cost and expense or (ii) upon ten (10) days' prior written notice to Tenant appropriate, sell, store, destroy, or otherwise dispose of such property without any obligation to account for such items. Any such disposition shall not be considered a strict foreclosure or other exercise of Landlord's rights in respect of the security interest granted hereunder, and Tenant shall be liable to Landlord for the costs of such removal, disposal or storage, if any, and such reimbursement obligation shall survive the expiration or termination of this Lease. **To the fullest extent permitted by law and without waiving any governmental immunity or abrogating any police or legislative power of the Tenant or the City of Mansfield, Tenant waives Section 93.002(e) of the Texas Property Code.**

(g) With respect to a default by Landlord beyond any applicable notice and cure period, Tenant may exercise any right or remedy available by law or in equity without limitation in accordance with Texas law.

19. **Mitigation of Damages**.

(a) Landlord will have no duty to mitigate if Tenant does not leave the vacated Premises and any improvements in the same condition as they were in when Landlord delivered them to Tenant, reasonable wear and tear excepted. In lieu of any other obligation to mitigate damages arising from Tenant's failure to pay Rent or its abandonment of the Premises in breach of this Lease, Landlord, beginning not more than sixty (60) days after Tenant physically vacates the Premises and continuing until the Premises have been relet, will market the Premises for lease through Landlord's leasing agents or outside real estate brokers and include the Rentable Area of the Premises in Landlord's regularly published advertising (if any) of available space in the Building, and Tenant will remain liable for all Rent and other Damages, except to the extent that Tenant pleads and proves by clear and convincing evidence that Landlord did not do these things and that Landlord's failure caused an avoidable and quantifiable increase in Landlord's damages for unpaid Rent.

(b) In addition, Landlord, without breaching any duty to mitigate, may, among other things, (i) relet other vacant space in the Building before reletting the Premises, and Tenant will not be entitled to have any proceeds from reletting such vacant space credited against any amounts due Landlord under this Lease; (ii) refuse to relet to any prospective tenant who does not meet Landlord's then current leasing guidelines; or (iii) offer or agree to relet the Premises, or any part of the Premises, (A) for its then fair rental value (regardless of whether the rental rate is more or less than the rent stipulated in this Lease); (B) for a shorter or longer term than the term then remaining under this Lease; (C) on terms different from those in this Lease (including, without limitation, lease concessions comparable to those then being offered for comparable space in light of market conditions and the other terms of the substitute lease); and (D) with cosmetic improvements made to the Premises, but Landlord will not be obligated to make any improvements to the Premises for a substitute tenant, unless Tenant pays such costs to Landlord, in advance, of Landlord's agreement to make them. The terms of any substitute tenant's lease will not effect a surrender of this Lease.

(c) No rent collected from a substitute Tenant for any month in excess of the Rent due under the Lease for that month will be credited or offset against unpaid Rent for any other month or any other Damages. Landlord and Tenant stipulate that the mitigation requirements expressed in Section 19(c) of this Lease are objectively reasonable under the circumstance. TO THE FULLEST EXTENT PERMITTED BY LAW **AND WITHOUT WAIVING ANY GOVERNMENTAL IMMUNITY OR ABROGATING ANY POLICE OR LEGISLATIVE POWER OF THE TENANT OR THE CITY OF MANSFIELD**, TENANT WAIVES ANY OTHER OBLIGATION BY LANDLORD TO MITIGATE ITS DAMAGES AFTER TENANT FAILS TO PAY RENT OR VACATES OR ABANDONS THE PREMISES.

20. **Payment by Tenant; Non-Waiver; Cumulative Remedies**.

(a) **Payment by Tenant**. Upon any Event of Default, notwithstanding any other provisions of this Lease to the contrary, Landlord's sole and exclusive remedy shall be the Security Deposit, and any remedies available under a written contract pursuant to Texas Local Gov't Code Chs. 501-505, and Texas Local Gov't Code Ch. 271, as applicable.. To the full extent permitted by law, Landlord and Tenant agree the federal and state courts of the state of Texas shall have exclusive jurisdiction over any matter relating to or arising from this Lease and the parties' rights and obligations under this Lease.

(b) **No Waiver**. Any Event of Default for the failure to pay monetary sums hereunder that has occurred shall continue unless cured in accordance with this Lease and Landlord's acceptance of Rent following an Event of Default shall waive Landlord's rights regarding such Event of Default; otherwise, any such Event of Default shall continue and shall not be waived unless waived in writing by Landlord in Landlord's sole and absolute discretion. No waiver by Landlord of any violation or breach of any of the terms contained herein shall waive Landlord's rights regarding any future violation of such term. Landlord's acceptance of any partial payment of Rent shall not waive Landlord's rights with regard to the remaining portion of the Rent that is due, regardless of any endorsement or other statement on any instrument delivered in payment of Rent or any writing delivered in connection therewith; accordingly, Landlord's acceptance of a partial payment of Rent shall not constitute an accord and satisfaction of the full amount of the Rent that is due.

(c) **Cumulative Remedies**. Without waiving any governmental immunities or defenses available to Tenant, any and all remedies set forth in this Lease: (1) shall be in addition to any and all other remedies Landlord may have at law or in equity, (2) shall be cumulative, and (3) may be pursued successively or concurrently as Landlord may elect. The exercise of any remedy by Landlord shall not be deemed an election of remedies or preclude Landlord from exercising any other remedies in the future. Additionally, Tenant shall cause any permitted assignees or sublessees to defend, indemnify and hold harmless Landlord, Landlord's Mortgagee and their respective representatives and agents from and against all claims, demands, liabilities, causes of action, suits, judgments, damages and expenses (including reasonable attorneys' fees) arising from such party's failure to perform its obligations under this Lease.

21. **Surrender of Premises**. No act by Landlord shall be deemed an acceptance of a surrender of the Premises, and no agreement to accept a surrender of the Premises shall be valid unless it is in writing and signed by Landlord. At the expiration or termination of this Lease, Tenant shall deliver to Landlord the Premises with all improvements located therein in good repair and condition, free of Hazardous Materials placed on the Premises during the Term, broom-clean, reasonable wear and tear (and condemnation and Casualty damage not caused by Tenant, as to which Sections 14 and 15 shall control) excepted, and shall deliver to Landlord all keys to the Premises. Provided that Tenant has performed all of its obligations hereunder, Tenant may remove all unattached trade fixtures, furniture, and personal property placed in the Premises or elsewhere in the Building by Tenant (but Tenant may not remove any such item which was paid for, in whole or in part, by Landlord or any wiring or cabling unless Landlord requires such removal). Additionally, at Landlord's option, Tenant shall remove such alterations, additions, improvements, trade fixtures, personal property, equipment, wiring, conduits, cabling, and furniture (including Tenant's Off-Premises Equipment) as Landlord may request; however, Tenant shall not be required to remove any addition or improvement to the Premises or the Project if Landlord has specifically agreed in writing that the improvement or addition in question need not be removed. Tenant shall repair all damage caused by such removal. All items not so removed shall, at Landlord's option, be deemed to have been abandoned by Tenant and may be appropriated, sold, stored, destroyed, or otherwise disposed of by Landlord without notice to Tenant and without any obligation to account for such items; any such disposition shall not be considered a strict foreclosure or other exercise of Landlord's rights in respect of the security interest granted hereunder. The provisions of this Section 21 shall survive the expiration or termination of this Lease.

22. **Holding Over**. If Tenant fails to vacate the Premises at the end of the Term, then Tenant shall be a tenant at sufferance and, in addition to all other damages and remedies to which Landlord may be entitled for such holding over, (a) Tenant shall continue to pay, in addition to the other Rent, Basic Rent, and (b) Tenant shall otherwise continue to be subject to all of Tenant's obligations under this Lease. The provisions of this Section 22 shall not be deemed to limit or constitute a waiver of any other rights or remedies of Landlord provided herein or at law. If Tenant fails to surrender the Premises upon the termination or expiration of this Lease, in addition to any other liabilities to Landlord accruing therefrom, Tenant shall and release and hold Landlord harmless from all loss, costs (including reasonable attorneys' fees) and liability resulting from such failure.

23. **Certain Rights Reserved by Landlord**. Landlord shall have, and hereby reserves, the following rights:

(a) **Building Operations**. To decorate and to make inspections, repairs, alterations, additions, changes, or improvements, whether structural or otherwise (including without limitation, to construct a parking facility or alter or modify the parking areas) in and about the Project, or any part thereof; to enter upon the Premises (after giving Tenant reasonable notice thereof, which may be oral notice, except in cases of real or apparent emergency, in which case no notice shall be required) and, during the continuance of any such work, to temporarily close doors, entryways, public space, and corridors in the Building; to interrupt or temporarily suspend Building services and facilities; to change the name of the Building; and to change the arrangement and location of entrances or passageways, doors, and doorways, corridors, elevators, stairs, restrooms, or other common parts of the Building or Project;

(b) **Security**. To take such reasonable measures as Landlord deems advisable for the security of the Building and its occupants; evacuating the Building for cause, suspected cause, or for drill purposes; temporarily denying access to the Building; and closing the Building after normal business hours and on Sundays and holidays, subject, however, to Tenant's right to enter when the Building is closed after normal business hours under such reasonable regulations as Landlord may prescribe from time to time. TENANT EXPRESSLY ACKNOWLEDGES AND AGREES THAT THE MEASURES TAKEN BY LANDLORD FOR SECURITY IN THE BUILDING ARE BEING DONE TO PROTECT THE LANDLORD'S ASSETS AND ARE NOT BEING PROVIDED, NOR SHOULD THEY BE CONSIDERED AS AN EFFORT TO PROTECT TENANT OR IT'S EMPLOYEES FROM BODILY HARM, INJURY OR LOSS, AND TENANT HEREBY WAIVES ANY CLAIM TO THE CONTRARY;

(c) **Prospective Purchasers and Lenders**. To enter the Premises at all reasonable hours to show the Premises to prospective purchasers or lenders; and

(d) **Prospective Tenants**. At any time during the last twelve (12) months of the Term (or earlier if Tenant has notified Landlord in writing that it does not desire to renew the Term) or at any time following the occurrence of an Event of Default, to enter the Premises at all reasonable hours to show the Premises to prospective tenants.

24. **Miscellaneous**.

(a) **Landlord Transfer**. Landlord may transfer any portion of the Project and any of its rights under this Lease. If Landlord assigns its rights under this Lease, then Landlord Parties shall thereby be released from any further obligations hereunder arising after the date of transfer, provided that the assignee assumes in writing Landlord's obligations hereunder arising from and after the transfer date.

(b) **Landlord's Liability**. The liability of the Landlord Parties to Tenant (or any person or entity claiming by, through or under Tenant) for any default by Landlord under the terms of this Lease or any matter relating to or arising out of the occupancy or use of the Premises and/or other areas of the Building shall be limited to Tenant's actual direct, but not consequential damages therefor and shall be recoverable only from the interest of Landlord in the Building, and no other Landlord Party shall be personally liable for any damages or deficiency.

(c) **Force Majeure**. Other than for Tenant's obligations under this Lease that can be performed by the payment of money (e.g., payment of Rent and maintenance of insurance), whenever a period of time is herein prescribed for action to be taken by either party hereto, such party shall not be liable or responsible for, and there shall be excluded from the computation of any such period of time, any delays due to strikes, riots, acts of God, shortages of labor or materials, war, terrorist acts or activities, pandemics, governmental laws, regulations, or restrictions, or any other causes of any kind whatsoever which are beyond the control of such party.

(d) **Brokerage**. Except for the Broker, neither Landlord nor Tenant has dealt with any broker or agent in connection with the negotiation or execution of this Lease. Tenant shall release and hold harmless Landlord against all costs, expenses, attorneys' fees, liens and other liability for commissions or other compensation claimed by any other broker or agent claiming the same by, through or under Tenant.

(e) **Estoppel Certificates**. From time to time, Tenant shall furnish to any party designated by Landlord, within ten (10) days after Landlord has made a request therefor, a certificate signed by Tenant confirming and containing such factual certifications and representations as to this Lease as Landlord may reasonably request. Unless otherwise required by Landlord's Mortgagee or a prospective purchaser or mortgagee of the Project, the initial form of estoppel certificate to be signed by Tenant is attached hereto as Exhibit F. If Tenant does not deliver to Landlord the certificate signed by Tenant within such required time period, Landlord, Landlord's Mortgagee and any prospective purchaser or mortgagee, may conclusively presume and rely upon the following facts: (1) this Lease is in full force and effect; (2) the terms and provisions of this Lease have not been changed except as otherwise represented by Landlord; (3) not more than one (1) monthly installment of Basic Rent and other charges have been paid in advance; (4) there are no claims against Landlord nor any defenses or rights of offset against collection of Rent or other charges; and (5) Landlord is not in default under this Lease. In such event, Tenant shall be estopped from denying the truth of the presumed facts.

(f) **Notices**. All notices and other communications given pursuant to this Lease shall be in writing and shall be (1) mailed by first class, United States Mail, postage prepaid, certified, with return receipt requested, and addressed to the parties hereto at the address specified in the Basic Lease Information, (2) hand-delivered to the intended addressee, (3) sent by a nationally recognized overnight courier service, or (4) sent by facsimile transmission during normal business hours followed by a confirmatory letter sent in another manner permitted hereunder. All notices shall be effective upon delivery to the address of the addressee (even if such addressee refuses delivery thereof). The parties hereto may change their addresses by giving notice thereof to the other in conformity with this provision.

(g) **Severability**. If any clause or provision of this Lease is illegal, invalid, or unenforceable under present or future laws, then the remainder of this Lease shall not be affected thereby and in lieu of such clause or provision, there shall be added as a part of this Lease a clause or provision as similar in terms to such illegal, invalid, or unenforceable clause or provision as may be possible and be legal, valid, and enforceable. The provisions of this Lease shall apply to the parties hereto to the fullest extent permitted by applicable laws.

(h) **Amendments; Binding Effect; No Electronic Records**. This Lease may not be amended except by instrument in writing signed by Landlord and Tenant. No provision of this Lease shall be deemed to have been waived by Landlord unless such waiver is in writing signed by Landlord, and no custom or practice which may evolve between the parties in the administration of the terms hereof shall waive or diminish the right of Landlord to insist upon the performance by Tenant in strict accordance with the terms hereof. Landlord and Tenant hereby agree not to conduct the transactions or communications contemplated by this Lease by electronic means, except by facsimile transmission as specifically set forth in Section 24(f); nor shall the use of the phrase "in writing" or the word "written" be construed to include electronic communications except by facsimile transmissions as specifically set forth in Section 24(f). The terms and conditions contained in this Lease shall inure to the benefit of and be binding upon the parties hereto, and upon their respective successors in interest and legal representatives, except as otherwise herein expressly provided. This Lease is for the sole benefit of Landlord and Tenant, and, other than Landlord's Mortgagee, no third party shall be deemed a third-party beneficiary hereof.

(i) **Quiet Enjoyment**. Provided Tenant has performed all of its obligations hereunder, Tenant shall peaceably and quietly hold and enjoy the Premises for the Term, without hindrance from Landlord or any party claiming by, through, or under Landlord, but not otherwise, subject to the terms and conditions of this Lease.

(j) **No Merger**. There shall be no merger of the leasehold estate hereby created with the fee estate in the Premises or any part thereof if the same person acquires or holds, directly or indirectly, this Lease or any interest in this Lease and the fee estate in the leasehold Premises or any interest in such fee estate.

(k) **No Offer**. The submission of this Lease to Tenant shall not be construed as an offer, and Tenant shall not have any rights under this Lease unless Landlord executes a copy of this Lease and delivers it to Tenant.

(l) **Entire Agreement**. This Lease constitutes the entire agreement between Landlord and Tenant regarding the subject matter hereof and supersedes all oral statements and prior writings relating thereto. Except for those set forth in this Lease, no representations, warranties, or agreements have been made by Landlord or Tenant to the other with respect to this Lease or the obligations of Landlord or Tenant in connection therewith. The normal rule of construction that any ambiguities be resolved against the drafting party shall not apply to the interpretation of this Lease or any exhibits or amendments hereto.

(m) **Limitation on Damages**. **IN NO EVENT SHALL ANY PARTY HAVE ANY LIABILITY UNDER THIS AGREEMENT FOR ANY PUNITIVE, SPECIAL, OR CONSEQUENTIAL DAMAGES OR ANY RIGHT TO CLAIM THE SAME.**

(n) **Jury Trial. TO THE MAXIMUM EXTENT PERMITTED BY LAW AND WITHOUT WAIVING ANY GOVERNMENTAL IMMUNITY OR ABROGATING ANY POLICE OR LEGISLATIVE POWER OF THE TENANT OR THE CITY OF MANSFIELD, LANDLORD AND TENANT EACH WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY LITIGATION OR TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE ARISING OUT OF OR WITH RESPECT TO THIS LEASE OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH OR THE TRANSACTIONS RELATED HERETO.**

(o) **Tax Appraisals & Protests.** Tenant waives its rights (if any) to protest or appeal any appraisal and to receive notice of any appraisal.

(p) **Governing Law**. This Lease shall be governed by and construed in accordance with the laws of the laws of the state of Texas, without regard to conflict of laws principles and exclusive venue in any action shall be in Tarrant County, Texas.

(q) **Recording**. Tenant may record a memorandum of this Lease in the deed records of Tarrant County, Texas, subject to Landlord's prior written approval of such memorandum.

(r) **Water or Mold Notification**. To the extent Tenant or its agents or employees discover any water leakage, water damage or mold in or about the Premises or Project, Tenant shall promptly notify Landlord thereof in writing.

(s) **Joint and Several Liability**. If Tenant is comprised of more than one party, each such party shall be jointly and severally liable for Tenant's obligations under this Lease. All unperformed obligations of Tenant hereunder not fully performed at the end of the Term shall survive the end of the Term, including payment obligations with respect to Rent and all obligations concerning the condition and repair of the Premises.

(t) **Financial Reports**. Within fifteen (15) days after Landlord's request, Tenant will cause any permitted assignee or sublessee to furnish its most recent audited financial statements (including any notes to them) to Landlord, or, if no such audited statements have been prepared, such other financial statements (and notes to them) as may have been prepared by an independent certified public accountant.

(u) **Landlord's Fees**. Whenever Tenant requests Landlord to take any action not required of it hereunder or give any consent required or permitted under this Lease, Tenant will reimburse Landlord for Landlord's reasonable, out-of-pocket costs payable to third parties and incurred by Landlord in reviewing the proposed action or consent, including reasonable attorneys', engineers' or architects' fees, within thirty (30) days after Landlord's delivery to Tenant of a statement of such costs. Tenant will be obligated to make such reimbursement without regard to whether Landlord consents to any such proposed action.

(v) **Telecommunications**. Tenant and its telecommunications companies, including local exchange telecommunications companies and alternative access vendor services companies, shall have no right of access to and within the Building, for the installation and operation of telecommunications systems, including voice, video, data, Internet, and any other services provided over wire, fiber optic, microwave, wireless, and any other transmission systems ("**Telecommunications Services**"), for part or all of Tenant's telecommunications within the Building and from the Building to any other location without Landlord's prior written consent. All providers of Telecommunications Services shall be required to comply with the rules and regulations of the Building, applicable Laws and Landlord's policies and practices for the Building. Tenant acknowledges that Landlord shall not be required to provide or arrange for any Telecommunications Services and that Landlord shall have no liability to any Tenant Party in connection with the installation, operation or maintenance of Telecommunications Services or any equipment or facilities relating thereto. Tenant, at its cost and for its own account, shall be solely responsible for obtaining all Telecommunications Services.

(w) **Public Information**. Notwithstanding any other provision to the contrary in this Lease, all information, documents, and communications relating to this Agreement may be subject to the Texas Public Information Act and any opinion of the Texas Attorney General or a court of competent jurisdiction relating to the Texas Public Information Act.

(x) **Authority**. Tenant (if a corporation, partnership or other business entity) hereby represents and warrants to Landlord that Tenant is a duly formed and existing entity qualified to do business in the state in which the Premises are located, that Tenant has full right and authority to execute and deliver this Lease, and that each person signing on behalf of Tenant is authorized to do so. Landlord hereby represents and warrants to Tenant that Landlord is a duly formed and existing entity qualified to do business in the state in which the Premises are located, that Landlord has full right and authority to execute and deliver this Lease, and that each person signing on behalf of Landlord is authorized to do so.

(y) **Hazardous Materials**. The term "**Hazardous Materials**" means any substance, material, or waste which is now or hereafter classified or considered to be hazardous, toxic, or dangerous under any Law relating to pollution or the protection or regulation of human health, natural resources or the environment, or poses or threatens to pose a hazard to the health or safety of persons on the Premises or in the Project. Tenant shall not use, generate, store, or dispose of, or permit the use, generation, storage or disposal of Hazardous Materials on or about the Premises or the Project except in a manner and quantity necessary for the ordinary performance of Tenant's business, and then in compliance with all Laws. If Tenant breaches its obligations under this Section 24(x), Landlord may immediately take any and all action reasonably appropriate to remedy the same, including taking all appropriate action to clean up or remediate any contamination resulting from Tenant's use, generation, storage or disposal of Hazardous Materials.

Notwithstanding Landlord's indemnity contained in Section 11(d), Tenant shall release and hold harmless Landlord and its representatives and agents from and against any and all claims, demands, liabilities, causes of action, suits, judgments, damages and expenses (including reasonable attorneys' fees and cost of clean-up and remediation) arising from Tenant's failure to comply with the provisions of this Section 24(x). This release shall survive termination or expiration of this Lease.

(z) **List of Exhibits**. All exhibits and attachments attached hereto are incorporated herein by this reference.

Exhibit A - Outline of Premises
Exhibit B - Description of the Land
Exhibit C - Building Rules and Regulations
Exhibit D - Work Letter
Exhibit E - Form of Confirmation of Commencement Date Letter
Exhibit F - Form of Tenant Estoppel Certificate
Exhibit G - Parking
Error! Reference source not found. - Reserved.
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Exhibit J - Signage
Schedule 1- Rental Gap Payments

(aa) **Determination of Charges**. Landlord and Tenant agree that each provision of this Lease for determining charges and amounts payable by Tenant (including provisions regarding Additional Rent and Tenant's Proportionate Share of Electrical Costs) is commercially reasonable and, as to each such charge or amount, constitutes a statement of the amount of the charge or a method by which the charge is to be computed for purposes of Section 93.012 of the Texas Property Code.

(bb) **Attorneys' Fees**. In case of a dispute arising hereunder, should it become necessary for either party hereto to engage an attorney to file suit upon the same, the non-prevailing party shall reimburse the prevailing party for all reasonable expenses incurred by the prevailing party by reason thereof, including, without limitation, reasonable attorneys' fees and court and related costs.

(cc) **Prohibited Persons and Transactions**. Tenant represents and warrants that neither Tenant nor any of its affiliates, nor any of their respective partners, members, shareholders or other equity owners, and none of their respective employees, officers, directors, representatives or agents is, nor will they become, a person or entity with whom U.S. persons or entities are restricted from doing business under regulations of the Office of Foreign Assets Control ("**OFAC**") of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List) or under any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action and is not and will not Transfer this Lease to, contract with or otherwise engage in any dealings or transactions or be otherwise associated with such persons or entities.

25. **Other Provisions**.

(a) LANDLORD AND TENANT EXPRESSLY DISCLAIM ANY IMPLIED WARRANTY THAT THE PREMISES ARE SUITABLE FOR TENANT'S INTENDED COMMERCIAL PURPOSE, AND TENANT'S OBLIGATION TO PAY RENT HEREUNDER IS NOT DEPENDENT UPON THE CONDITION OF THE PREMISES UPON OCCUPATION OF THE LEASED PREMISES.

(b) **Tenant's Investigation**. Tenant affirms that it has: (a) investigated and inspected the Premises, the Building, and any legal, contractual, or other restrictions on the use thereof to Tenant's satisfaction and is familiar and satisfied with the condition of the Premises and the Building; (b) made its own determination as to (i) the suitability, quantity, quality, and condition of the property, including the presence of any toxic or hazardous substances, materials, wastes, or other actual and potential environmental contaminates, and (ii) the Premises and Building's suitability and fitness for any particular purpose or use.

(c) **Signage**. Subject to the rights of the existing tenants in the Building and for so long as Tenant is not in default under this Lease beyond all applicable notice and cure periods, Landlord will install building standard directory and suite signage at Landlord's expense.

(d) **[Guaranty**. As material consideration for Landlord entering into this Lease, Tenant agrees to cause that certain Guaranty attached hereto and incorporated herein as Exhibit I to be executed and delivered to Landlord commensurate with Tenant's delivery of its executed counterpart of this Lease. [**NTD: FOR SUBTENANT GUARANTORS ONLY**]

(e) **Landlord's Lien**. Landlord acknowledges and agrees that liens cannot be lawfully attached to public property owned by Tenant under Texas law. Accordingly, to secure payment of Rent, Tenant shall cause any permitted assignees or sublessees to grant to Landlord a continuing security interest in all of its goods, wares, equipment, fixtures, furniture, inventory, accounts, contract rights, chattel paper, and its other personal property (the "**Collateral**") situated in the Premises or in the Building. Such parties will not remove, or allow others to remove, the Collateral from the Premises or the Building without Landlord's prior written consent; provided, such parties may remove Collateral in the ordinary course of business so long as no Event of Default has occurred and no conditions exists that with the passage of time, the giving of notice, or both, would constitute an Event of Default (collectively, a "**Default**"). If a Default occurs, Landlord will be entitled to exercise any or all rights and remedies under the Uniform Commercial Code or otherwise provided in this Lease or by law. Landlord may sell any or all of the Collateral at public or private sale upon ten (10) days' notice to Tenant, and Tenant stipulates that this notice is adequate and reasonable. This contractual lien supplements any statutory or other lien in favor of Landlord.

(f) **Public Funds**. Under no circumstances shall the obligations of the Tenant hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision, and shall be subject to the availability and appropriation of public funding in accordance with Texas law; provided, however, Tenant agrees during the Term of this Lease to appropriate available funds to pay the for its obligations hereunder.

(g) **Governmental Functions and Immunities**. The parties hereby acknowledge and agree that the Tenant is entering into this Lease pursuant to its respective governmental functions and that nothing contained in this Lease shall be construed as constituting a waiver of its governmental immunity from suit or liability, which are expressly reserved to the fullest extent allowed by law. The parties agree that this is not a Lease for goods or services to the Tenant. However, to the extent a Court of competent jurisdiction determines that the Tenant's governmental immunity from suit or liability is waived in any manner, or that this Lease is subject to the provisions of Chapter 271 of the Texas Local Gov't Code, as amended, the Tenants' immunity from suit may be waived only as set forth in Subchapter I of Chapter 271, Texas Local Gov't Code. Further, the parties agree that this Lease is made subject to all applicable provisions of the Texas Civil Practice and Remedies Code, including but not limited to all defenses, limitations, and exceptions to the limited waiver of immunity from liability provided in Chapter 101 and Chapter 75.

(h) **No Boycott of Israel**. To the extent this Lease constitutes a contract for goods or services for which a written verification is required under Section 2271.002, Texas Government Code, the Landlord hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Lease. The foregoing verification is made solely to enable compliance with such Section and to the extent such Section does not contravene applicable Federal or Texas law. As used in the foregoing verification, "boycott Israel," a term defined in Section 2271.001, Texas Government Code, by reference to Section 808.001(1), Texas Government Code, means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

(i) **Iran, Sudan, and Foreign Terrorist Organizations**. The Landlord represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf, https://comptroller.texas.gov/purchasing/docs/iran-list.pdf, https://comptroller.texas.gov/purchasing/docs/fto-list.pdf. The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the Landlord and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

(j) **Petroleum**. To the extent this Lease constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Landlord hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Lease. The foregoing verification is made solely to enable the Landlord to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification, "boycott energy companies" shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above. The Landlord understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Landlord within the meaning of SEC Rule 133(f), 17 C.F.R. §230.133(f), and exists to make a profit.

(k) **Firearms**. To the extent this Lease constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Landlord hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of this Lease against a firearm entity or firearm trade association. The foregoing verification is made solely to enable the Landlord to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification, 'discriminate against a firearm entity or firearm trade association' (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association. As used in the foregoing verification, (b) 'firearm entity' means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (i.e., weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (i.e., devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (i.e., a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (as defined by Section 250.001, Texas Local Government Code), and (c) 'firearm trade association' means a person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code. The Landlord understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Landlord within the meaning of SEC Rule 133(f), 17 C.F.R. §230.133(f), and exists to make a profit.

(l) Project Modifications. It is specifically understood and agreed that Landlord has made no promises to alter, remodel, construct, improve, renovate, repair, or modify the Premises, the Building or the Project or any part thereof and that no representations respecting the conditions of the Premises, the Building, or the Project have been made by Landlord to Tenant except as specifically set forth herein. However, Tenant hereby acknowledges that Landlord may, at its sole discretion, alter, remodel, construct, improve, renovate, repair, or modify the Building or the Project, including the addition or subtraction of land or improvements thereon (collectively, the "Modifications"). Tenant hereby agrees that such Modifications shall in no way constitute a constructive eviction of Tenant nor entitle Tenant to any abatement of Rent. Landlord shall have no responsibility and shall not be liable to Tenant for any injury to or interference with Tenant's business arising from the Modifications, nor shall Tenant be entitled to any compensation or damage from Landlord for loss of the use of the whole or any part of the Premises or of Tenant's personal property or improvements resulting from the Modifications, or for any inconvenience or annoyance occasioned by the Modifications.

[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY; SIGNATURE PAGE FOLLOWS]

This Lease is executed on the respective dates set forth below, but for reference purposes, this Lease shall be dated as of the Effective Date. If the execution date is left blank, this Lease shall be deemed executed as of the Effective Date.

LANDLORD:

[TBD-THE MIC PHASE 1A OFFICE LLC]
a ______________________

By:___________________________________
Name: ________________________________
Title: ________________________________

TENANT:

MANSFIELD ECONOMIC DEVELOPMENT CORPORATION, a nonprofit Corporation organized under Title 12, Subtitle C1, of the Texas Local Government Code,
a ______________________

By:___________________________________
Name: ________________________________
Title: ________________________________

EXHIBIT A

OUTLINE OF PREMISES

[to be inserted]

NOTE: The above depiction is provided for convenience only and for the sole purpose of identifying the approximate outline of the Premises location, and Tenant agrees no representations or warranties are made as a result of any matters reflected in this depiction which are not otherwise expressly contained in the Lease.

EXHIBIT B

DESCRIPTION OF THE LAND

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF MANSFIELD, COUNTY OF TARRANT, STATE OF TEXAS AND IS DESCRIBED AS FOLLOWS:

[to be inserted]

EXHIBIT C

BUILDING RULES AND REGULATIONS

The following rules and regulations shall apply to the Premises, the Building, the parking garage associated therewith, and the appurtenances thereto:

1. Sidewalks, doorways, vestibules, halls, stairways, and other similar areas shall not be obstructed by tenants or used by any tenant for purposes other than ingress and egress to and from their respective leased premises and for going from one to another part of the Building.

2. Plumbing, fixtures and appliances shall be used only for the purposes for which designed, and no sweepings, rubbish, rags or other unsuitable material shall be thrown or deposited therein. Damage resulting to any such fixtures or appliances from misuse by a tenant or its agents, employees or invitees, shall be paid by such tenant.

3. No signs, advertisements or notices (other than those that are not visible outside the Premises) shall be painted or affixed on or to any windows or doors or other part of the Building without the prior written consent of Landlord. No nails, hooks or screws (other than those which are necessary to hang paintings, prints, pictures, or other similar items on the Premises' interior walls) shall be driven or inserted in any part of the Building except by Building maintenance personnel. No curtains or other window treatments shall be placed between the glass and the Building standard window treatments.

4. Landlord shall provide and maintain an alphabetical directory for all tenants in the main lobby of the Building.

5. Landlord shall provide all door locks at the entry of each tenant's leased premises, at the cost of such tenant, and no tenant shall place any additional door locks in its leased premises without Landlord's prior written consent. Landlord shall furnish to each tenant a reasonable number of keys to such tenant's leased premises, at such tenant's cost, and no tenant shall make a duplicate thereof.

6. Movement in or out of the Building of furniture or office equipment, or dispatch or receipt by tenants of any bulky material, merchandise or materials which require use of elevators or stairways, or movement through the Building entrances or lobby shall be conducted under Landlord's supervision at such times and in such a manner as Landlord may reasonably require. Each tenant assumes all risks of and shall be liable for all damage to articles moved and injury to persons or public engaged or not engaged in such movement, including equipment, property and personnel of Landlord if damaged or injured as a result of acts in connection with carrying out this service for such tenant.

7. Landlord may prescribe weight limitations and determine the locations for safes and other heavy equipment or items, which shall in all cases be placed in the Building so as to distribute weight in a manner acceptable to Landlord which may include the use of such supporting devices as Landlord may require. All damages to the Building caused by the installation or removal of any property of a tenant, or done by a tenant's property while in the Building, shall be repaired at the expense of such tenant.

8. Corridor doors, when not in use, shall be kept closed. Nothing shall be swept or thrown into the corridors, halls, elevator shafts or stairways. No birds or animals (other than seeing-eye dogs) shall be brought into or kept in, on or about any tenant's leased premises. No portion of any tenant's leased premises shall at any time be used or occupied as sleeping or lodging quarters.

9. Tenant shall cooperate with Landlord's employees in keeping its leased premises neat and clean. Tenants shall not employ any person for the purpose of such cleaning other than the Building's cleaning and maintenance personnel.

10. To ensure orderly operation of the Building, no ice, mineral or other water, towels, newspapers, etc. shall be delivered to any leased area except by persons approved by Landlord.

11. Tenant shall not make or permit any vibration or improper, objectionable or unpleasant noises or odors in the Building or otherwise interfere in any way with other tenants or persons having business with them.

12. No machinery of any kind (other than normal office equipment) shall be operated by any tenant on its leased area without Landlord's prior written consent, nor shall any tenant use or keep in the Building any flammable or explosive fluid or substance (other than typical office supplies [e.g., photocopier toner] used in compliance with all Laws).

13. Landlord will not be responsible for lost or stolen personal property, money or jewelry from tenant's leased premises or public or common areas regardless of whether such loss occurs when the area is locked against entry or not.

14. No vending or dispensing machines of any kind may be maintained in any leased premises without the prior written permission of Landlord.

15. Tenant shall not conduct any activity on or about the Premises or Building which will draw pickets, demonstrators, protests, or the like.

16. All vehicles are to be currently licensed, in good operating condition, parked for business purposes having to do with Tenant's business operated in the Premises, parked within designated parking spaces, one vehicle to each space. No vehicle shall be parked as a "billboard" vehicle in the parking lot. Any vehicle parked improperly may be towed away. Tenant, Tenant's agents, employees, vendors and customers who do not operate or park their vehicles as required shall subject the vehicle to being towed at the expense of the owner or driver. Landlord may place a "boot" on the vehicle to immobilize it and may levy a charge of $50.00 to remove the "boot." Tenant shall indemnify, hold and save harmless Landlord of any liability arising from the towing or booting of any vehicles belonging to a Tenant Party.

17. No tenant may enter into phone rooms, electrical rooms, mechanical rooms, or other service areas of the Building unless accompanied by Landlord or the Building manager.

18. Tenant will not permit any Tenant Party to bring onto the Project any handgun, firearm or other weapons of any kind, illegal drugs or, unless expressly permitted by Landlord in writing, alcoholic beverages.

19. Tenant shall not permit its employees, invitees or guests to smoke in the Premises or the lobbies, passages, corridors, elevators, vending rooms, rest rooms, stairways or any other area shared in common with other tenants in the Building, or permit its employees, invitees, or guests to loiter at the Building entrances for the purposes of smoking. Landlord may, but shall not be required to, designate an area for smoking outside the Building.

EXHIBIT D

WORK LETTER

(Turnkey; Landlord Performing the Work)

1. **The Work**. The "**Work**" herein shall consist of the improvements shown on the plans ("**Plans**") referenced as follows, and any demolition or preparation work required in connection therewith:

(a) Name of Architect or Space Planner:

(b) Address of Architect or Space Planner:

(c) Caption of Plans:

(d) Number of Sheets:

(e) Dates of Plans and Revisions:

2. **Basic Agreement**. On or before the Commencement Date under the Lease, Landlord shall substantially complete the Work as described above. However, Landlord shall not be responsible for delays caused by Tenant or Tenant's contractors, agent or employees and as further described in Section 3 of this Work Letter.

3. **Delays in Construction**. The Commencement Date under the Lease shall be postponed for each day that Landlord fails to substantially complete the Work thereby as a result of strikes, acts of God, shortages of materials or labor, governmental approvals or requirements, the various causes set forth below, or any other causes beyond Landlord's reasonable control. In such case, the commencement of Rent shall be similarly postponed, except to the extent that delays occur as a result of one or more of the following (collectively called "**Tenant Delays**"):

(a) Tenant's requests for changes to the Work or Change Orders under Section 5 of this Work Letter, or otherwise,

(b) Tenant's failure to furnish an amount equal to Landlord's reasonable estimate of Tenant's Cost (if any) within ten (10) days, as described in Section 12 of this Work Letter (which shall give Landlord the absolute right to postpone the Work until such amount is furnished to Landlord),

(c) any upgrades, special work or other non-building standard items, or items not customarily provided by Landlord to office tenants, to the extent that the same involve longer lead times, installation times, delays or difficulties in obtaining building permits, requirements for any governmental approval, permit or action beyond the issuance of normal building permits (as described in Section 4 of this Work Letter), or other delays not typically encountered in connection with Landlord's standard office improvements, the performance by Tenant or Tenant's contractors, agents or employees of any work at or about the Premises or Property, or

(d) any act or omission of Tenant or Tenant's contractors, agents or employees, or any breach by the Tenant of any provisions contained in this Work Letter or in the Lease, or any failure of Tenant to cooperate with Landlord or otherwise act in good faith in order to cause the Work to be designed and performed in a timely manner.

4. **Governmental Approval of Plans**. Landlord shall apply for any normal building permits required for the Work. If the Plans must be revised in order to obtain such building permits, Landlord shall promptly notify Tenant. In such case, Tenant shall promptly arrange for the Plans to be revised to satisfy the building permit requirements and shall submit the revised Plans to Landlord for approval as a Change Order under Section 5 of this Work Letter. Landlord shall have no obligation to apply for any zoning, parking or sign code amendments, approvals, permits or variances, or any other governmental approval, permit or action (except normal building permits as described above). If any such other matters are required, Tenant shall promptly seek to satisfy such requirements or

revise the Plans to eliminate such requirements. Delays in substantially completing the Work by the Commencement Date as a result of requirements for building permits or other governmental approvals, permits or actions shall affect the Commencement Date and commencement of Rent to the extent provided in Section 3 of this Work Letter (except that any delays in obtaining normal building permits as a result of errors or omissions of any space planner or architect selected and regularly used by Landlord in preparing the Plans shall postpone the commencement of Rent to the extent that substantial completion of the Work is delayed thereby beyond the Commencement Date, and Tenant shall not be obligated to bear the cost of Plan revisions to correct the same, notwithstanding anything to the contrary contained in this Work Letter).

5. **Changes to Plans**. If Tenant shall desire any changes, alterations, or additions to the Plans referenced above, Tenant shall submit a detailed written request or revised Plans (the "**Change Order**") to Landlord for approval. If reasonable and practicable and generally consistent with the Plans theretofore approved, Landlord shall not unreasonably withhold approval, but all costs in connection therewith, including without limitation construction costs, permit fees, and any additional plans, drawings and engineering reports or opinions or other studies or tests, or revisions of such existing items, shall be paid for by Tenant as a Tenant's Cost under Section 12 of this Work Letter, or as Landlord shall otherwise reasonably require.

6. **Completion**.

(a) Landlord shall be deemed to have "substantially completed" the Work for purposes hereof if Landlord has caused all of the Work to be completed substantially except for so-called "punchlist items," e.g. minor details of construction or decoration or mechanical adjustments which do not substantially interfere with Tenant's occupancy of the Premises, or Tenant's ability to complete any improvements to the Premises to be made by Tenant. If there is any dispute as to whether Landlord has substantially completed the Work, the good faith decision of Landlord's Space Planner shall be final and binding on the parties.

(b) If Landlord notifies Tenant in writing that the Work is substantially completed, and Tenant fails to object thereto in writing within seven (7) days thereafter specifying in reasonable detail the items of work needed to be performed in order for substantial completion, Tenant shall be deemed conclusively to have agreed that the Work is substantially completed, for purposes of commencing the Commencement Date and Rent under the Lease.

(c) Substantial completion shall not prejudice Tenant's rights to require full completion of any remaining items of Work. However, if Landlord notifies Tenant in writing that the Work is fully completed, and Tenant fails to object thereto in writing within fifteen (15) days thereafter specifying in reasonable detail the items of work needed to be completed and the nature of work needed to complete said items, Tenant shall be deemed conclusively to have accepted the Work as fully completed (or such portions thereof as to which Tenant has not so objected).

(d) Landlord reserves the right to substitute comparable or better materials and items for those shown in the Plans, so long as they do not materially and adversely affect the appearance of the Premises.

7. **Work Performed by Tenant**. Landlord, at Landlord's discretion, may permit Tenant and Tenant's agents and contractors to enter the Premises prior to completion of the Work in order to make the Premises ready for Tenant's use and occupancy. If Landlord permits such entry prior to completion of the Work, then such permission is conditioned upon Tenant and Tenant's agents, contractors, workmen, mechanics, suppliers and invitees working in harmony and interfering with Landlord and Landlord's contractors in doing the Work or with other tenants and occupants of the Building. If at any time such entry shall cause or threaten to cause such disharmony or interference, Landlord shall have the right to withdraw such permission upon twenty-four (24) hours oral or written notice to Tenant. Tenant agrees that any such entry into the Premises shall be deemed to be under all of the terms, covenants, conditions and provisions of the Lease (including, without limitation, all insurance requirements), except as to the covenant to pay Rent thereunder, and further agrees that Landlord shall not be liable in any way for any injury, loss or damage which may occur to any items of work constructed by Tenant or to other property of Tenant that may be placed in the Premises prior to completion of the Work, the same being at Tenant's sole risk.

8. **Signage**. Landlord shall cause signage of building standard material and design to be placed on or adjacent to the door of the Premises and Tenant shall pay the cost thereof to Landlord upon demand. The amount due

from Tenant therefor shall be deemed "**Rent**" under the Lease. Tenant shall promptly advise Landlord in writing of the name or names Tenant wishes for said signage. The content of all signage shall be subject to Landlord's prior approval.

9. **Liability**. The parties acknowledge that Landlord is not an architect or engineer, and that the Work will be designed and performed by independent architects, engineers and contractors. Accordingly, Landlord does not guarantee or warrant that the Plans will be free from errors or omissions, nor that the Work will be free from defects, and Landlord shall have no liability therefor, provided that such architects, engineers and contractors are licensed and reputable (except as provided in Section 4 of this Work Letter). In the event of such errors, omissions, or defects, Landlord shall cooperate in any action Tenant desires to bring against such parties.

10. **Taxes**. Tenant shall pay prior to delinquency all taxes, charges or other governmental impositions (including without limitation, any real estate taxes or assessments, sales tax or value added tax) assessed against or levied upon Tenant's fixtures, furnishings, equipment and personal property located in the Premises and the Work to the Premises under this Work Letter. Whenever possible, Tenant shall cause all such items to be assessed and billed separately from the property of Landlord. In the event any such items shall be assessed and billed with the property of Landlord, Tenant shall pay its share of such taxes, charges or other governmental impositions to Landlord within thirty (30) days after Landlord delivers a statement and a copy of the assessment or other documentation showing the amount of such impositions applicable to Tenant.

11. **Incorporation into Lease; Default**. THE PARTIES AGREE THAT THE PROVISIONS OF THIS WORK LETTER ARE HEREBY INCORPORATED BY THIS REFERENCE INTO THE LEASE FULLY AS THOUGH SET FORTH THEREIN. In the event of any express inconsistencies between the Lease and this Work Letter, the latter shall govern and control. Any default by a party hereunder shall constitute a default by that party under the Lease and said party shall be subject to the remedies and other provisions applicable thereto under the Lease.

12. **Upgrades or Special Work; Tenant's Cost**. The parties acknowledge that Tenant has selected certain items included in the Work which are high quality or specialized for Tenant's use. Accordingly:

(a) Tenant shall pay the full cost of those items listed in Exhibit [___] attached hereto, and in addition,

(b) Tenant shall pay $ ______ towards the cost of the Work.

Any amounts that Tenant is required to pay under this Section 12 or any other provision of this Work Letter shall be referred to as "Tenant's Cost" herein. Tenant's Cost shall be deemed additional "Rent" under the Lease. Landlord may at any time reasonably estimate Tenant's Cost in advance, in which case, Tenant shall deposit such estimated amount with Landlord within ten (10) days after requested by Landlord. If such estimated amount exceeds the actual amount of Tenant's Cost, Tenant shall receive a refund of the difference, and if the actual amount shall exceed the estimated amount, Tenant shall pay the difference to Landlord within ten (10) days after requested by Landlord.

13. **Acceptance of Premises**. Except as set forth in this Exhibit, Tenant accepts the Premises in their "**AS-IS**" condition on the date that this Lease is entered into.

14. **Space Plans**.

(a) **Preparation and Delivery**. On or before ____________, or (the "**Space Plans Delivery Deadline**"), Tenant shall deliver to Landlord a space plan prepared by Landlord's architect (the "**Architect**") depicting improvements to be installed in the Premises (the "**Space Plans**").

(b) **Approval Process**. Landlord shall notify Tenant whether it approves of the submitted Space Plans within five (5) business days after Tenant's submission thereof. If Landlord disapproves of such Space Plans, then Landlord shall notify Tenant thereof specifying in reasonable detail the reasons for such disapproval, in which case Tenant shall, within three (3) business days after such notice, revise such Space Plans in accordance with Landlord's objections and submit to Landlord for its review and approval. Landlord shall notify Tenant in writing whether it approves of the resubmitted Space Plans within three (3) business days after its receipt thereof. This process shall be repeated until the Space Plans have been finally approved by Landlord and Tenant. If Landlord fails to notify Tenant that it disapproves of the initial Space Plans within five (5) business days (or, in the case of resubmitted Space Plans, within three (3) business days) after the submission thereof, then Landlord shall be deemed to have approved the Space Plans in question. If Tenant fails to timely deliver such Space Plans, then each day after the Space Plans Delivery Deadline that such Space Plans are not delivered to Landlord shall be a Tenant Delay Day (defined below).

15. **Working Drawings**.

(a) **Preparation and Delivery**. On the tenth (10th) day following the date on which the Space Plans are approved (or deemed approved) by Landlord and Tenant (the "**Working Drawings Delivery Deadline**"), Tenant shall provide to Landlord for its approval final working drawings, prepared by the Architect, of all improvements that Tenant proposes to install in the Premises; such working drawings shall include the partition layout, ceiling plan, electrical outlets and switches, telephone outlets, drawings for any modifications to the mechanical and plumbing systems of the Building, and detailed plans and specifications for the construction of the improvements called for under this Exhibit in accordance with all applicable Laws. If Tenant fails to timely deliver such drawings, then each day after the Working Drawings Delivery Deadline that such drawings are not delivered to Landlord shall be a Tenant Delay Day.

(b) **Approval Process**. Landlord shall notify Tenant whether it approves of the submitted working drawings within ten (10) business days after Tenant's submission thereof. If Landlord disapproves of such working drawings, then Landlord shall notify Tenant thereof specifying in reasonable detail the reasons for such disapproval, in which case Tenant shall, within three (3) business days after such notice, revise such working drawings in accordance with Landlord's objections and submit the revised working drawings to Landlord for its review and approval. Landlord shall notify Tenant in writing whether it approves of the resubmitted working drawings within five (5) business days after its receipt thereof. This process shall be repeated until the working drawings have been finally approved by Tenant and Landlord. If Landlord fails to notify Tenant that it disapproves of the initial working drawings within ten (10) business days (or, in the case of resubmitted working drawings, within five (5) business days) after the submission thereof, then Landlord shall be deemed to have approved the working drawings in question. If the working drawings are not fully approved (or deemed approved) by both Landlord and Tenant by the 20th business day after the delivery of the initial draft thereof to Landlord, then each day after such time period that such working drawings are not fully approved (or deemed approved) by both Landlord and Tenant shall constitute a Tenant Delay Day.

(c) **Landlord's Approval; Performance of Work**. If any of Tenant's proposed construction work will affect the Building's Structure or the Building's Systems, then the working drawings pertaining thereto must be approved by the Building's engineer of record. Landlord's approval of such working drawings shall not be unreasonably withheld, provided that (1) they comply with all Laws, (2) the improvements depicted thereon do not adversely affect (in the reasonable discretion of Landlord) the Building's Structure or the Building's Systems (including the Building's restrooms or mechanical rooms), the exterior appearance of the Building, or the appearance of the Building's common areas or elevator lobby areas, (3) such working drawings are sufficiently detailed to allow construction of the improvements in a good and workmanlike manner, and (4) the improvements depicted thereon conform to the rules and regulations promulgated from time to time by Landlord for the construction of tenant improvements (a copy of which has been delivered to Tenant). As used herein, "**Working Drawings**" means the final working drawings approved by Landlord, as amended from time to time by any approved changes thereto, and "**Work**" means all improvements to be constructed in accordance with and as indicated on the Working Drawings, together with any work required by governmental authorities to be made to other areas of the Building as a result of the improvements indicated by the Working Drawings. Landlord's approval of the Working Drawings shall not be a representation or warranty of Landlord that such drawings are adequate for any use or comply with any Law, but shall merely be the consent of Landlord thereto. Tenant shall, at Landlord's request, sign the Working Drawings to evidence its review and approval thereof. After the Working Drawings have been approved, Landlord shall cause the Work to be performed in substantial accordance with the Working Drawings.

16. **Bidding of Work**. Prior to commencing the Work, Landlord shall competitively bid the Work to three contractors approved by Landlord and shall hire the contractor of Landlord's choice. If the estimated Total Construction Costs are expected to exceed the Construction Allowance, Tenant shall be allowed to review the

submitted bids from such contractors to value engineer any of Tenant's requested alterations. In such case, Tenant shall notify Landlord of any items in the Working Drawings that Tenant desires to change within two (2) business days after Landlord's submission thereof to Tenant. If Tenant fails to notify Landlord of its election within such two (2)-business day period, Tenant shall be deemed to have approved the bids. Within five (5) business days following Landlord's submission of the initial construction bids to Tenant under the foregoing provisions (if applicable), Tenant shall have completed all of the following items: (a) finalized with Landlord's representative and the proposed contractor, the pricing of any requested revisions to the bids for the Work, and (b) approved in writing any overage in the Total Construction Costs in excess of the Construction Allowance, failing which each day after such five (5) business day period shall constitute a Tenant Delay Day.

17. **Change Orders**. Tenant may initiate changes in the Work. Each such change must receive the prior written approval of Landlord, such approval not to be unreasonably withheld or delayed; however, (a) if such requested change would adversely affect (in the reasonable discretion of Landlord) (1) the Building's Structure or the Building's Systems (including the Building's restrooms or mechanical rooms), (2) the exterior appearance of the Building, or (3) the appearance of the Building's common areas or elevator lobby areas, or (b) if any such requested change might delay the Commencement Date, Landlord may withhold its consent in its sole and absolute discretion. Landlord shall, upon completion of the Work, cause to be prepared an accurate architectural "as-built" plan of the Work as constructed, which plan shall be incorporated into this Exhibit D by this reference for all purposes. If Tenant requests any changes to the Work described in the Space Plans or the Working Drawings, then such increased costs and any additional design costs incurred in connection therewith as the result of any such change shall be added to the Total Construction Costs.

18. **Definitions**. As used herein, a "**Tenant Delay Day**" means each day of delay in the performance of the Work that occurs (a) because Tenant fails to timely furnish any information or deliver or approve any required documents such as the Space Plans or Working Drawings (whether preliminary, interim revisions or final), pricing estimates, construction bids, and the like, (b) because of any change by Tenant to the Space Plans or Working Drawings, (c) because Tenant fails to attend any meeting with Landlord, the Architect, any design professional, or any contractor, or their respective employees or representatives, as may be required or scheduled hereunder or otherwise necessary in connection with the preparation or completion of any construction documents, such as the Space Plans or Working Drawings, or in connection with the performance of the Work, (d) because of any specification by Tenant of materials or installations in addition to or other than Landlord's standard finish-out materials, or (e) because a Tenant Party otherwise delays completion of the Work. As used herein "**Substantial Completion**," "**Substantially Completed**," such that only minor details of construction, decoration, landscaping and mechanical adjustments remain to be completed by Landlord, and can be reasonably completed within no more than thirty (30) days.

19. **Walk-Through; Punchlist**. When Landlord considers the Work in the Premises to be Substantially Completed, Landlord will notify Tenant and, within three (3) business days thereafter, Landlord's representative and Tenant's representative shall conduct a walk-through of the Premises and identify any necessary touch-up work, repairs and minor completion items that are necessary for final completion of the Work. Neither Landlord's representative nor Tenant's representative shall unreasonably withhold his or her agreement on punchlist items. Landlord shall use reasonable efforts to cause the contractor performing the Work to complete all punchlist items within thirty (30) days after agreement thereon; however, Landlord shall not be obligated to engage overtime labor in order to complete such items.

20. **Excess Costs**. The entire cost of performing the Work (including design of and space planning for the Work and preparation of the Working Drawings and the final "as-built" plan of the Work, costs of construction labor and materials, electrical usage during construction, additional janitorial services, general tenant signage, related taxes and insurance costs, licenses, permits, certifications, surveys and other approvals required by Law, and the construction supervision fee referenced in Section 22 of this Exhibit, all of which costs are herein collectively called the "**Total Construction Costs**") in excess of the Construction Allowance (hereinafter defined) shall be paid by Tenant. Upon approval of the Working Drawings and selection of a contractor, Tenant shall promptly (a) execute a work order agreement prepared by Landlord which identifies such drawings and itemizes the Total Construction Costs and sets forth the Construction Allowance, and (b) pay to Landlord fifty percent (50%) of the amount by which Total Construction Costs exceed the Construction Allowance. Upon Substantial Completion of the Work and before Tenant occupies the Premises to conduct business therein, Tenant shall pay to Landlord an amount equal to the Total

Construction Costs (as adjusted for any approved changes to the Work), less (1) the amount of the advance payment already made by Tenant, and (2) the amount of the Construction Allowance. In the event of default of payment of such excess costs, Landlord (in addition to all other remedies) shall have the same rights as for an Event of Default under this Lease.

21. **Construction Allowance**. Landlord shall provide to Tenant, and to the extent not used by Tenant, to any subtenants of Tenant (which are approved by Landlord), a construction allowance up to Seventy and 00/100 dollars per foot ($70.00 per SF) (the "Construction Allowance") to be applied toward the Total Construction Costs, as adjusted for any changes to the Work. The Construction Allowance shall not be disbursed to Tenant in cash, but shall be applied by Landlord to the payment of the Total Construction Costs, if, as, and when the cost of the Work is actually incurred and paid by Landlord. With respect to any approved subtenants of Tenant under an approved sublease, the Construction Allowance must be used (that is, the Work must be fully complete and the Construction Allowance disbursed) within nine (9) months following the applicable commencement date under the sublease, or shall be deemed forfeited with no further obligation by Landlord with respect thereto, time being of the essence with respect thereto.

22. **Construction Management**. Landlord or its Affiliate or agent shall supervise the Work, make disbursements required to be made to the contractor, and act as a liaison between the contractor and Tenant and coordinate the relationship between the Work, the Building and the Building's Systems. In consideration for Landlord's construction supervision services, Tenant shall pay to Landlord a construction supervision fee equal to five percent of the Total Construction Costs.

23. **Construction Representatives**. Landlord's and Tenant's representatives for coordination of construction and approval of change orders will be as follows, provided that either party may change its representative upon written notice to the other:

Landlord's Representative: ________________________________
c/o ________________________________
____
____
Telephone: ___.___.____
Telecopy: ___.___.____

Tenant's Representative: ________________________________
c/o ________________________________
____
____
Telephone: ___.___.____
Telecopy: ___.___.____

24. **Miscellaneous**. To the extent not inconsistent with this Exhibit, Sections 8(a) and 21 of this Lease shall govern the performance of the Work and Landlord's and Tenant's respective rights and obligations regarding the improvements installed pursuant thereto.

EXHIBIT E

CONFIRMATION OF COMMENCEMENT DATE

______________________, 2025

____
____
____

Re: Lease Agreement (the "**Lease**") dated _________ __, 2025, between_________________, a Texas limited liability company ("**Landlord**"), and __________________, a __________ limited liability company, ("**Tenant**"). Capitalized terms used herein but not defined shall be given the meanings assigned to them in the Lease.

Ladies and Gentlemen:

Landlord and Tenant agree as follows:

1. **Condition of Premises**. Tenant has accepted possession of the Premises pursuant to the Lease. Any improvements required by the terms of the Lease to be made by Landlord have been completed to the full and complete satisfaction of Tenant in all respects except for the punchlist items described on Exhibit A hereto (the "**Punchlist Items**"), and except for such Punchlist Items, Landlord has fulfilled all of its duties under the Lease with respect to such initial tenant improvements. Furthermore, Tenant acknowledges that the Premises are suitable for the Permitted Use.

2. **Commencement Date**. The Commencement Date of the Lease is __________________, 20__.

3. **Expiration Date**. The Term is scheduled to expire on the last day of the _____ full calendar month of the Term, which date is ________________________, 20___.

4. **Contact Person**. Tenant's contact person in the Premises is:

____

Attention: ____________________
Telephone: ____.___._____
Telecopy: ____.___._____

5. **Ratification**. Tenant hereby ratifies and confirms its obligations under the Lease, and represents and warrants to Landlord that it has no defenses thereto. Additionally, Tenant further confirms and ratifies that, as of the date hereof, (a) the Lease is and remains in good standing and in full force and effect, and (b) Tenant has no claims, counterclaims, set-offs or defenses against Landlord arising out of the Lease or in any way relating thereto or arising out of any other transaction between Landlord and Tenant.

6. **Binding Effect; Governing Law**. Except as modified hereby, the Lease shall remain in full effect and this letter shall be binding upon Landlord and Tenant and their respective successors and assigns. If any inconsistency exists or arises between the terms of this letter and the terms of the Lease, the terms of this letter shall prevail. This letter shall be governed by the laws of the state of Texas.

Please indicate your agreement to the above matters by signing this letter in the space indicated below and returning an executed original to us.

Sincerely,

[TBD MIC PHASE IA OFFICE LLC]
[_________________]

By: __________________________
Name: ________________________
Title: _________________________

Agreed and accepted:

__________________,
a ___________________________

By:____
Name:____
Title:____

EXHIBIT A

PUNCHLIST ITEMS

Please insert any punchlist items that remain to be performed by Landlord. If no items are listed below by Tenant, none shall be deemed to exist.

EXHIBIT F

FORM OF TENANT ESTOPPEL CERTIFICATE

The undersigned is the Tenant under the Lease (defined below) between _______________________, a ___________________, as Landlord, and the undersigned as Tenant, for the Premises on the __________ floor(s) of the office building located at _____________________, __________ and commonly known as _______________________, and hereby certifies as follows:

1. The Lease consists of the original Lease Agreement dated as of __________________, 20__, between Tenant and Landlord*['s predecessor-in-interest]* and the following amendments or modifications thereto (if none, please state "none"):

____
____
____

The documents listed above are herein collectively referred to as the "**Lease**" and represent the entire agreement between the parties with respect to the Premises. All capitalized terms used herein but not defined shall be given the meaning assigned to them in the Lease.

2. The Lease is in full force and effect and has not been modified, supplemented or amended in any way except as provided in Section 1 above.

3. The Term commenced on _______________________, 20__, and the Term expires, excluding any renewal options, on _______________________, 20__, and Tenant has no option to purchase all or any part of the Premises or the Building or, except as expressly set forth in the Lease, any option to terminate or cancel the Lease.

4. Tenant currently occupies the Premises described in the Lease and Tenant has not transferred, assigned, or sublet any portion of the Premises nor entered into any license or concession agreements with respect thereto except as follows (if none, please state "none"):

____
____
____

5. All monthly installments of Basic Rent, all Additional Rent and all monthly installments of estimated Additional Rent have been paid when due through ______________. The current monthly installment of Basic Rent is $___________.

6. All conditions of the Lease to be performed by Landlord necessary to the enforceability of the Lease have been satisfied and Landlord is not in default thereunder. In addition, Tenant has not delivered any notice to Landlord regarding a default by Landlord thereunder.

7. As of the date hereof, there are no existing defenses or offsets, or, to the undersigned's knowledge, claims or any basis for a claim, that the undersigned has against Landlord and no event has occurred and no condition exists, which, with the giving of notice or the passage of time, or both, will constitute a default under the Lease.

8. No rental has been paid more than thirty (30) days in advance and no security deposit has been delivered to Landlord except as provided in the Lease.

9. If Tenant is a corporation, partnership or other business entity, each individual executing this Estoppel Certificate on behalf of Tenant hereby represents and warrants that Tenant is a duly formed and existing entity qualified to do business in the state in which the Premises are located and that Tenant has full right and authority

to execute and deliver this Estoppel Certificate and that each person signing on behalf of Tenant is authorized to do so.

10. There are no actions pending against Tenant under any bankruptcy or similar laws of the United States or any state.

11. Other than in compliance with all applicable laws and incidental to the ordinary course of the use of the Premises, the undersigned has not used or stored any hazardous substances in the Premises.

12. All tenant improvement work to be performed by Landlord under the Lease has been completed in accordance with the Lease and has been accepted by the undersigned and all reimbursements and allowances due to the undersigned under the Lease in connection with any tenant improvement work have been paid in full.

Tenant acknowledges that this Estoppel Certificate may be delivered to Landlord, Landlord's Mortgagee or to a prospective mortgagee or prospective purchaser, and their respective successors and assigns, and acknowledges that Landlord, Landlord's Mortgagee and/or such prospective mortgagee or prospective purchaser will be relying upon the statements contained herein in disbursing loan advances or making a new loan or acquiring the property of which the Premises are a part and that receipt by it of this certificate is a condition of disbursing loan advances or making such loan or acquiring such property.

Executed as of _______________________, 20__.

TENANT: ______________________________________, a _________________

By: ____
Name:____
Title:____

EXHIBIT G

PARKING

During the Term, Tenant shall pay for the use of ______________ unreserved parking spaces (based on a ratio of _____ spaces per 1,000 rentable square feet in the Premises) in the garage or surface parking area associated with the Building (the "**Parking Area**"), subject to such terms, conditions and regulations as are from time to time applicable to patrons of the Parking Area. [Subject to availability, Tenant shall have the option to convert up to ____ percent (___%) (or ____ spaces, rounded up to____) of its unreserved parking spaces to reserved parking spaces upon written notice to Landlord. Tenant shall pay Landlord $_______ per month for each unreserved parking space, and $________ per month for each reserved parking space (which rate is subject to change from time to time) plus applicable taxes. Tenant may request and Landlord may permit additional reserved parking spaces, at the then monthly rate, subject to availability. [Notwithstanding the foregoing, so long as there is no Event of Default, Landlord shall abate the monthly parking charges for the unreserved parking spaces (but not the reserved parking spaces) during the first _______ months of the Term (the "**Abated Parking Charges**"); however, if there is an Event of Default, the Abated Parking Charges shall become immediately due and payable to Landlord.]

Tenant shall at all times comply with all Laws respecting the use of the Parking Area. Landlord reserves the right to adopt, modify, and enforce reasonable rules and regulations governing the use of the Parking Area from time to time including any key-card, sticker, or other identification or entrance systems and hours of operations. Landlord may refuse to permit any person who violates such rules and regulations to park in the Parking Area, and any violation of the rules and regulations shall subject the car to removal from the Parking Area.

Tenant may validate visitor parking by such method or methods as Landlord may approve, at the validation rate from time to time generally applicable to visitor parking. Unless specified to the contrary above, the parking spaces provided hereunder shall be provided on an unreserved, "first-come, first served" basis. Tenant acknowledges that Landlord has arranged or may arrange for the Parking Area to be operated by an independent contractor, not affiliated with Landlord.

There will be a replacement charge payable by Tenant equal to the amount posted from time to time by Landlord for loss of any magnetic parking card or parking sticker issued by Landlord.

All motor vehicles (including all contents thereof) shall be parked in the Parking Area at the sole risk of Tenant and each other Tenant Party, it being expressly agreed and understood Landlord has no duty to insure any of said motor vehicles (including the contents thereof), and Landlord is not responsible for the protection and security of such vehicles. **NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS LEASE, LANDLORD SHALL HAVE NO LIABILITY WHATSOEVER FOR ANY PROPERTY DAMAGE, BODILY INJURY, OR OTHER LOSS WHICH MIGHT OCCUR IN OR ON THE PARKING AREA OR AS A RESULT OF OR IN CONNECTION WITH THE PARKING OF MOTOR VEHICLES IN ANY OF THE PARKING SPACES.**

EXHIBIT H

[RESERVED]

EXHIBIT I

[APPLICABLE FOR SUBTENANT GUARANTORS]

[FORM OF] GUARANTY

This Guaranty ("**Guaranty**") is made, jointly and severally, by [__________] (referred to herein individually or collectively as either "Guarantor" or "the undersigned").

In consideration of the direct and material benefits that will accrue to the Guarantor, and in order to induce TBD MIC PHASE IA OFFICE LLC ("**Landlord**") to consent to that certain Sublease Agreement ("**Sublease**") dated [_________], 2025, by and between MANSFIELD ECONOMIC DEVELOPMENT CORPORATION, a nonprofit Corporation organized under Title 12, Subtitle C1, of the Texas Local Government Code ("**Tenant**"), and [_______________________] ("**Subtenant**"), the undersigned agrees as follows:

1. The undersigned, jointly and severally, unconditionally hereby guarantee to Landlord the payment and performance of and agree to pay all Base Rent, additional rent, and other sums due under the Sublease (collectively, the "**Rent**"), and to perform as a primary obligor all liabilities, obligations and duties (including, but not limited to, payment of Rent) imposed upon Subtenant under the terms of the Sublease, as if the undersigned had executed the Sublease as Subtenant thereunder, during the full term of the Sublease. Guarantor shall indemnify and save harmless Landlord from any loss, damage or expense, including without limitation, reasonable attorneys' fees arising out of the failure by Subtenant to pay Rent or other sums due or to perform its liabilities, obligations, and duties under the Sublease. Guarantor covenants and agrees not to

2. The undersigned hereby waives notice of acceptance of this Guaranty and all other notices in connection herewith or in connection with the liabilities, obligations and duties guaranteed hereby, including notice of default by Subtenant under the Sublease, and waives diligence, presentment and suit on the part of Landlord in the enforcement of any liability, obligation or duty guaranteed hereby. Guarantor hereby waives, as a defense to its obligations hereunder, any defense available to Subtenant under the Sublease, except the defense of full payment and complete performance. No extensions of time granted to the Subtenant for the payment obligations due under the Sublease, or for the performance of any of the obligations of the Subtenant or forbearance or delay on the part of Landlord to enforce any of the provisions, covenants, agreements, conditions and stipulations of said Sublease, or waiver by Landlord of any of said provisions, covenants, agreements, conditions and stipulations shall operate to release or discharge the Guarantor for its full liability under this Guaranty or prejudice the rights of Landlord hereunder.

3. This is a guaranty of payment and the undersigned further agrees that Landlord shall not be first required to enforce against Subtenant or any other person any liability, obligation or duty guaranteed hereby before seeking enforcement thereof against the undersigned, and this Guaranty shall be enforceable against the undersigned without regard to whether or not such liability, obligation or duty is enforceable against the Subtenant. Suit may be brought and maintained against the undersigned by Landlord to enforce any liability, obligation or duty guaranteed hereby without joinder of Subtenant or any other person. The liability of the undersigned shall not be affected by (a) any indulgence, waiver, compromise, amendment, extension, settlement or variation of terms which may be extended to Subtenant by Landlord or agreed upon by Landlord and Subtenant, (b) any consent(s) of Landlord of any matter or thing relating to the Sublease, (c) by any termination of the Sublease, (d) any defense of Subtenant, (e) the cessation from any cause whatsoever of the liability of Subtenant, or (f) by any release of any undersigned Guarantor(s) or any other guarantors, whether or not notice thereof is given to Guarantor.

4. The undersigned acknowledges that one of the principal purposes of this Guaranty is to protect Landlord in the event of any bankruptcy or insolvency of Subtenant. Accordingly, notwithstanding anything to the contrary contained in this Guaranty, in the event the Sublease is rejected (or otherwise terminated) in any bankruptcy proceedings under the Federal Bankruptcy Code, as amended, or any other state or federal law pertaining to bankruptcy, insolvency, reorganization or other matters affecting creditor's rights in general, whether current or enacted after the date of this Guaranty, or Subtenant is otherwise released from liability under the Sublease in any such proceedings, such rejection, termination of the Sublease or other release from Subtenant from liability under the Sublease shall not release or affect the liability of the undersigned to pay and perform as primary obligor all liabilities,

obligations and duties (including, but not limited to payment of Rent) imposed upon Subtenant under the terms of the Sublease. In addition, the undersigned agrees to pay to Landlord any deficiencies or losses Landlord may suffer as a result of any cap set forth in 11 U.S.C. §502(b)(6) or any other cap which may be applied against Landlord in any bankruptcy or insolvency proceeding of Subtenant.

5. The undersigned agrees that if Landlord shall employ counsel to present, enforce or defend any or all of Landlord's rights or remedies hereunder, or defend any action brought by any guarantor, then, in any such event, the undersigned shall pay any reasonable attorneys' fees and expenses incurred by Landlord.

6. Guarantor: (a) waives any right of subrogation against Subtenant and any right of contribution from any other guarantor(s) by reason of any payments or acts of performance by Guarantor, in compliance with the obligations of Guarantor under this Guaranty; (b) waives any other right that Guarantor may have against Subtenant by reason of any one or more payments or acts in compliance with the obligations of Guarantor under this Guaranty; and (c) subordinates any liability or indebtedness of Subtenant held by Guarantor to the obligations of Subtenant to Landlord under the Sublease.

7. Guarantor hereby grants Landlord consent to obtain a credit report on Guarantor without notice. Landlord shall have the right at any time during the term of the Sublease, or following termination of the Sublease due to default by Subtenant, to obtain a credit report on Guarantor. In order to facilitate obtaining said credit report, Guarantor hereby certifies that his/her current address is as set forth below his signature.

8. This Guaranty shall be governed by the laws of the State of Texas.

9. This Guaranty may not be changed or modified orally or in any manner other than by any agreement in writing signed by Guarantor and Landlord. All of the Landlord's rights and remedies under the Sublease or under this Guaranty are intended to be distinct, separate and cumulative and no such right and remedy therein or herein mentioned is intended to be in exclusion of or a waiver of any of the others.

10. Guarantor consents to any assignment of this Guaranty by Landlord. No assignment nor any assignment or sublease by Subtenant, with or without the consent of Landlord, shall operate to extinguish or diminish the liability of the undersigned. This Guaranty shall be binding upon and inure to the benefit of Landlord and the undersigned and their respective heirs, successors and assigns.

11. In the event this Guaranty is executed by more than one individual or entity, it is understood and agreed that each individual or entity shall be bound by all the provisions of this Guaranty as if each individual or entity were the only person executing this Guaranty.

[*Remainder of page intentionally left blank. Signatures follow.*]

IN WITNESS WHEREOF, the undersigned have caused this Guaranty to be entered into as of the date written above.

GUARANTOR:

____

[________________________]

Address:

EXHIBIT J

BUILDING SIGNAGE

[to be inserted, as applicable]

SCHEDULE 1

Rental Gap Payments

Lease Backstop Schedule Phase 1A of the Project

CALENDAR YEAR	LEASE YEAR	Rental Gap Guarantee	Base Rent	Lease Backstop (RSF)	Backstop ("Gap") $/RSF	Rental Gap Payment
2027	Year 0	36.00	26.00	152,894	10.00	$1,528,940
2028	Year 1	36.63	26.72	152,894	9.92	$1,515,944
2029	Year 2	37.27	27.45	152,894	9.82	$1,501,627
2030	Year 3	37.92	28.20	152,894	9.72	$1,485,937
2031	Year 4	38.59	28.98	152,894	9.61	$1,468,818
2032	Year 5	38.96	29.78	152,894	9.18	$1,403,452
2033	Year 6	39.33	30.60	152,894	8.73	$1,335,276
2034	Year 7	39.71	31.44	152,894	8.27	$1,264,204
2035	Year 8	40.09	32.30	152,894	7.78	$1,190,144
2036	Year 9	40.47	33.19	152,894	7.28	$1,113,007
2037	Year 10	40.86	34.10	152,894	6.75	$1,032,696
2038	Year 11	41.25	35.04	152,894	6.21	$949,114
2039	Year 12	41.64	36.00	152,894	5.64	$862,162
2040	Year 13	42.04	36.99	152,894	5.05	$771,736
2041	Year 14	42.44	38.01	152,894	4.43	$677,731
2042	Year 15	42.85	39.06	152,894	3.79	$580,038
2043	Year 16	43.26	40.13	152,894	3.13	$478,544
2044	Year 17	43.68	41.23	152,894	2.44	$373,135
2045	Year 18	44.09	42.37	152,894	1.72	$263,692
2046	Year 19	44.52	43.53	152,894	0.98	$150,093
					TOTAL	**$19,946,291**

The calendar years in the chart above shall automatically adjust as applicable based on completion of Landlord's Work.